

# *the* Courier

**Africa - Caribbean - Pacific - European Union**



**Reports: Namibia      Central African Republic**  
**Dossier: Corruption      Interview: Poul Nielson**  
**South Africa      Kiribati      Zanzibar**





A country surrounded by deserts which have acted as protection against invaders for centuries, Namibia as an independent nation will be 10 years old in the year 2000. Its history is carved in flesh and stone. After years of relentless fighting, peace, stability and reconciliation have become the main concern of the people and their government.

Namibians realise that to maintain order, economic and social development must be steadily pursued. President Nujoma has declared that independence is not an end in itself. Namibia's priorities must be to respond to the challenges of development for a better standard of living and to allow the country to take its place in the world market.

## COUNTRY REPORTS

### Namibia

### Central African Republic

Shaken by three successive revolts in 1996, the Central African Republic is striving to make a new start. The challenges for the country, at the heart of the continent and also at the centre of a crisis-hit region, are enormous. Stability remains fragile. The economic difficulties are due partly to being a land-locked nation and also to the consequences of faltering management. They are still far from being satisfactorily resolved. However, the modest efforts made in recent months with the support of the international community give cause for hope.

Will this progress continue?





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**Namibia**  
**Majestic and tranquil, the Namibi desert**  
**has given its name to the country itself**

photo:Thomas Sappe

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## Improving the quality of aid

**An interview with Poul Nielson  
the new  
European Commissioner  
for Development and  
Humanitarian Aid**

**Poul Nielson's appointment raised few eyebrows. This is not surprising: from his years as Danish Minister of Development Cooperation he brings hands-on experience. He was also part of the political decision-making processes behind EU activities in development, where Member States have responsibility and direct influence. In the EU the size of the development operation is much bigger, the number of countries greater but Nielson knows what to expect.**



**Commissioner Nielson is facing** a particularly challenging task, especially in the area of poverty eradication. Many ACP countries are among the poorest in the world and the gap between rich and poor countries continues to widen, despite the efforts of development cooperation, according to the recently-published United Nations Human Development Report. Poul Nielson does not underestimate the challenge involved.

"It will not be an easy task. It will be meaningful. That's why I have been attracted to the position."

He believes the focus on poverty should be central, and to date has not been clear enough.

"If combatting poverty is the most important priority we should be looking at it in that way and not define it because of strategies and geography."

He went on to say that there is also a need to look at least-developed poor countries outside the ACP group and for a message of clear priorities and more differentiation; he intends to address this in the current negotiations to define the future ACP-EU relationship.

Nor does he shrink from criticism of EU implementation of aid.

"Evaluations show us, from the OECD/DAC reviews, and from what the ministers are telling us in the Council, that there is room for improvement."

There is regular criticism that the EU focuses more on issues closer to home, such as enlargement, and responds more rapidly to crises on its own doorstep such as the recent Kosovo conflict.

Commissioner Nielson is adamant that this is not the case. He put it firmly in the context of the low general level of official development assistance, which is far below the

UN target of 0.7% of donor's GNP. Last year such assistance was only at 0.23%.

"The rich world is not living up to its moral obligations", he told us.

The allocation discussion is only a small part of that bigger issue.

"The EU has no alternative to what it is doing in Kosovo nor in the Balkan region in general. This has to do with European stability and peace, and we couldn't tolerate passively what was going on".

Despite this, the European Development Fund (EDF) allocation for Sub-Saharan Africa is not diminishing. He is "openly calling for support from Parliament to avoid negative consequences for our development activities".

"In general the problems facing us force us to do more than finance ministers are willing to pay for. If you look at the Mediterranean initiative, it was clearly politically wise to do it. Enlargement and support for the new democracies in Central and Eastern Europe is clearly necessary and right, but the financing of it is not that easy. So, it is easier to decide to do things that are right than it is to finance them. We are producing miracles in spite of our finance ministers. My ultimate appeal is to the citizens of Europe because they are the ones who can change this."

Do people need to be made more aware of this?

"What matters is not only the visibility of what we are doing but also the feasibility. There is an important distinction here. It is only through a process of improving the *quality* of what we are doing that we will be able to strengthen our support. This is the core of the challenge to everybody in the Commission working in development cooperation."



# Solar So Good

An EC-funded solar utility succeeds in Kiribati

## Protecting the spirit of Lomé



During the on-going post-Lomé negotiations the future trading relations are being discussed. How can the EU reconcile the Lomé spirit with the rules of the WTO? His view is that a co-existence has to be found between the WTO and the relationship with the ACP countries. He puts the emphasis on regional relationships, but was reluctant to come up with statements on the trade aspect at this delicate moment in the negotiations. But he sent the following message: "Both sides need to examine these problems very carefully; we have to

Commissioner's views on how the EU could help the private sector to develop and encourage foreign direct investment in these countries. Time was too short to deal thoroughly with this issue, but he emphasised the importance of having credible governance, and a system in the country where an investor can feel secure. "The idea of having rules, what I would call financial governance, is important." He feels that some of the resistance to the Multilateral Agreement on Investment was misplaced. "The big, powerful global corporations are strong enough to work in any environment, so they will be there wherever there is mining interests or what have you. Whereas, the small or average sized company will simply be afraid to engage themselves in an environment they don't know much about and where they don't have sufficient legal guarantees for their operations". What had been missing in the MAI was "the lack of inclusion of the developing country side in the negotiations. I think it has to be organised in such a way that they are part of the process".

**Good governance: "Everyone knows what it is and everyone can see when it is not there".**

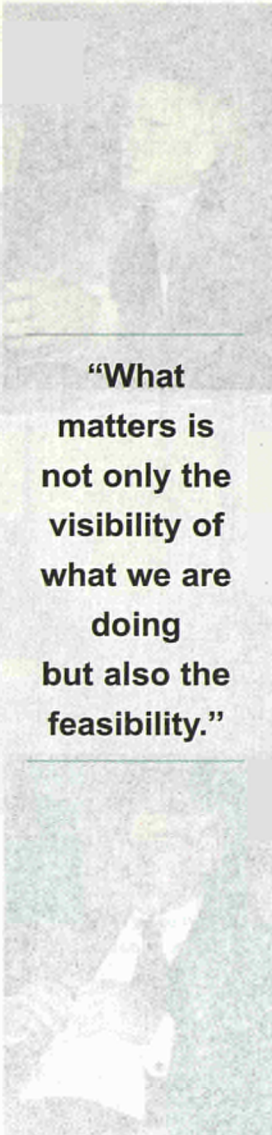
On this issue of governance, and especially the thorny question of "good governance", Commissioner Nielson is keenly aware of the difficulties of definition. "All these words have a history and that history is not the same everywhere. That issue is one of the more touchy areas in the process". He is adamant that any wording must come out of "a common process of negotiation" so that everyone feels ownership of what is finally agreed on. "I would not offer a specific solution on a wording". He had strong words on the issue of corruption, seeing in it the absence of governance. "Corruption is a threat to law and order in general, because when it takes root, there is an erosion of legal authority in society. People lose confidence in courts, police, - so there are more casualties than the narrow economic consequences of money being misused or stolen. I see a close, very real relationship between a deterioration of human rights in a country and the spread of corruption. I think it is an improvement of the quality and the potential of the human rights discussion if we start seeing corruption as a version of violation of human rights. I like the notion of good governance, because it has some mood or note of pragmatism. Of course saying that we should have democracy is easy to express but again there are many versions, many ways of doing it. Governance is in itself a relatively vague expression but that doesn't mean it doesn't have any value. We know what it is, and when there is more or less of it, even if it is relatively broad. So that is why I like it. Not to mention Denmark too often, but to follow up on this kind of thinking, the Danish strategy of development cooperation talks about democratisation as a conditionality, and not democracy. That was very deliberate. This is an approach that is parallel to what I have just said about governance being a good concept because it is

agree. I think it is a mistake to see the WTO as a problem, a block or a threat to the ACP-EU relationship."

One of the sticking points in the negotiations is the exemption period for the preferential system. The EU is proposing five years, but the ACP countries feel that this period does not give them long enough to adapt. Commissioner Nielson would not be drawn on how this issue could be resolved, only offering the advice that "both sides think and analyse carefully the situation and the proposals."

We put it to him that countries like the US are in a stronger position to extract maximum concessions from the WTO, whereas the ACPs may not be in a position to defend their interests. They may not have permanent representation in the WTO, nor the necessary qualified personnel to follow complex negotiations. He assured us that the EU is actively involved in strengthening the ACP position, and one example is the financing of an ACP presence in Geneva, to strengthen their capacity to participate in the WTO. He reminded us that when the WTO was set up in 1996, part of the agreement was a special programme of action for least developed countries, which is intended to enhance their ability to make use of the system and to access it. "The EU and many individual donor countries have actually been supporting capacity building in the least developed countries, and this can also be part of a solution."

The Maastricht Treaty spelled out that the EU should help ACP countries to integrate into the global economy, with special emphasis on the development of the private sector. We were interested to hear the



**"What matters is not only the visibility of what we are doing but also the feasibility."**







not a fixed demand but we know when it is not there."

**The EU's role in conflict prevention**

Commissioner Nielson argued for more transfers of resources as part of a strategy for fighting the root causes of wars and violence. "Poverty is maybe not the cause of those conflicts but is beyond any doubt an important part of why they occur". He believes it is important not to be too pessimistic, but "it is highly dangerous for the effort of mobilising and sustaining public support for development cooperation in the rich world if we are witnessing too many of the kind of conflicts that have been taking place in for instance Liberia or Somalia. It is often difficult for outsiders to find out what these conflicts are really all about. In the general perception of the surrounding world they may seem to lack legitimacy."



Similarly, he stresses that regional cooperation should be strengthened as a way of preventing conflicts.

"We are ready to increase support to strengthen conflict prevention capacity in Africa and elsewhere". The EU has been working with the OAU to support the creation of a conflict resolution mechanism.

"Of course you can say that many of these conflicts are not regional but internal conflicts. But still, good neighbours are the best to support efforts to avoid those conflicts. It is the neighbouring countries which suffer most as a result of the conflicts.

If you look at how many millions of refugees a country like Tanzania has been hosting it is totally out of proportion to what European countries are shouldering as their relative share of receiving refugees."

Commissioner Nielson will also be responsible for humanitarian aid. We asked him if it would be difficult to manage the two portfolios, where the logic and perspective are often different.

"In development cooperation it is

very important to have a long-term perspective and to avoid hit-and-run operations, and that is the most important thing in our public information activity, to make it clear to our taxpayers in Europe that this is a long-term commitment, things take time, and the changes we are engaged in in the partnerships are difficult basic change processes."

He cites the example of girls' schooling.

"It is not something that happens from one year to another, but still has a profound impact. We have to look at cultural barriers and gender patterns of behaviour."

Humanitarian aid, on the other hand, is defined by situations.

"I find the weight given to humanitarian aid by the EU reasonable. It is important for Europe and it is also politically important, both for our own self-respect and

**"We are producing miracles in spite of our finance ministers"**

self-perception as Europeans, but also for Europe's role in the world, that we are present and in the forefront doing what must be done in these situations of crisis and suffering. It is an important component in the way that Europe relates to the world". He argued that there will be areas where we can harvest the benefits of having one commission responsible for both areas". He cites one as the transition gap where, after a crisis, the emphasis is changed from humanitarian assistance towards the more future-orientated development activities. "This is where things are very difficult, coming out of chaos, and where it is often very difficult to find funds. So having an exit strategy for Echo and an entrance strategy for the development side is very important, and we can contribute to the international discussion that is taking place right now, by taking advantage of the close relationship between the two portfolios".

**New Commission structure**

Commissioner Nielson is optimistic about the new structure of the Commission, which he believes will bring all aspects of development cooperation policy together in the hands of one commissioner, while separating the mechanics of implementation. He is sanguine about the change: "no matter how one decides to cut the cake, it has to be cut. Nowadays we don't find any country that has opted for organising everything in one single organisation with one political head only. No matter how we had decided to do it, we would have had overlapping aspects, and some kind of a matrix approach". He does warn, however, that in the changeover, all the experience accumulated must be safeguarded, stressing in particular that the continuous feed back in the project cycle is a must.

Commissioner Nielson ended on a positive note, saying how much he looked forward to getting started. He left no doubt as to his intentions on the practical side. Experience has taught him that knowing how things work is important "to really understand how the piano plays. So I will from time to time be putting my hands on the keyboard to get that feeling". He is looking forward to getting out in the field "to see out there how we do things, to see good things and bad things, and to enjoy the thrill of being part of a machine where we are trying to tune it and improve its performance." He insists that everyone has to be professional in what they do. "Without that as the basis we will not be in the right position when we talk about conditionality with our partners."

by Dorothy Morrissey and Kenneth Karl





# Solar So Good

An EC-funded solar utility succeeds in Kiribati

by Bill Gillett\* and Gill Wilkins\*

The installation of 250 solar photovoltaic PV systems for rural households by a solar utility in the outer islands of Kiribati was funded by the Lomé PV Follow-up Programme in 1995. More than five years later, an independent evaluation has found 95% of the systems to be working well. People are delighted with their solar-powered household lighting, radios and cassette players.

Solar home systems in Kiribati typically provide power to three compact fluorescent lights, each rated at 7 or 11 Watts, and a radio and/or cassette player. Two PV modules (total power about 100 Wp) are mounted on a pole beside the house, and charge a high quality deep-discharge battery (about 100Ah) via a locally-manufactured charge controller. PV systems also power lights and vaccine refrigerators in the local medical clinics, and Citizen Band radios for communications with the main island and fishing boats out at sea. Some small PV-powered water pumps have been installed to supply drinking water for children in the schools.

## The Republic of Kiribati

Kiribati is an independent Pacific island state, located on the equator and accessible by plane from Fiji or Nauru. It consists of 33 islands, of which 17 are inhabited, with a total population of around 80,000. Its average GDP per capita is about 550 Euro. Six or seven people make up typical households in the outer islands; typical household incomes are in the range of 90–180 Euro per month. The 250 PV systems supported by the EC were installed on three islands (North Tarawa, Nonouti, and Marakei), each less than one hour's flight by small plane from the capital South Tarawa.

## Solar Energy Company

Solar home systems in Kiribati are installed and maintained by the Solar Energy Company (SEC), a government-owned corporation, based in Tarawa. SEC was originally set up in 1984 as a cooperative, but was restructured in 1990 with a Board of Directors appointed by the Government. Since then, it has operated extremely successfully as a rural Solar Utility, under a small but highly-committed management team led by General Manager Terubentau Akura. SEC retains ownership of the solar PV systems, and charges the householders a monthly fee for their electricity. SEC also manufactures its own PV system controllers.

## What is a Solar Utility ?

A Solar Utility (just like a conventional Utility)

installs good-quality PV equipment, retains ownership of that equipment, and ensures that it is well maintained throughout its working life.

Customers are charged a monthly fee for electricity services.

Selling PV systems to users was shown to fail in earlier EC projects in the Pacific. Even when given access to soft financing, poor households tend to buy the cheapest available, poor-quality PV modules and batteries, which are too small to meet their energy needs. As a result their PV systems fail within the first 1-2 years of operation.

PV systems managed by a Solar Utility, with well-trained technicians, normally provide a far more reliable and cost-effective service than PV systems, bought by individual householders.

## Support from the EC

The EC has been providing funds for energy projects in the Pacific islands since 1984 under the Pacific Regional Energy Programme (PREP). The PV Follow-up Programme, which was an integral part of the PREP, was implemented by the Fiji-based Forum Secretariat and, more recently, by SOPAC. It involved a wide range of local training and capacity building activities, as well as the installation of PV systems in Fiji, Kiribati, Papua New Guinea, Tonga and Tuvalu.

In Kiribati, the EC provided training and technical assistance to SEC. This was led by the project consultant Herbert Wade, whose extensive experience undoubtedly contributed substantially to the project's overall success.

Training was given on how to specify and tender for good-quality PV modules, cabling, and high-quality (deep discharge) batteries and also provided for technicians on installation and maintenance.

Technical assistance was provided for establishing the local manufacture of battery charge controllers and dc/dc converters to resist the highly-corrosive environment in the Pacific islands. These locally-manufactured units were not only used in Kiribati, but have also been supplied to PV projects in neighbouring Pacific island states.



A happy couple, content with the safe and convenient light that everyone now has access to in Kiribati



## Benefits of PV systems

### Direct benefits

Lighting for domestic and community activities in the evenings and at night

Health - vaccine refrigeration, lighting, clean water

Education - access to computers, lighting, TV/video

Communications - radio, telephone

### Indirect benefits

**Poverty alleviation**  
SEC has created 13 full-time and 14 part-time jobs; half are in the outer islands.

**Better quality of life**  
on the outer islands reduces migration to the main island

**Social development:**  
better communications and lighting for community meetings / activities

Reduced environmental damage and pollution

**Improved safety :**  
PV lighting is much safer than kerosene or 240Vac for children and the elderly

## PV Utility payment scheme

Households pay some 6 Euro per month for their PV electricity services. This is about the same amount as their monthly tithes to the church, and covers SEC's costs as well as the long-term costs of replacement PV system components.



■ Local technician  
■ SEC operations  
■ Replacement components

## Utility operating costs

Job security for the technicians and the long-term future of the Utility depend on satisfied customers who pay regularly, and on systems which work well. Fees are collected every month by a local technician, who is also responsible for cleaning the systems and topping up the batteries with water. As each technician's salary is paid from his fees, he is well-motivated to visit each system regularly. Technicians also check that the users are not shortening the life of their expensive batteries by taking too much energy (e.g. by making unauthorised connections to the battery which by-pass the charge controller).

## Benefits

### Poverty alleviation

The establishment of a Solar Utility results in local jobs in the outer islands for technicians, to clean and maintain the PV systems. It also creates jobs in the main island for the management of the Utility business.

### Social development

The provision of PV electricity to rural households can sig-



Training technicians in battery (Oldham) maintenance and specific gravity measurements

nificantly raise living standards and improve the quality of life in the outer islands, helping to reduce migration to the main island. The quality of lighting, produced by compact fluorescent lamps powered by solar electricity is far superior to kerosene lighting, and compares well with that produced by conventional grid power. It can therefore be used during the long evenings for reading, local meetings or activities such as preparing to go night fishing. PV lighting used in the local clinics, schools, and shops enables work to go on as normal outside daylight hours. PV lighting is available at the flick of a switch without the inconvenience and safety risks of having to light an oil lamp in the middle of the night: this is much appreciated by families looking after elderly or sick relatives, and by those with young children.

Many of the benefits of PV systems apply to all members of the household, regardless of gender or age. Women benefit particularly from lighting whilst preparing food, dealing with the night fishing catch and tending to sick children at night. Men benefit particularly from lighting when preparing to go fishing at night and when getting ready to go off to work on their land early in the morning (before dawn).

## Environment

Until the arrival of the solar lighting, families in the outer islands were totally dependent on wick or pressure lamps fuelled by kerosene, or on torches using dry cell batteries for lighting at night. Kerosene is still used by those families without solar lighting, and has to be transported to the outer islands by ship in 200-litre drums, which are off-loaded into small boats and rolled up the beach. The fuel is then sold to the householders after being decanted into small plastic containers or bottles.

Kerosene lighting costs about the same as PV lighting from the Solar Utility, but is much less reliable. The ships, which visit the islands approximately once a month, cannot store food and fuel in the same cargo hold, and supplies of kerosene to the outer islands are therefore severely limited. The drums are also frequently in short supply, since they are damaged when being rolled up the beach and, once empty, are quite attractive for other uses (eg storing or transporting other materials).

Reducing the consumption of kerosene on the outer islands of course reduces emissions of CO2 but this



global benefit is relatively small compared with the local environmental benefits resulting from reduced transport of fuel to the islands. This lowers the risk of damage caused by oil spillage to ground water supplies and the coral and other marine life which surrounds these tiny atolls. PV systems blend well into their surroundings (it is often difficult to see them – even from a short distance away) but local schemes will soon be needed for recycling the lead acid batteries, when they reach the end of their useful lives (after five to seven years).

### Good news for donors

Once established, a well-managed Solar Utility can collect enough fees to cover all future component replacement costs, and its own operating costs. No further subsidies are needed, provided that fees are set at an affordable level (six to eight Euros a month), fee income is well invested, and enough systems are installed (typically at least 1000 systems).

The initial hardware costs represent about 50% of capital costs for the first 20 year life-cycle. If a donor pays these, users will pay the other 50% via the Solar Utility for replacement batteries (about five years), and controllers and lights (more or less eight years).

The Kiribati project is an excellent example of sustainable development cooperation.

Let there be light!

\*The authors are both employees of AEA Technology - ETSU, Oxfordshire, UK. They were commissioned by the EC to carry out this independent evaluation.

## Key factors for the success of a Solar Utility

Experience in Kiribati suggests that the following are key to the long-term sustainability of a Solar Utility :

**Political support** - government officials on the Utility's Board of Directors; reduced import duties on PV components; promotion

**Ownership** of PV hardware by the Utility, so that staff have a vested interest in looking after their systems

**Market demand** – users who are willing and able to pay an initial deposit for their systems (more or less 30 Euro) and the monthly fees

**Adequate system sizing** with good-quality hardware, certified PV modules, deep-discharge batteries, durable and reliable controllers, well-installed cabling

**Monthly visits** to each system by well-trained technicians, to top up the batteries, clean the systems and check

for unauthorised connections to the battery

Formal agreements with users, supported by a strict disconnection policy if users tamper with the system or do not pay fees on time

**Good business management**, with monthly reviews of income and expenditure, properly-documented stock control, and regular checking of work done by field technicians by an experienced senior technician

Well-managed investments, earning interest from the fee income, which is saved for buying replacement components. A banker on the Utility's Board of Directors is valuable.

**Contacts and experience** in international procurement of replacement PV system components

**On-going training programme** for administrative staff and technicians.



PV panels mounted on the apex of the roof and an outside light on a pedestal

Mrs Setu Puri,  
Finnish President  
of the EU  
Development  
Council.  
I think that it is  
very important  
to improve  
the situation  
of developing  
countries in the  
world market.



# Post Lomé EU-ACP Ministerial Negotiations Round 2 Patchy Results

by Caroline Ofoegbu

The Lomé IV Convention between the European Union and the 71 African, Caribbean and Pacific (ACP) states in will expire in February 2000. As a basis for the future of their 25-year-old relationship, the EU and the ACP have their sights set on having a new framework agreement ready by the time Lomé IV expires. Negotiations have been on going since September 1998. The major challenge is how to redefine this unique North/South, political, trade and development cooperation sufficiently to correspond to the new international contexts facing both the EU and the ACP countries, to deal with poverty, social and political instability, to satisfy the demands of globalisation, the WTO and to maintain a trade regime "at least as favourable" as the arrangements under Lomé IV.

## Four negotiating groups lead the talks

**The Central Group**, responsible for political and institutional issues and coordination (under the two co-chairs of the ACP/EU Council);

**Group 2**, Private Sector, Investments and Other Development Strategies (co-chaired by Mr Charles Josselin, France and Mr Justin Ndioro, Cameroon);

**Group 3**, Economic and Trade Cooperation (co-chaired by Ms Heidemarie Wieczorek-Zeul, Germany and Mr Anthony Hylton, Jamaica)

**Group 4**, Financial Cooperation (co-chaired by Mr Luis Ammadao, Portugal and Mr Géral Sendaula, Uganda).

## Brussels, 29th–30th July

With less than eight months to go, EU and ACP Ministers flanked by their Ambassadors and national experts, descended on Brussels for the second ministerial negotiating conference. They came unified in their purpose: to reach political agreement on a post-Lomé IV framework in due time. But equally each side displayed unity behind their respective positions. The conference opened optimistically but over the two days the extent of divergence on a number of contentious issues, in particular good governance, the definition of the non-execution clause and the future trade regime, became very clear.

As Finland is President of the European Council for the first time, Mrs Satu Hassi, Finnish Minister for Cooperation and Development, presided over the negotiating conference jointly with Mr Séverin Adjoivi, Benin Minister for Trade, Crafts and Tourism, representing the ACP.

While notable progress was achieved in some areas, others remained deadlocked. Mr Adjoivi, in his opening address highlighted the progress already achieved "in the drafting of key sentences" and in the preparation of general provisions for the "private sector, investment and other development strategies" and "financial cooperation". The departing Commissioner, Professor João de Deus Pinheiro, stressed the importance of completing the negotiations on time. Indeed the consequences of failure were strongly emphasised. Without a legal base, once Lomé IV expires, ACP financial allocations could be blocked. The 9th European Development Fund (EDF) discussions planned for December 1999 could also be affected. Moreover, failure to demonstrate any reform of Lomé IV's preferential unilateral trade arrangements especially concerning the commodity protocols (sugar, rum, bananas and beef/veal) could jeopardise any potential temporary waiver from WTO rules for the new agreement during a preparatory period.

## The Political Dimension

Ministers confirmed that greater emphasis would be given to the political dimension of EU-ACP relations, mainly through a regular political dialogue on all topics of mutual interest. As well as adopting texts to establish a new more participatory form of partnership, proposals to improve the work of the joint institutions were endorsed. Both sides also agreed that the focus placed on poverty eradication should be consistent with the ACP countries' sustainable development and gradual integration into the global economy.

## Mainstreaming key issues

The reduction and eradication of poverty will be central to the future EU ACP partnership. The various strands of development policy will be drawn together into an integrated approach to achieve this objective. Issues such as gender, the environment, institutional development and capacity building will be mainstreamed and used to inform all areas of cooperation policy. The ACP considered that youth-related matters were also an important aspect of cooperation and merited specific programmes and targeted aid even if the issue did not cut across all aspects of cooperation.

## Good Governance - a basic principle but not a fourth "essential element"

The EU, concerned about justifying the use of European taxpayers' contributions is targeting "Good governance" in order





**Ms Satu Hassi, Finnish President of the Development Council comments on the EU-ACP talks.**

**What have been the most successful and most problematic issues of the conference?**

The most difficult issues have been trade-related. Very little rapprochement has been achieved. We (the EU) have proposed a good trade arrangement that is WTO compatible. As the present Lomé Convention ends next February an agreement on the content of the next Convention must be achieved this year.

'Good governance' has been another difficult issue. The EU has proposed to have this included in the essential elements of the convention. Our ACP partners have rejected this because the 'essential elements' can lead to sanctions. The Union has also proposed a definition of 'good governance' together with some details about the non-execution clause. The ACPs' have responded with their own proposal for a declaration on good governance. This is a clear step forward. The EU will add this declaration to this round's negotiation documents. I'm hoping that its content will help elaborate the issue further.

**Are the ACP member-states ready to compete in the global economy?**

I think everyone agrees that they are not ready yet. The basic objective of the Union's proposals is to find the best procedures to improve the ACPs' capacities, so that some day they will be ready, as they must be, to enter the world market. I think that's the point.

**When you say 'some day', what is the time frame that you envisage?**

If you think about the WTO, which is a reality, to talk about 10 years is unrealistic, it must be less.

**What are your hopes for ACP-EU relations during the Finnish Presidency?**

We have until the end of this year (1999). I hope that we can finalise some aspects of these negotiations. I can guarantee that we are working hard for it. We will be also working hard for the next round of negotiations, due to take place in November. We are in contact with the ACPs and doing much to promote the process. I also think that it is very important to improve the situation of developing countries in the world market. This will be the focus of the forthcoming WTO Millennium Round in 2000. As the Finnish Minister for Development, I am doing my best to convince our Minister for Foreign Trade to produce concrete proposals concerning what can be done to the benefit of the poorest countries in the ACP.

**What would be your message to EU taxpayers?**

The issue of 'good governance' is very important to EU taxpayers and I have our ACP counterparts this. We must be able to tell EU taxpayers that we have built a system, which guarantees that monies are used to benefit normal citizens improving their quality of life. The EU is trying to create a more effective mechanism to help the ACP countries develop their administrations and their economies so that they can enter the world market. For this we must effectively prevent the misuse of money and have systems, which permit us to react effectively if money is misused.

to achieve responsible management of public resources, transparent decision making procedures, institutions governed by the rule of law and measures to combat fraud and corruption. Hence, the EU proposal to include "good governance" as an essential element in the future agreement. Mr Adamou Salao, Minister in charge of the development, from Niger, commented to *The Courier*, "Neither the ACP nor EU states are against good governance. The main contention concerns its inclusion as an essential element in the future agreement. We all aspire to the optimal management of development budgets to combat poverty and under development. Beyond that, none of the ACP countries want to

see good governance become an essential element, which if violated would trigger the non-execution clause and potentially lead to sanctions. Indeed there is no precise definition of the concept or means available to measure it. Even the EU has had its own mismanagement problems. The EU should assist us in the on-going process of developing better management methods and mechanisms for ever efficient use of public resources." Others argued that corruption was already covered by 'the rule of law', an essential element and any enhancement could be treated within provisions concerning the financial instruments.

**NGOs important**

Both sides recognised the importance of involving non-governmental actors in the future ACP-EU partnership. To this end they resolved to include a separate chapter on the non-governmental actors of the partnership.

**Simplified aid programming**

The EU proposal to simplify delivery of development aid by rationalising financial support instruments to development assistance and private sector investment assistance only was not totally accepted. Ministers agreed to the gradual introduction of direct budgetary aid to replace project aid, subject to the satisfaction of a number of transparent budget

Mrs Satu Hassi, Finnish President of the EU Development Council, "I think that it is very important to improve the situation of developing countries in the world market"

Anthony Hyton, Co-Chairman of the Economic and Trade Cooperation negotiating group, "We do not believe now on REPAR nor any other alternative management."



management conditions. However, support arrangements to cover shortfalls in export earnings and the scope for debt relief remain unresolved.

A balanced compromise concerning programming and resource allocations was achieved. Each ACP country's initial resource allocation will be based on a joint assessment

of needs and performance using agreed criteria (still to be fully defined). It will cover five years of cooperation, adjustable every two years in line with a joint review of the indicative programme.

#### **The investment facility**

The ACP called for concessional loans under the investment facility

while the EU argued for maintaining market prices. An expert from Trinidad and Tobago stressed: "To truly make use of our trade preferences and develop our supply side capacity, the private sector must take the lead. Private sector support is essential hence the investment facility and the need for concessional funding".

## **Future ACP Trade**



Anthony Hylton, Co-Chairman of the Economic and Trade Cooperation negotiating group. "We do not decide now on REPAs nor any other alternative arrangements"

### **The nature and pace of liberalisation**

On the eve of the conference, Anthony Hylton summed up the ACPs position: "The nature and pace of liberalisation is what is at issue. We recognise that

non-reciprocal arrangements cannot last for ever. But to give the ACP a development dimension it must be recognised that we are not yet ready to enter free trade agreements with Europe. Faced with increasing integration demands, the ACP lacks capacity, in terms of time, money and expertise. Apart from regional integration development, we must prepare the WTO Millennium round as well as the new post Lomé arrangements.

"The private sector" he explained, "is the recognised future engine of development. Within these talks even, we have a group dedicated to this topic. Most ACPs have a fragile private sector. If our private sectors are not ready to compete on the global market, how can we liberalise? To hail the private sector as the motor for development on one hand and then move to kill it off by demanding early liberalisation on the other is illogical. The timing and the nature of the arrangements we commit to are all important. We will be looking for an appropriate transition period.' On the Regional Economic Partnership Agreements (REPAs), proposed by the EU as compatible with current WTO rules, Mr Hylton explained "Much depends on the outcome of the next WTO round before we commit ourselves further". In his view developing countries are likely to seek fundamental reform of WTO rules including the GATT provisions on regional trading partnerships. "As it stands,

regional partnerships have to cover substantially all trade (i.e. 90%). For the ACP this is ridiculous. The common agenda of developing countries is that WTO rules are far too rigid and do not take on board the issues of development". "Following on from this", he added, "the ACP, within the framework agreement being negotiated with the EU, is ready to give a commitment to liberalisation but we do not decide now on REPAs (even though the ACP's own expert study stated that they could be made viable) nor any other alternative arrangements."

With everything to play for Mr Hylton ended the conversation on a determined note, "The ACP is united on this and I go to the negotiations with consensus and solidarity on the brief."

### **After.....**

Two days later, the Courier caught up with a much wearier Mr Hylton. His verdict on the negotiations: "We would have liked to achieve more but these are difficult issues. However, I do feel that significant advances were made on narrowing issues down to their precise dimensions for future consideration." Referring to the proposals of the UK and the Netherlands he said "Some political judgements are needed at this point. EU members will have to consult among themselves concerning the proposals put by some Member States. This is an opportunity for them to consult our proposals further."

### **Deadlock over the preparatory period**

All are agreed that a preparatory period will exist but not on the length of time that it should last. Capacity apart, for the ACP, we need to know more about the outcome of the WTO millennium round, the EU's CAP reform and the GSP reform to have a clearer picture about our future options. Ultimately, the EU and the ACP must come to an agreement. This cooperation between some of the richest and poorest nations is also important for world stability.





Adamou Salao, Niger Minister in Charge of Development. "Neither the ACP nor the EU states are against good governance"

**Trade gets bogged down**

The economic cooperation and trade negotiations yielded little progress. Despite general agreement that the current non-reciprocal regime cannot prevail indefinitely, the devil would appear to be in the detail. The EU solution to achieving a trade regime with the ACP "at least as favourable" as that enjoyed under the Lomé Convention lies in creating a number of regional economic partnership agreements (REPAs). The ACP would receive assistance with regional integration, compensation for budgetary revenues lost due to liberalisation and the regional partnerships would get improved access to EU markets based on regional comparative advantages. Lomé IV's preferential provisions would continue for a further five-years—for which the EU believes an exemption from WTO rules is possible. During this preparatory period the ACP would negotiate the REPAs, starting in 2001 to be assessed in 2004. 2005 – 2010 would start the implementation and creation of regional free trade areas.

The preparatory period proposed by the European Union is considered too short by many in the ACP for various reasons. An expert from Botswana explained his country's problem. "We would like to see the provisions maintained for transitory roll over peri-

od 10 years and not five as proposed by the EU. Botswana benefits from the Beef/Veal Protocol and is a major supplier in the EU to the value of €26 million in foreign export earnings annually. However, the impact of these export earnings is more significant than it appears. Unlike mining and other industrial sectors, cattle are in the hands of ordinary people. Thus these export earnings are broadly spread, directly benefiting the incomes and earning capacities of ordinary citizens".

Experts from the tiny country of Lesotho gave lack of capacity as another reason: "Lesotho is not ready nor will it be to suit the proposals of the EU. It is a question of capacity. We are still waiting to finalise of the SADC trade protocol, the SACU agreement, and the South Africa/EU trade agreement. We have so much to do in the next few years and our resources are limited. There are also the WTO negotiations, not to mention our participation at the UNCTAD 10 talks. The challenges are enormous. There is definitely a need for further meetings before all of these issues will be resolved".

The ACP however, wants to postpone talks on REPAs and other alternative options until at least 2005 (with free-trade areas created in 25 years' time). It was felt that the fundamental changes that developing countries intend to seek at the immi-

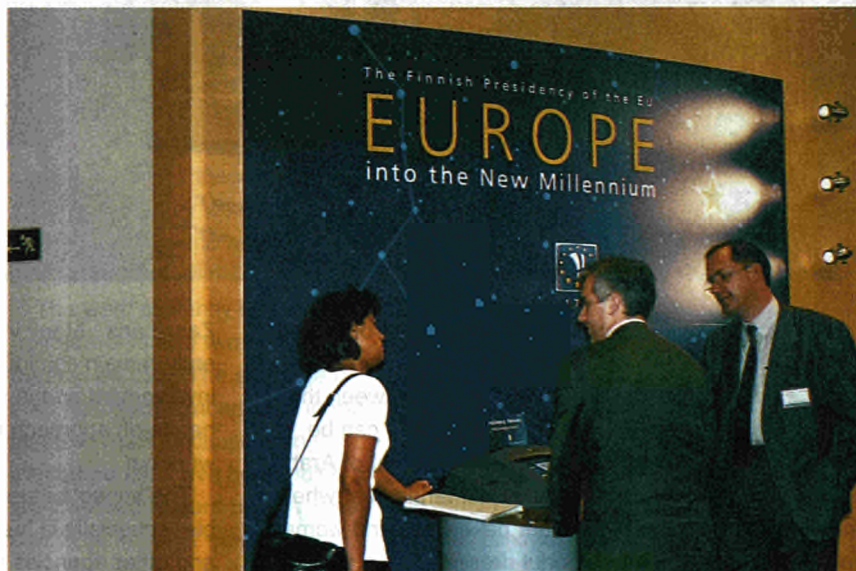
nent WTO "Millennium Round" of negotiations could greatly influence future EU-ACP trade arrangements. Until the results of the WTO round are known, the ACP wants to improve Lomé's existing trade preferences and protocols as well as Stabex and SYSMIN. ACP Mining Ministers presented a declaration to the EU calling for SYSMIN to be retained in an improved form with eligibility for all ACP members and simplified access procedures.

In an unexpected move, the UK and the Netherlands took up the ACP argument and called for a menu of possible options, suggesting even a general system of preferences (GSP). However other Member States did not back this line.

Due to the extent of divergence, agreement of "key sentences" as well as the principles and objectives was delayed. Yet, despite these difficulties there were assurances given that the EU and ACP would jointly defend whatever trade arrangements are drawn before the WTO.

**Overall Verdict**

The two-day talks yielded few tangible results. But they did give ACP and EU Development Ministers the opportunity to clarify their positions on the most problematic issues thus hopefully paving the way for more fruitful discussions at the final negotiation conference to be held later this year in November.



Finland working to finalise the post-Lomé framework agreement



# Zanzibar's National Health

Zanzibar is a separate state within the United Republic of Tanzania and the president of Zanzibar is also the vice-president of Tanzania. Following the disputed results of the first multi-party elections to be held on the islands of Zanzibar in 1995, the ruling CCM (*Chama Cha Mapinduzi*) party claimed a narrow majority, but the opposition CUF (Civic United Front) party refused to accept the results and did not take up their seats in the House of Representatives. As a result of this political impasse, many international donors withdrew aid in an attempt to persuade the two parties to work together. **Ruth Evans** reports on the impact these financial restrictions has had on the ordinary people of Zanzibar.

The spice islands of Zanzibar, off the east coast of Africa, have often evoked contradictory views. In 1856, the British explorer Richard Burton described his first view of the islands as "truly prepossessing...Earth, sea and sky all seemed wrapped in a soft and sensuous repose." Ten years later, however, another British explorer David Livingstone thought quite differently: "The stench from the

In the past forty years, the islands have witnessed a violent revolution to overthrow the sultan, entered a controversial political union with Tanganyika, and seen the assassination of the socialist leader Sheil Abied Amani Karume. In 1992, Zanzibar ceased to be a one-party state and the first multi-party elections were held in October 1995. For the first time, the ruling *Chama Cha*

*Mapinduzi* party had to contest electoral seats. The results, in which CCM won by the narrowest majority, were disputed and never accepted by the opposition Civic United Front Party. The opposition refused to have anything to do with the House of Representatives and for the past four years the islands have been politically and economically stymied by the dispute. In an attempt to reduce political tensions, and force the two sides to reach an accord, many international donors withdrew much of the aid the islands had been receiving.

With the next elections due to be held in the year 2000, a political accord between CCM and CUF was finally worked out earlier this year, much to the relief of many



Sea breezes cool the old colonial hospital building

exposed sea beach...is quite horrible. It might be called 'Stinkibar' rather than Zanzibar." These days, the smells may be considerably sweeter, but the gulf between the island's idyllic, touristy image and daily reality can be equally contradictory. Beneath the fairytale set of Arabic whitewashed houses against an aquamarine sea, where men in white robes lounge under palm trees and women wrap black *bui-bui* over colourful dresses, lies a political ferocity and intensity that belies the laid-back image.

Zanzibaris. Many international donors, however, apparently remain cautious about further investment and involvement on the islands, preferring to maintain a hands-off approach until they see how the next elections work out.

The impact of the financial squeeze has been very visible, especially in historic Stone Town, where UNESCO and other agencies withdrew from long-term restoration projects. The famous House of Wonders on the sea front



had been next on the list for restoration. Professor Abdul Sherriff, Curator of Zanzibar's Museum, fears that the protracted process of negotiations about the building's restoration will now all have to be gone through again, and this will result in further delays. Meanwhile, after years of neglect, the fabric of Zanzibar's most famous landmark has suffered badly.

The lack of financial support has hurt most the people who have least: the ordinary people of Zanzibar.

**On the wards**

Zanzibar's main hospital is called the Mnazi Moja, which literally means One Coconut Tree. It used to be called the V.I. Lenin Hospital when the islands had a socialist government. Although the name may have changed, little else has. Most of the hospital is in old colonial-style buildings along the sea front, with sea breezes providing the only relief from the heat and the humidity.

Mwamime Juma Muhiddin is the nurse in charge of the female surgical ward. She's a gentle, quietly-spoken mother of four. In Kiswahili her name means someone who is kind and helps people. With 14 years' nursing experience, Mwamime is obviously highly dedicated to a job she loves.

On the female surgical ward, most of Mwamime's patients are frail and elderly. Some are recovering from fractures; others have had to have amputations. One old woman in the corner bed has been here for 18 months after falling into a fire during an epileptic fit.

The shortage of money has had

a big impact on the hospital, says Mwamime. She says she cares little about politics, only about patient care, but adds, "Sometimes it affects our work. But we are working hard in order to improve ourselves and improve our nursing services for the patients. But we have so little working equipment. Some of our machines are not in order, and I have to spend a great deal of my time asking the engineer to try to fix things. Sometimes we have to wait a long time and it may be urgent."

**No money, no facilities**

There are also shortages of anaesthetics, antibiotics and other drugs, and hospital beds are at a premium. "We don't have oxygen today," says Mwamime, "so we can't carry out any operations."

Amongst those having to wait for surgery, is a nine-month old baby with congenital cataracts. His sight could be restored by an operation, but like many other patients here, he's having a long frustrating delay.

On the women's ward, pregnant women threatening miscarriage have to share, two to a bed.

"There are 39 beds on this ward, but too many patients," says Mwamime, "What can we do? We also have too few staff to look after these patients. We have a heavy work load, but we are supposed to help them as best we can."

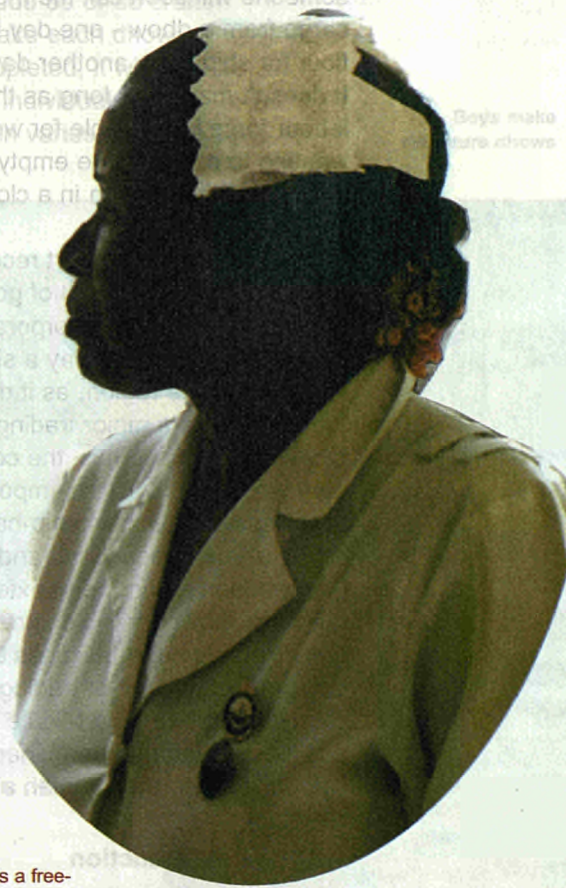
The ward currently has only one trained nurse and two student nurses on duty. The shortage of staff has been exacerbated in the last few years because many trained people have been going to work abroad to earn better money and work in better conditions.

Dr Juma is the doctor in charge

of the wards. "If you compare this to the situation four years ago, there is a big difference now," he says. "It is very frustrating for us. We didn't expect this. As medical people we are not involved in politics. We work here without bothering which party people belong to."

Dr Juma's frustration is shared by many staff and patients at the hospital. The conflict between the political parties has greatly harmed ordinary Zanzibaris in so many ways. They are waiting to see what will happen next, aware that it is unlikely the situation - and hence the shortage of funds - will improve before the next elections. For her part, Mwamime is remarkably stoical, despite all the daily difficulties she faces as a nurse.

"We are waiting because good things will come to us if God wishes."



Ruth Evans is a freelance writer and broadcast journalist who has visited the islands frequently during the past seven years.





# Zanzibar

## Prosperity from the sea

by Thibault Gregoire

Zanzibar has always been known as the Spice Island, with good reason; its cloves and other aromatic and medicinal plants are legion, amid banana trees and coconut palms. Yet this is not the sum total of Zanzibar's economic activity. Deriving its name from *Zenj* - Arabic for "black population" - and *Bar* - "coast" - the archipelago's surrounding waters, beaches and sea bed are a source of income for thousands of Zanzibaris.

Every morning, large numbers of men stand around in front of the port gates, in the Maladi district, on the edge of Stone Town. The oldest district in the capital, it has changed little since the mid-19th century. If fortune smiles on them, someone will soon call the men over to off-load cargo from a dhow - one day it might be bags of flour for shipment, another day sugar or cement. It doesn't matter, as long as they are paid. This labour force is available for work, none of the men wanting to return home empty-handed after long hours of waiting, often in a cloudburst at the end of the rainy season.

Two years ago, the port received a face-lift, with trade and the movement of goods now managed by the Zanzibar Ports Corporation. The authorities want Zanzibar to play a significant part in the economy of the region, as it did in the past, when the island was a major trading post in the Indian Ocean. To achieve this, the company is endeavouring to offer investors, importers and exporters every assistance: new ship-handling equipment, highly efficient monitoring and security... Renovation has not been extended to the port buildings, however, which are falling to pieces with age. Yet, although business cannot yet be said to be booming, the list of trading partners is lengthening. Trade with the Middle East is particularly active, as illustrated by a shed full of big four-door saloons registered in Oman and other countries in the Gulf.

### A rain-soaked auction

Not far away, to our right, is another port, another world. This is the completely independent fish-

ermen's port. There are no big gates, no container yard, but there are still a number of men waiting around - they are often here by six or seven in the morning. All the covered stalls set up against the old stone wall along the edge of the landing stage are ready. There are women serving tea, coffee and rolls and, beside them, people selling plastic bags. Elsewhere, lemons, coconuts and onions are on sale. Under a soaking wet tarpaulin, a man is twisting sugar cane, while his neighbour attempts to sell single cigarettes for small change. Children are there too, one tapping out a rhythm on a bucket, another nibbling a sesame biscuit. A black bicycle pushed along by a thick-set little man is attempting to clear a path between other black bicycles, every one of which has its carrier rack equipped with a large woven basket holding banana leaves to protect the precious seafood.

Suddenly, all is hustle and bustle: the first dhow returning from the fishing grounds is making its impressive entry into the harbour and an ocean of multicoloured umbrellas disappears, folded away despite the rain. All that matters is to strike a good deal for the fish. A fisherman climbs onto the quayside with a bucket of sardines and throws a handful to two street urchins who hurriedly cram them into a tin can. The daily auction begins, the price of a full bucket hovering around 8,000 Tanzanian shillings. Obviously, prices vary according to fish and season; although lobster, kingfish and sea bream are the most highly prized species, the best period of the year for those is from August to mid-September. This is May and, at the moment, small fish (sardines, mackerel etc.) are most common. Nevertheless, the price will undoubtedly be higher this morning, because of the heavy squall and awful weather. At any rate, top-category fish has become a luxury for the average Zanzibari, certainly since the advent of tourism.

Those who are here to buy usually come from villages just outside the capital and they leave once they have done their business. Others move



on just a few metres, the distance separating the water's edge from their wooden stall, at the port exit. The fish will now be sold singly, the prices rise corresponding to the distance from the port - by the time the fish reaches the city, its price has doubled. Some boats bring back other supplies too, undoubtedly from the African mainland and other islands in the archipelago: big logs of firewood and coal. Sometimes, also shellfish, primarily conches, which will be sold directly to tourist restaurants in Stone Town.

The port will buzz on until late afternoon, with other dhows returning, some of which left only earlier in the morning. If necessary, boats will be repaired and nets overhauled. Then there are those who clean and fillet the fish where it is landed, others beating octopus on stone in order to firm up the flesh. Stray cats take care of the foul-smelling scraps.

Fishing is of fundamental importance for Zanzibar's economy, and most places along the shores of islands in the archipelago are also fishing villages. According to the authors of *Zanzibar Aujourd'hui* [Zanzibar today (pub. Karthala)], about 6,000 of the 700,000-strong population are fishermen. Fishing is an activity which involves the whole family, so traditional fishermen form the basis of society, responsible for nearly 95% of production. The book also mentions that this sector accounts for 10% of Zanzibar's GDP, that it generates income for 15% of households in the population as a whole and, above all, that sea produce is the average Zanzibari's main source of animal protein. Nearly half the fleet consists of *ngalawas* (dugout canoes with outriggers), although there are still large numbers of dhows.

### A vessel from the past

Dhows are part of Zanzibar's landscape and are viewed by some, with nostalgia, as a symbol of the island. According to historical texts, dhows sailed by Ottoman Turks were already plying the Indian Ocean long before the Hegira (622). Over the centuries, trade along the legendary spice route increased, with Arab dhows covering the entire Swahili coast, from Somalia to Mozambique. Zanzibar was soon the lynchpin of the extremely lucrative slave trade, by the early 18th century the principal activity along the coast.

Originating from continental East Africa - sometimes far beyond Lakes Tanganyika, Nyasa and Victoria - merchants converged on the Eastern coast laden with "manpower" and ivory. Once on board the dhows or other merchant vessels, the trade route led to the slave market in Zanzibar, which opened in 1811. More than 600,000 slaves were sold in Zanzibar between 1830 and 1873, according to customs records, and put to work in the archipelago's clove plantations or sent to other districts. The names of certain local slave traders are still remembered, in particular Muhammed Juma Al Murjebi, better known as Tippu Tip. He alone is said to have exported more than 10,000 slaves from Africa, destined for his clove plantations. It is said that Henry Morton Stanley regarded him as a remarkable man...

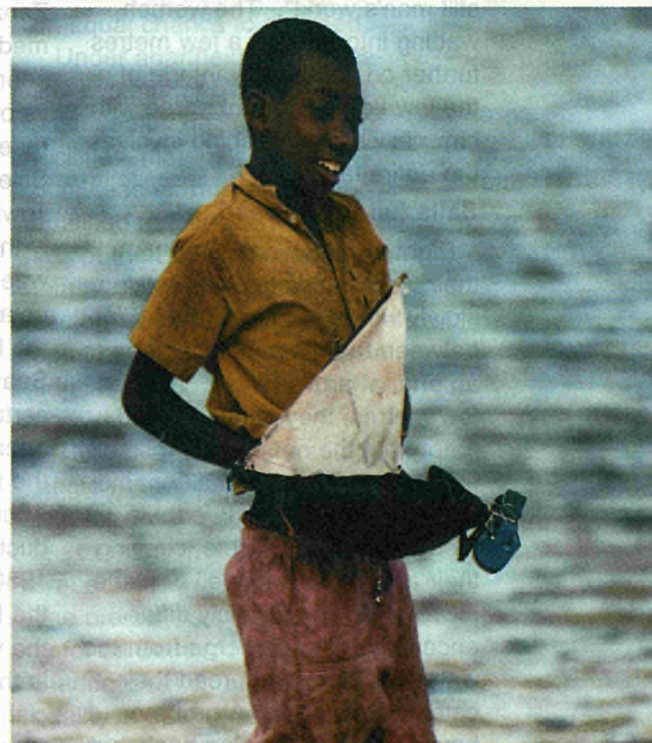
Despite the part they played in the slave trade, the dhows were formidable cargo vessels and they promoted the establishment of Swahili culture (which, originally, came from the legendary island of Shungwaya). From Africa to Iran, from Arab lands to Sri Lanka and India, the dhows

went where the Indian Ocean currents took them, seeking out islands, promoting exchanges of language, customs and ideas and giving rise to a multi-faceted culture based on African, Arabic, Persian and Indian influences.

The dhows themselves have their own tale to tell, of how they were originally made: to produce the perfect craft there was no design plan, no intricate calculations, and no complicated machinery, just manual skills and technical knowledge handed down over the generations. It is said that not even the smallest drop of water is able to penetrate the hull and, if anyone needs convincing further, there is always Nungwi, a fishing village in the far north of the island, which is one of the last places where dhows are still made using traditional methods.

Nungwi's reputation for its boat-building dates back more than 200 years. The wood used is red mahogany, and it takes a good 50 or so craftsmen to make each dhow. Once completed, it will be sold to private individuals for a price which varies between 1.5

Boys make miniature dhows





and 2 million Tanzanian shillings. Of course, there are different sizes of boat - people say that the largest of them need up to 10 or 15 men just to raise the sail.

Lower down, towards the village, a group of about 10 fishermen are repairing nets under an awning made of straw, while a sail dries in the wind, stretched between three coconut palms by means of thick rope. They will not be putting out to sea again today, as bad weather is forecast.

"Fishing is often dangerous", Ali tells us regretfully. "When the

now they run forward, sometimes plucking a small fish, a crab or even, for the lucky ones, a small octopus or cuttlefish from the seaweed the girls have gathered. Their task completed, the boys remain on the sand while the girls rush back into the sea with a great splash, which seems to annoy the old lady washing octopus at the water's edge. A little boy takes no notice and proudly takes from his bucket a crab caught that morning, and points out the eggs on the animal's underside.

Everyone in Zanzibar fishes...or will do so sooner or later, like these boys who are playing further down the beach, skilfully sailing small makeshift dhows with a coconut hull, a scrap of fabric for a sail and a piece of plastic as a rudder.

Even further away, two women are filling large bags with bladderwrack - in addition to fish and crustaceans, seaweed is also a valued product in Zanzibar. Traditionally used as a medicine, the last 10 years have seen seaweed become a crop in its own right. One of the researchers we met at the Marine Science Institute in Zanzibar Town told us that it was essentially the introduction of the red seaweed *Eucheuma* into the archipelago which was responsible for the boom in this sector. Seaweed, however, according to certain sources, had already been cultivated in Zanzibar during the first half of the 20th century. After a number of studies conducted during the 1970s and 1980s, this type of seaweed from the Philippines was tried out in the villages of Paje and Jambiani, in the east of the island. Its special property was its high carageen content, useful in the food

and pharmaceutical industries. It was an overnight success, results surpassing those obtained with native seaweeds.

Seaweed cultivation was therefore rapidly seen as a good source of income and cultivation has since expanded from the South to the North, and to Pemba, the archipelago's second island. Practically all those who cultivate seaweed are women and, as there is no land-organisation system in this sector, they decide on the dividing-up of areas "under cultivation" amongst themselves and income is shared equally between them. Very often, these women will have set up a cooperative system, which makes for easier negotiation with the middlemen whose numbers have grown now that seaweed, which is exported in dry form, is the third largest source of foreign currency after cloves and tourism.

**A leap into the water...**

If all these mainly non-industrial fishing and maritime activities are still possible in Zanzibar, it is because the beaches have not yet been taken over by hotels, unlike on other Indian Ocean islands. That said, the sea offers many tourist diversions, from which a few Zanzibaris make a living: for example, diving, snorkelling, etc.

The sea is also somewhere for the youngsters - the boys, at least - to play. Every Sunday, even the smallest landing stage in Stone Town or the lowest wall overlooking the sea becomes the ideal jumping-off point for diving aficionados. For hours on end, impressive somersaults are attempted and dangerous jumps brilliantly executed. Current fashion seems to favour, after a small but energetic bound, perilous spins and jumps above a stone landing stage about two and a half metres long. Those who advise the boys to take care, fearing an accident, always receive the same reply: *hakuna matata* - "No problem"...



Women and children also fish

waves are three or four metres high we think the end has come".

Loftily he adds that "fishing is still man's work!". The women wading into the sea a few metres further on, taking advantage of the low tide, might not agree with him. In Zanzibar, fishing involves the entire family.

**Sails full of seaweed**

Eight or nine women, up to their waists in water, are walking slowly with a net stretched between them, each holding on to an end, at arm's length. After a few metres, they converge and empty out the net, catching small fish and shellfish in small enamel bowls. Little girls imitate their mothers or older sisters, copying their actions using a veil or just a piece of cloth. The only difference is that they emerge from the water running and spread their catch on the sand. A group of boys has been hanging back, but



# Two Rand Per Child Per Day Making the Difference to Early Childhood Development in South Africa

Standardised state provision of pre-school care and education for all groups of the rainbow nation is the South African government's goal, but the budget is limited and dismantling the apartheid education system is a lengthy process. To those involved in the Government's Early Childhood Development Pilot Project, the two rand subsidy per child per school day plus tailored training are making a difference to the quality of service and environment they are providing.

**Caroline Ofoegbu** spoke to Dr Tom Williams and Marie Louise Samuels, the directors of the South African Department of Education's Early Childhood Development Pilot Project, to learn more about its aims and objectives.



Sandile Davies is one of South Africa's rainbow children. At two and half, he is lively, inquisitive and articulate, especially on the telephone. He and his classmates attend a formal nursery school in Troyville, Johannesburg that is well-resourced and run by qualified nursery school teachers. Not all children are so fortunate.

Pre-school provision tends to be in the hands of women operating either in the private or informal sectors or non-government organisations (NGOs). It varies greatly in quality from being purely day care to high quality pre-school education.

After many years of neglect, state-provided pre-school care and education is currently under review and the subject of a four-year government pilot project initiated in 1996 and supported by the European Union, to the tune of €4.5 million, and technical assistance.

The project brings together

the relevant national government departments - education, health and welfare - the nine provincial education departments and stakeholders in the community. Its key components include a national audit to identify and quantify demand and existing pre-school provision in South Africa, measures to improve existing provision especially in rural black areas and compulsory training and support for the child care practitioners participating in the project.

Government policy on early childhood development (which applies to all children up to nine) recognises the child's right to pre-school education and protection, seeing it as fundamental to developing lifelong learners destined to be active, critical and creative participants in society. Day care for children also frees parents to take up employment and further education opportunities thus helping to break cycles of illiteracy,

poverty and economic dependence.

Within the Government of National Unity's programme of reconstruction and development, education is critical to providing all South Africans with an equal chance to succeed.

Under apartheid, the education system for blacks was characterised by neglect, a lack of facilities, materials, high pupil/teacher ratios and poorly qualified teachers. The inequalities of the Bantu education system were most evident in the sectors of early childhood development (ECD) and adult basic education and training. This is now set to change.

The government is creating a single national education system for everyone and is committed to making 10 years of general education years (including one pre-school year) compulsory for all South Africans. Standardisation of the general quality of basic education provi-

Sandile Davies is an inquisitive and articulate little boy



sion and development of a single national standard for qualifications are in progress.

### **People for the Programme**

Participants were selected from a large group of applicants, who work at 2,500 different sites across South Africa's nine provinces in cities, townships and rural areas and take care of some 47,000 children in total. None of them previously had access to government resources nor were they recognised by any of the relevant government departments. Now, under the project they receive a subsidy of two rand for each of the 200 school days a year for each child in their care, which they can spend as they see fit to provide the services that they offer.

### **The General Audit**

"We talk about wanting to give all children access to ECD but we cannot quantify the 'all' as yet", explained Ms Samuels. An estimated six million children in South Africa are of pre-school age

and thus eligible for ECD but this is not verified. Poor statistical data represents a major obstacle to formulating new policy. "The quality of education currently provided is also questionable" commented Dr Williams "Hence our national audit is essential". As pre-schools centralise children in one location, a wide survey of particular policy concerns of the government departments involved will be possible.

to improve the learning environment greatly. Now the site is vibrant, paintings are pinned on the walls everywhere and the children have activity corners and a sandpit to play in, made of brightly-coloured old tyres cut in half. As for sanitary facilities, the children have use of the surrounding houses. Thanks to training provided under the project the practitioner now knows how to provide quality activities for children using

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## **Government policy on early childhood development (which applies to all children up to nine) recognises the child's right to pre-school education and protection, seeing it as fundamental to developing lifelong learners destined to be active, critical and creative participants in society**

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The care and development of young children must be the foundation of social relations and the starting point of human resource development strategies from community to national levels  
Education And Training White Paper, 1995

### **Provision**

Even during apartheid there was an impetus to set up crèches. Other community-based amenities such as health clinics required expensive resources, but groups could establish crèches with few formalities and resources and thereby have some control over community life.

Ms Samuels described a site in the Northern Cape to exemplify the project's objectives.

"What struck me when I first visited this site which consisted of a single structure near a tree, located in a wide-open space, was 'where do you pee?' My second visit, nine months later, was very different. The shack and the tree were still there. But the daily two rand allows the practitioner

whatever is available to stimulate them as fully as possible. Thus the training has enhanced her teaching capacities."

"Two rand per day is nothing" added Dr Williams. "If you take a site with 20 kids, this is only four British pounds a day. But by employing resourcefulness the money can make a great deal of difference. An awful lot of learning resources are made from recycled materials; used tyres, recycled soda bottles or beer cans are turned into toys and even used to construct walls. In Kwa Zulu Natal, at one of the sites, the subsidy was used to buy raw materials with which villagers made bricks and actually built a pre-school for the children."





## The Practitioners

"You often wonder why these women are ready to expose themselves and their homes to the snotty children of the neighbourhood and not even receive financial reward for it"

All-day care is a major attraction of pre-schools. The mothers who deposit their children at the crack of dawn and only collect them after dark are often rushing off to prepare and transport their employers' children to and from school at more godly hours. Unemployed parents, unable to pay fees, also insist on sending their children to pre-schools, convinced that the education provided is superior to anything that might be received at home. Reluctant to turn children away, only a few practitioners have been able to develop profitable operations. Most struggle along only taking payment once all other expenses are covered.

"The big issue is about keeping practitioners operating in the system" explained Dr Williams. The women do it partly because it raises their self-esteem; money is not the main incentive. Access to resources and support, exposure to training as well as consultations with public authorities all serve to raise their status. Every practitioner worth her salt calls herself 'Principal'.

### Training

"The training responds to the key questions" explained Ms



Samuels, " 'What?' and 'Why?' - What activities, what skills should be imparted to the children?"

A modular course has been designed to help practitioners of varying ability and experience to manage a programme for the children which promotes active learning. Other components include management of available resources, in particular creating resources out of recycled materials, and how to create a safe, healthy and happy environment. The literacy of the practitioners is not as important as their ability to learn new strategies to pass on knowledge to the children. All of them want to achieve their goal: to provide a better service to children in their care.

### Outcomes and Results

"Simply by making this very poor and neglected sector the subject of a funded pilot project has had a major impact".

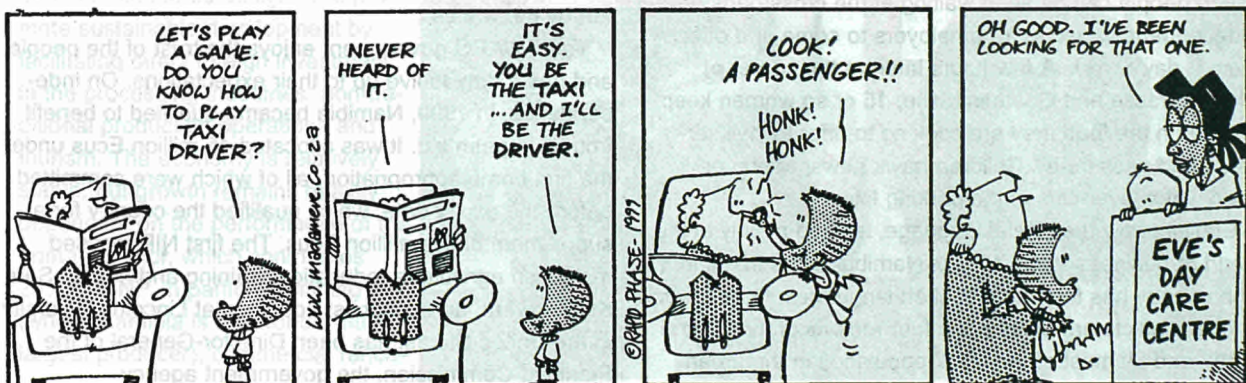
After just two years, the project has had some promising results.

"If the pilot project and audit can inform government of how much ECD is going to cost, that in itself will be a major service" stated Dr Williams. It is also clear that the future ECD policy will have to provide several pre-school education models tailored to the numbers of children, the province and the socio-economic climate.

According to Dr Williams, one of the major outcomes of the pilot project will be the attention it has focused on the sector.

"This project has given all those involved hope. OK, maybe the government does not have enough resources but the attitude is very much, "well at least they have brought in donor aid to help us!"

Cartoon strip: Madame & Eve, taking a humorous look at reconstruction and development in the rainbow nation.  
Cartoonists: Rico Schacherl, Stephen Francis and Harry Dugmore of Rapid Phase. ([www.madameve.co.za](http://www.madameve.co.za))



Some of South Africa's luckier children

Russians Falls - from Heleto Ous Hakan, meaning rapid

Young people from rural areas come to Winchok in search of a future



# Best foot forward

by Aya Kasasa



Ruacana Falls - from Herero *Orua Hakana*, meaning rapids

**Namibians can be satisfied with progress achieved since independence on 21 March 1990: liberalisation, diversification and growth. The country still faces challenges: blatant social inequalities, and tentative private sector growth and foreign investment. But there are successes: it can pride itself on social peace after years of apartheid, a climate of reconciliation and an image of functional democracy. Now Namibians must keep on their course - which might not be so easy.**

Although Namibia has common borders with Angola, Botswana and Zambia, one giant neighbour, South Africa, casts a long shadow across the country. It took over 30 years of armed conflict to put an end to South Africa's occupation of what it then regarded as its fifth province. Although Namibia has managed to shake off the political yoke of Pretoria, its economic influence is still crushing.

Windhoek, the capital, is attracting more and more young people in search of work. This is the most populous region of Namibia, apart from the North. Windhoek's population today is around 200,000, a figure that is likely to triple over the next 20 years. Windhoek is smart, clean and orderly. Most of the population are white: as in the days of apartheid, most blacks leave the town in the evening and go back to Katutura, the suburb into which they were driven by force during the 1960s. So this is a white city, with visitor-friendly supermarkets, cinemas, museums and monuments. Just around the corner, though, lies the black one. Very early in the morning, young people can be seen waiting at the crossroads on Independence Avenue for employers to come and offer them a day's work. A few hours later, at the corner of Umlandstrasse and Goethestrasse, 15 or so women keep an eye on the food they are cooking to offer to civil servants and passers-by. Children hawk newspapers, or keep watch over cars in the parking lots.

English, now the official language, is used mainly in the world of business - only 10% of Namibians are fluent in it. The country has four main spoken languages. Oshivambo and its dialects are used in the four regions of the central north, and by most of the black population in the urban

centres of the south. Nama, the tongue-clicking language of the Khoisan people, is also used by the Damara, while Herero and Rukavango are spoken by 9% of the population. In the west, the Caprivi people speak Lozi. A mastery of Afrikaans is useful virtually throughout the country - the language of South Africa is used by 10% of Namibians, including the mixed-race population and Rehoboth Basters, and most of the 80,000 whites, the others of whom speak German.

## A fragmented society

The GNP per head of population, which is relatively high for an African country, conceals a harsh reality: it is distributed extremely unevenly, the white minority having far higher average incomes than those of the black majority. The explanation for this lies in past history. The white colonists established their ranches covering two-thirds of the cultivable land, driving the black population into the reservations or "Homelands", from which they could emerge only with a work permit to supply cheap labour to the mining industry and the enormous commercial farms run by the whites.

The SWAPO government enjoys the trust of the people, and has a duty to live up to their expectations. On independence, in 1990, Namibia became qualified to benefit from European aid. It was allocated 45 million Ecus under the first Lomé appropriation, all of which were committed before the expiry date, which qualified the country for a supplement of five million Ecus. The first NIP focused mainly on agriculture, education, training and health. Sara Kukongwera, an economist educated at Lincoln University in the United States, has been Director-General of the Planning Commission, the government agency



responsible for coordinating international and local aid since 1995. The head of the NPC is also the National Authorising Officer for the EDF. "In the second NIP appropriation, as well as maintaining the effort made in education, training and rural development, the Government has decided to emphasise the production sectors. Confronted with the slow pace of economic growth and its redistribution, and rising unemployment, 30% of our resources has been allocated to those. Trade, industry, the environment and the other production sectors need to be stimulated. Other resources have been allocated to encourage the SMEs, which should enable the country's African population to become involved in the local and regional circuits. I should also add that the first NIP took account of the mining industry and agriculture, a particularly fragile sector."

**Good omens**

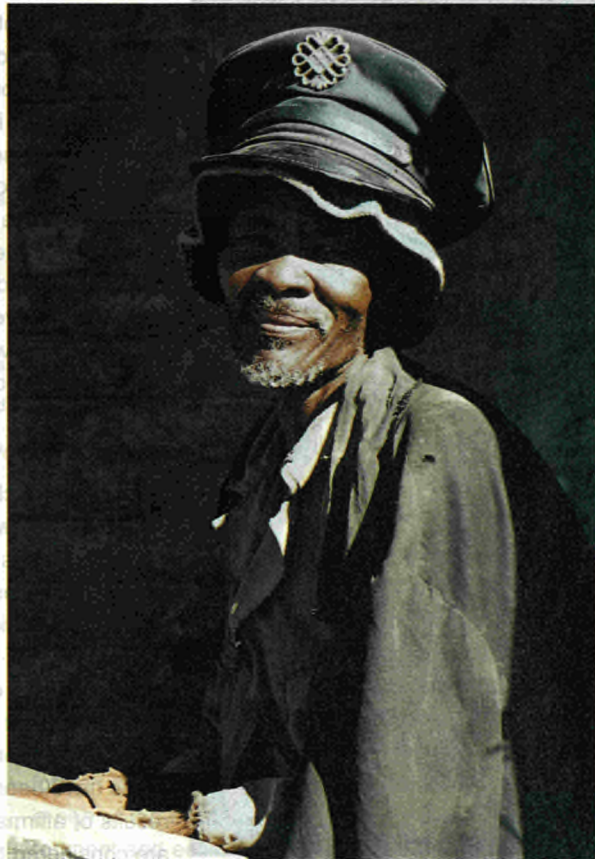
Namibia was once visited by a good fairy: a country of abundant resources, it also has excellent infrastructure, giving it considerable competitive advantages and a genuine potential for economic diversification, encouraging the Government to put its faith in the private sector. In its first National Development Plan (1995-2000), it had promised to ensure annual growth in real terms of around 5%. This proved to be an optimistic estimate, growth reaching 2.9% in 1996 and then falling back below the 2% barrier in 1997, largely because of external factors, such as the severe drought of 1995-6. General GNP growth, however, benefited from the increase in income from diamonds and uranium. Although its hopes have not been fulfilled, the Government has indeed adopted measures designed to promote sustainable development by facilitating direct foreign investment in the processing industries, non-traditional production operations and tourism. The economy is relatively stable, but growth remains heavily dependent on the performance of the primary sector, which contributes 25% of GNP, in particular mining (where Namibia is the world's fifth largest producer), commercial ranch-

ing and the fisheries industry. Secondary sector industries contribute 20% of GNP, while the tertiary sector's 55% contribution relates mainly to services provided by the Government.

The economy is highly extraction-based and badly integrated: the subsoil holds an abundance of diamonds, uranium and base metals. Between 1991 and 1995, 21.5% of GNP depended on these. In 1997, income from diamond exports accounted for 40.6% of all earnings from exports of precious metals and stones. But the diamond industry now has to meet a new challenge, because this rare commodity is becoming rarer. Suddenly, the industry has gone offshore, Namibia being the only country in the world to mine diamonds under the sea. In 1990, offshore extraction totalled 29,000 carats; seven years later, it has increased to 623,000 carats. The Bank of Namibia estimates that in the year 2000, 1.6 million carats will be brought out. Total production of dia-

monds in that year will be 2.2 million carats.

90% of Namibia's production is exported for processing abroad, while the country imports 90% of its consumables, mainly from South Africa. Namibia produces things it does not consume, and consumes things it does not produce. Fortunately, the infrastructure provides easy access to all parts of the country: 4500 km of excellent roads, 34,000 km of unmade tracks, 2400 km of railway, not to mention numerous airports, all recently

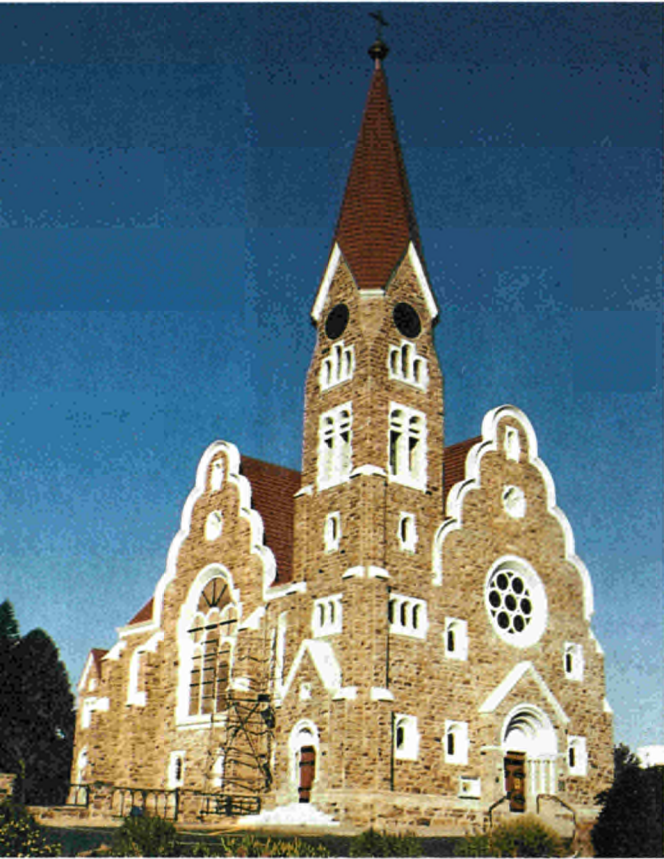


A casserole of cultures - a San man from a resettlement camp near Gobabis



Young people from rural areas come to Windhoek in search of a future





Windhoek's Church - a colonial architectural legacy

improved by the construction of the Trans Caprivi and Trans Kalahari highways, opening up new prospects for the development of other services, such as freight options and links with the Walvis Bay corridor. At Walvis Bay, work is in progress to enlarge the port's handling capacities. This is the country's only deep-water port, ceded back by South Africa in 1994.

#### Limited room for manoeuvre

Namibia depends a great deal on its South African neighbour. As a member of the Southern Africa Customs Union, SACU, it is also subject to the constraints of the Common Monetary Area, CMA, which limits the country's capacity to apply its own fiscal and monetary policies. In addition, restrictive monetary policies in South Africa have sent Namibian interest rates soaring. Inflation, too, makes itself felt across the border with the neighbouring giant, Namibian dollars being tied to the rand. More than 80% of imports come from South Africa, and 25% of GNP is generated by subsidiaries of South African-based parent companies. There are those who fear that the country may suffer from the free

trade agreement signed between South Africa and the European Union. There could be good reason for this anxiety: income derived by Namibia from the SACU in 1999 totals one third of the State's earnings. Now those earnings will be reduced, and the impact will have to be compensated for elsewhere. Consumers have good reason to be happy, as they will be able to obtain better quality products and pay less for them.

#### Reducing poverty

To meet the challenges it faces, Namibia must, without fail, reduce poverty and ensure the creation of jobs. Major investments are being made in education and training, the multiplication of social services, the implementation of the land ownership reform and the pursuit of the affirmative action policy. Many criticisms have been levelled at the results of affirmative action, which are considered too feeble. While the policy has failed to live up to all the hopes it raised, the fact is that capacities still need to be strengthened. After nine years of effort to restructure the educational sector, Nahas Angula, the Minister of Higher Education, notes with satisfaction that the importance of people to development has been recognised: more than 30% of the State's budget is devoted to this, and the training effort has been extended into the rural areas.

In Namibia, as in many other African countries, agriculture provides most of the population with its livelihood. The dual structure of the sector accounts for the fact that some 6,500 commercial farms of roughly 7,000 hectares each cover 44% of the country, while the community farms on which 70% of the population depends for its survival occupy 43% of the land. In the centre and south of the country, the whites practise intensive farming of cattle and karakul (astrakhan) lambs for export. These account for 80% of the country's agricultural production. The problem can be seen in concrete form along the roads that surround these ranches, with kilometer after kilometer of fencing, hectare

## KEY DATES

- 1876 What is now Namibia becomes a British colony.
- 1884 Germany annexes South-West Africa.
- 1915 South Africa occupies German South-West Africa during the First World War.
- 1920 The League of Nations gives South Africa a mandate to administer South-West Africa on behalf of the United Kingdom.
- 1946 The United Nations rejects South African attempts to annex the territory as the fifth province of South Africa.
- 1950 Emergence of the Ovambo People's Congress, later the South-West Africa People's Organisation (SWAPO), which conducts the political struggle against South African occupation.
- 1960 SWAPO launches the armed struggle through the PLAN, the People's Liberation Army of Namibia
- 1978 The International Court of Justice in The Hague declares South Africa's presence in South-West Africa unlawful.
- 1988 An international agreement is reached on the withdrawal of Cuban troops from Angola and South African troops from Namibia, paving the way to independence.
- 1989 Organization of elections, supervised by the UN: SWAPO takes 57% of the votes. Sam Nujoma is appointed President.
- 1990 Adoption of the Constitution on 12 March, 1990, establishing a multiparty democracy. Independence is declared on 21 March.
- 1994 SWAPO sweeps the general election with 74% of the vote. Sam Nujoma is directly re-elected President.
- 1998 On 3 November, Parliament adopts the first Amendment of the Constitution, allowing Sam Nujoma to run for a third term.
- 1999 Planned elections to the National Assembly.

Source : Africa Recovery



## SYSMIN

Since 1994, Namibia has benefited from a SYSMIN programme worth 40 million euros. This special financial facility enables the country to finance its struggling mining industry. Two types of project are developed: loans to the public sector for mining or mining-related projects (test drilling, underground mine development, the opening of quarries, ore-processing works, etc.), which the promoters must begin to repay after two years. The repayments are deposited in an account held by the Ministry of Mines, which is used to finance other projects. The SYSMIN programme also makes gifts: a technical aid project and various other forms of aid, such as training abroad, an industrial minerals development project, or the development of the Namibia Institute of Mining Technology, which prepares technicians in general disciplines (mechanics, electricians, computer scientists, etc.). SYSMIN also backs a project for an air survey of the territory for geophysical research purposes, which is now entering its second phase. The SYSMIN programme also provides aid to small-scale mining. This two-part loan is allowing an assistance centre to be set up to provide mining, geological or environmental advice to small-scale mining operations. This sector is completely informal: most small-scale mining is devoted to semi-precious stones such as tourmaline. Namibia would like to have a second SYSMIN programme: an application has been made, but with a list of completely different projects, mainly concerned with infrastructure development, roads, a plan to drag the harbour of Walvis Bay, training schemes, etc. The Namibian SYSMIN has been a success: the technical assistance provided and geophysical survey of industrial minerals have given good results. On the other hand, as far as strictly mining projects are concerned, the only successful one has been the Okorusu mine, which was on the point of closure. Two successive loans from SYSMIN have enabled it to remain in operation, move into profit and open an open-cast working which has given it 15 years' reserves. Other projects have failed, because of lack of management ability on the part of small-scale operators. Michel Chapeyroux, technical assistant at the Ministry of Mines, considers that the European Union has gained some useful experience. "We know that, in the event of a future SYSMIN, we are going to have to be vigilant. We need very strict committees to evaluate projects before advancing money. The Namibian SYSMIN is complex: in Botswana or Gabon, for example, projects are much simpler, prioritising a major project. It's true that SYSMIN is an instrument which is well-suited to major projects. For small-scale operations, though, it proves to be much too cumbersome because the necessary administration, the hierarchical circuit to get projects started, causes excessive delays which discourage people. We would like to see more decisions being taken locally, so that we do not have to wait months in order to get answers to relatively simple questions."

after hectare belonging to the same owner. This situation cranks up the tension created by the failure to go through with the land redistribution promised on independence.

Decentralisation is expected to make a major contribution to improving access to health services. The lack of infrastructure facilities is pushing the Government to build units in rural areas. But the priority objective today is the fight against the AIDS pandemic. In 1997, the WHO estimated that 10% of the population was HIV-positive. However, the growing number of deaths seems to be doing nothing to encourage Namibians to change their behaviour patterns, and specialists are calling for massive and explicit prevention campaigns to be launched.

### Stimulating tourism

"A dynamic and highly competitive industry" was how Philemon Malima, Minister of the Environment and Tourism, emphasized the importance of the fast-growing tourist industry in his welcoming address at the Okaukeujo Park restaurant. Tourism has been officially recognized as a strategic industry since 1992 and is a major contributor to GNP growth, as well as a foreign currency earner. There is no doubt that tourism is one of the engines of economic growth. The environment and ecology are productive niches which have not yet been sufficiently exploited. The idea of community-based tourism is gaining ground, organised around a quality tourism concept making use of local labour and, especially, local know-how.

### The father figure

Heroes are not to be trifled with. In any case, Namibia's President, Sam Nujoma, plays his part to perfection: the respect owed to what he represents is still intact, as witness the 76.3% of votes he received in the 1995 presidential election. To ordinary people, though their patience is beginning to wear thin, he is still the man who led his country to freedom, and that image prevails in the north, the bastion of SWAPO. But dissenting voices are making themselves heard: the honeymoon period is over, and there are those who feel that the President's personal power is too great. Some Namibians also want to know the truth about the accusations that Namibian exiles regarded as spies for South Africa were tortured by SWAPO during the 1980s and subsequently disappeared. The dissidents have set up the Namibian Human Rights Society, NHRS, and the BWS - Breaking the Wall of Silence - movement. The churches have tried to organize a conference of reconciliation on the matter, but President Nujoma has always turned them down and refuses to make any apologies. He is also accused of not having taken a clear stance supporting those endeavouring to combat corruption.

Unity, liberty, justice. Despite the many challenges facing the Government, its policies and the economic efforts made are certainly helping the country today to live up to its motto.



# PROFILE

## Namibia



### General Information

Area	824.269 km <sup>2</sup>
Population	1,727,183 habitants
Rate of population increase	2.94%
Capital	Windhoek
Other principal towns	Ondangwa, Oshakati, Walvis Bay, Swakopmund
Official language	English
Other languages	Oshivambo, Afrikaans, Nama/Damara, Herero, Allemand, Lozi, Kwangali and Tswana
Principal ethnic groups	Owambo, Kavango, Damara, Herero, Nama, San

### Economy

GDP per inhabitant	316 Euro (1997, estimate)
GNP per inhabitant	1,217 Euro (but a mere 5% of the population control 72% of the economy)
GDP growth rate	3%
Rate of inflation	8% (1999 projections)
External debt	2,6% PNB
Currency	Namibian dollar (1 Euro=6.54 N\$)
Main economic sectors	arable and livestock farming, tourism and cash crops
Main imports	mining (diamonds, uranium, etc.), livestock, fish
Main exports	food products and manufactured goods (mainly from South Africa)

### Political structure

President	Sam Nujoma
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### Political system

Independent republic, with a President elected by universal suffrage. The presidential term is five years, with one re-election possible. The legislature comprises a bicameral Parliament. There are 72 members of the National Assembly (lower house), elected for five years by universal suffrage, and 26 members of the National Council (upper house), two representing each of the country's 13 regions, elected for six years in a purely advisory role. The judicial authority is controlled by the Presiding Judge of the Supreme Court.

### Political parties

The South West Africa People's Organisation (SWAPO) has governed Namibia since independence on 21 March 1990. In December 1994 it took 53 seats in the National Assembly, with 76,3% of the vote. The Democratic Turnhalle Alliance (DTA), the main opposition group ( a coalition of 11 parties), took 23.7% of the vote or 15 seats, and the United Democratic Front (UDF) took two seats. The Christian Conservatives, Monitor Action Group (MAG), and the conservative Democratic Coalition of Namibia (DCN), gained one seat each.

### Social Indicators

Life expectancy at birth	55,8 years (1998)
Infant mortality	58/1000
Adult literacy rate	78,5% women; 81,2% men (1997)
School attendance rate	95% (84% women; 80% men) (1997)
Population with access to drinking water	65% in rural areas, 100% in towns
Population with access to health care	35% in rural areas, 93% in towns
Human development index	115 out of 174 countries (-9 since 1998)



Sources: Economic intelligence Unit, UNDP Report on Human Development (1999),

EU-ACP cooperation in 1997 (EU, DGVIII)



# Fish is rich

by Rafael Gabeiras\*

The Namibian Policy makers have specified their socio-economic intentions towards Fisheries Management in two documents, called *Towards a Responsible Development of the Fishing industry in Namibia* (1991) and *Policy Statement on the Granting of Rights of Exploitation to utilize Marine Resources and on the Allocation of Fishing Quotas* (1993). The Namibian Exclusive Economic Zone (EEZ - 200 miles) was established in 1990 and since then, Namibia has developed an effective fisheries administration based on the 1992 Sea Fisheries Act which is highly regarded by the international fisheries community. Rights of exploitation are granted for access to each fishery within periods of four, seven and 10 years, depending on the degree of Namibian ownership and the status of the investment. Quotas are only allocated to holders of rights of exploitation for the different species, mainly hake, horse mackerel, orange roughy, pilchard, red crab and rock lobster. This species amount to 90% of the value of the production.

The government has encouraged Namibian involvement in the fishing industry, especially previously-disadvantaged communities. This commitment has been addressed through policy formulation in the 1991 White Paper, which states basic criteria for granting rights of exploitation, licensing of vessels, processing and employment creation on shore and differential system of levies or royalties payable on annual quotas

Government's long-term objective is to ensure sustainable use of fishery resources. Major measures of conservation are applied as follows : limits to entry; (rights of exploitation system, quotas and vessel licensing) ; limits to fishing mortality allocating total allowable catches (TACs) or limits on effort; TACs are established annually on the basis of the most recent scientific information available and fishing seasons and other technical restrictions.

The above instruments have shaped the fishing industry in the last nine years and today the ownership structure of the industry represents the diverse population structure of Namibia.

## Foreign cooperation

The Namibian government believes in cooperating with interested foreign parties on a mutually beneficial basis. Also encourages joint ventures between Namibian fishermen and foreign participants who demonstrates that their involvement is beneficial to Namibia, not only investing but also bringing expertise or making contributions beyond the capacity of the local industry.

## Impact on GDP and employment

The fishing industry has positioned itself as one of the major contributors to GDP. During 1998 the fishing sector recorded its best performance since 1993, partly due to the TAC for most species being higher in 1998 than in 1997. It is expected that 1999 figures will amount to 20% of the GDP (fish processing included). The sector also accounts for the second largest foreign currency revenue after mining. The fishing industry is expected to remain one of the top three contributors to GDP in the medium and long term. This will be achieved via adding value on locally landed fish and processing of fish caught in foreign waters. The current estimated value of the industry output is N\$ 2.2 billion.

A review of the National Development Plan (NDP1) in late 1997 estimates that beyond 1998 real growth in fishing contribution to GDP should exceed the 2000 target by a wide margin if fish stocks continue to recover as is expected bringing to the table the goal set on the White Paper, being "to utilise the country's fisheries resources on a sustainable basis and to develop industries based on them in a way that ensures their lasting contribution to the country's economy and overall development objectives".

Nevertheless employment in the industry is well below the expectation of the National Development Plan (NDP1) targets. Whether the target of 21,000 jobs is reached in 2000 will depend heavily on the recovery of pilchard. If pilchard catches remain at current levels, then it will take longer to generate the same level of jobs as in other parts of the fisheries sector.

## Markets

The Namibian fish resource has a competitive advantage relative to other resources globally since it has rebuilt itself and is currently well managed. In comparison to the relatively poor management of marine resources worldwide that has resulted in supply shortages and improved fish prices.

Hake is the main species during the industry growth. Demand has increased in the EU markets, prices are firm and the resource has recovered. Orange roughy is a higher-margin business and has great potential but about levels of future biomass are uncertain. It has been difficult to rebuild the pilchard resource since it was abused before independence, and management techniques have been criticised by the industry. The TACs going forward will remain low to sustain the labour-intensive canning industry. The horse mackerel stock shows high potential and value



adding can make this industry highly profitable. Nevertheless low margins are discouraging the necessary investment.

The Namibian fishing industry enjoys the advantages of the duty-free access to European markets under the Lome Convention, and the absence of tariffs on trade with the Southern African Customs Union (SACU) states, particularly South Africa. Together, these two duty-free markets account for around 80% of Namibia's fish exports. In both cases, Namibia's duty free status is under threat because of the new EU-SA free trade area and the negotiation of a new Lome agreement.

**Rebuilding a New Fishery: the role of Spanish private investors**

As a major player in the world of fishing, the Republic of Namibia is relatively young. Gaining independence in 1990, policy-makers had to confront many issues affecting the building of the nation.

Due to its potentially positive impact in the medium and long-term growth of the economy, close attention was given in the early years to Fisheries.

The basic problem (i.e. hake fisheries) was the migration from a classical long distance waters model (ICSEAF) to a different one where the on-shore communities (Namibian nationals) would receive the economical benefits of a sustainable exploitation of the national resources.

Fishing stocks were not in good shape at the beginning of the decade, and the relatively poor involvement of the local communities in the fishing industry (due to historical and socio-cultural reasons), the lack of certain basic infrastructures and the need of strong capital investments made the existing scenario even more challenging.

The policies applied for the granting of fishing rights and the allocation of quotas, together with other considerations, have played a key role in the successful story that appears to be the case.

Nevertheless, without a firmly-committed private initiative in the hake fishery and exemplary foreign investment led by Spanish companies, many of the aims of the new policies would not have been accomplished.

Some of these initiatives have been backed by the World Bank and European Development Institutions such as the Commonwealth Development Corporation (CDC) and the Compañía Española de Financiación del Desarrollo (COFIDES), using financial schemes provided by the European Investment Bank (EIB) within the legal framework of the Lomé Convention.

The investments made by European, particularly Spanish, companies like Pescanova, S A Eduardo Vieira and Puerta Prado have played a paramount role. This deserves acknowledgement. Their contribution has been sometimes overshadowed and underrated by other considerations in spite of the provisions of the Lomé Convention for the ACP countries to grant a fair and equitable treatment to foreign private initiatives.

Lastly, this involvement has made possible the hake fishery dominating the European markets (mainly Spain) Namibia being the second largest supplier of hake after Argentina.

*\*Managing Director of the Cadilu Fishing (Pty)Ltd.*

HISTORICAL TAC - MAIN SPECIES (\*)

SPECIES	1994	1995	1996	1997	1998	1999	2000e
Hake	150 000	150 000	170 000	120 000	165 000	195 000	210 000
Pilchard	125 000	40 000	20 000	25 000	65 000	45 000	35 000
Horse Mackerel	500 000	400 000	400 000	350 000	375 000	375 000	400 000
Orange roughy	-	-	-	12 000	12 000	9 000	6 000

\* Other species like monkfish, sole, deep-sea red crab, alfonsino and rock lobster are not included.



# Hidipo Hamutenya

## Minister for Trade and Industry

**“Our government respects the wishes of the majority”**



**Hidipo Hamutenya is a prominent member of SWAPO and it is said that he has the ear of the President. The Minister of Trade and Industry benefits in any case from the respect of his peers. At the forefront of the fight for liberation, he knows his facts, and he shows himself to be a good listener. People in the know say that this *Kwanyama* will be one of the best-placed candidates to succeed President Nujoma one day. This is something he does not pay much attention to for the moment, even if he willingly accepts to represent the government in this interview, during which he stresses the harmony of the country.**

The priorities for maintaining peace and stability in Namibia include economic growth, job creation and equity; and these objectives can only be realised through the diversification of the economy. This means the expansion of productive activities beyond the confines of production and export of natural resources, i.e. minerals, fish and beef.

**Attracting foreign investment and diversification of economic activities are stated macro economic objectives of the Government. To promote and diversify local enterprise, what types of policies are being implemented?**

To achieve the diversification of the economy, the Namibian Government has adopted a series of policy measures. These include a drive towards industrial development, which is essential to broaden the country's manufacturing base. To this end, the Namibian Government has put in place several packages of fiscal and non-fiscal incentives to attract foreign investment. One of the fiscal incentives is the establishment of an Export Processing Zones (EPZ) regime, which allows investors to set up manufacturing enterprises without having to pay any tax whatsoever. In other words, local investors in the EPZ's are allowed to import machinery and production inputs duty free as well as to produce and export their products without any type of tax payment. Such enterprises are exempted from corporate taxes, sales tax, stamp and transfer duties on goods and services, etc. In this way, the Government is trying to realise the transfer of technology, the teaching of industrial skills to the Namibian labour force, to create jobs and thus, to diversify the country's range of export products in line with the requirements of globalisation.

Those companies seeking to penetrate the SACU market could locate in Namibia while taking full advantage of the country's high quality

Making the most of what they have. People build houses of their own. People who work in the private sector are slowly becoming private game reserves.





Making the most of what they have. People build houses skillfully with walls of mud and bottles

infrastructure, relatively cheap labour, low-crime rate, and macro-economic stability. A different set of fiscal incentive is provided in the form of tax deductions. These include tax abatement of 50% on the existing corporate tax of 35%, write-off provision of up to 20% or less annually on building erected for manufacturing purposes. There are also tax deductions for marketing, training, wages, and concessional loans for feasibility studies. Similarly, an incentive is provided for exporters of manufactured goods. This is also given in the form of tax deduction of 80% of profits accruing from the export manufactured goods, whether they are produced in Namibia or not. This translates into an effective tax rate of 7%, if the entire product is exported from Namibia. The Government of Namibia has concluded double taxation treaties with dozens of countries. These treaties are designed for the avoidance of double taxation with regard to those companies that may choose to do business in Namibia.

Non-fiscal incentives are provided through the Foreign Investment Protection Act of 1990, which allows for repatriation of profit and dividends accruing from foreign investment in the country. Furthermore, the Act guarantees foreign investment against expropriation. It also provides foreign investors with the

right to recourse to international arbitration in the event of dispute between the investor and the Government of Namibia. Also, Namibia allows full foreign ownership. This is to say, foreign investors are not required to have local participation in their enterprises.

**Namibia's increasing external debt and budget deficit are causing some alarm amongst observers.**

**Could poor management by the current government be the reason?**

Namibia has probably the lowest external debt on the African continent. The country has borrowed prudently, only for the development of major infrastructure required to propel the growth of the economy and to transform itself into a service centre for regional trade. There is not a single prestige project built with foreign borrowing, and even in those instances where Namibia borrowed externally, such borrowings have been matched to the country's local resources. Budgeted deficit is a reflection of expanded provision of basic services to the public. These include extensive water and health infrastructure to cater for those communities which were neglected during apartheid colonialism. This means

that budget deficit was inevitable, unless the SWAPO Government was only there to manage the bureaucratic infrastructure of the ancien regime. The school system has expanded dramatically. At independence less than a quarter of the population was able to attend school, now over half a million of Namibia's young generation are attending school. The same is true about health services which have dramatically extended to rural areas. Thousands of kilometres of water pipes have been laid to improve the living standard of the previously neglected majority of our society. Rural electrification has brought light to tens of thousands of rural households. In other words, the services being provided by the State have been expanded while the economy - which 99% is in the hands of the private sector - has not expanded to generate more revenues to meet the nation's socio-economic needs. Therefore, those who are saying that there is an increase in external debt are wrong. Similarly those who talk about an increasing budget deficit are suggesting that the Namibian government should

**Namibia has probably the lowest external debt on the African continent. The country has borrowed prudently, only for the development of major infrastructure required to propel the growth of the economy and to transform itself into a service centre for regional trade.**

remain at the same level of provision of public service with that of the former South African colonial regime. Now Namibia, as a sovereign state, has major additional



One of them is to reduce insecurity so as to allow investors to move in. We produce copper, for example responsibilities which include the maintenance of its Embassies in foreign capitals and its own defence forces. It has also had to incorporate the former freedom fighters into the public services. The policy of national reconciliation to which the country is committed has dictated that the entire colonial civil service be retained in the public sector. But the SWAPO Government could not simply retain the colonial civil servants in the public services to the exclusion of those who waged the struggle for national liberation. As such, the public service is large. But that is the price which the country is required to pay in order to ensure that peace and stability prevails.

**Human resources are a major concern in Namibia: above all, with regard to the availability, standard and quality of education. What has the impact been of Namibia's Affirmative Action policy?**

Affirmative Action has only worked in the public sector (Government and Parastatals) where a significant number of the previously disadvantaged members of our society are now employed side by side with those who were previously advantaged. In the private sector, hardly anything has changed; the white section of the population continues to dominate the economy, both in terms of ownership and management positions. Unemployment is a phenomenon, which affects only the black section of the population, because the owners and managers of enterprises will first employ their own kind.

**The complexities of the land issue have made it a difficult and sensitive subject. It still remains in dire need of attention. What measures are being taken or envisaged to address the most contentious aspects of the problem?**

Yes, the land issue is a sensitive subject, the government has both legal and policy capacity to address it. Legally, the government is free to expropriate as much land as it wishes for its redistribution among the previously deprived section of the population. But to do so, government must pay a "just" compensation to those who now claim the land as their private property. For the last three years the government has, according to the Agricultural Land Reform Act of 1995, begun to appropriate through parliament some N\$20 million for the purchase of commercial farms to resettle those who are in dire need of a livelihood. This allocation of funds is intended to continue indefinitely until a significant portion of the land is transferred to those invested excluded from the hundreds of millions with the Agricultural Bank, which is a state corporation, to grant concessional and long-term (affirmative action) loans to those who had no opportunity to acquire farms. Furthermore, the government is working to introduce a bill in parliament to impose Land Tax. This is intended to force those selling the land to offer it first to the Government. The objective

here is the diversified ownership of land. Of course, some of the noises heard in Namibia about land are made not to address the real issue of a fair land redistribution, but to appeal to emotions with a view to scoring political points.



**There has been a fair amount of criticism of the recent amendment of the Constitution, which allows President Nujoma to stand for a third presidential term. How does the government justify this amendment?**

The first amendment to the Namibian Constitution was unanimously demanded by a SWAPO-Congress; and SWAPO commands two third majorities in both houses. To have ignored the demands of a party with such overwhelming support, the government would have flown in the face of important democratic principals and the will of the majority. Furthermore, the Namibian Constitution makes provision for its amendments by either a two-thirds majority in parliament or by referendum. Therefore, even if the government had refused to yield to demands by the SWAPO Congress, it would have been forced to call for a referendum which would have been far more costly than passing an amendment bill in parliament. In any case, there is absolutely nothing illegal or unconstitutional in this matter.

**A new political party, the Congress of Democrats (COD) has recently emerged. In the coming elections, could the COD pose a threat to SWAPO's political majority?**

The COD has to date not come up with any new policy proposals that will distinguish it from SWAPO or any other party now in parliament. Nor has it attracted anybody of national stature to enhance its hopelessly low standing. As such, it does not in any way pose a political threat to SWAPO.

Namibia is a country of fences. Large commercial farms are slowly becoming private game reserves



# On All Sides

An interview with Katutire Kaura,  
Chairman of the Democratic Turnhalle Alliance,  
Namibia's main opposition party

## "Unity within Diversity"



**K**atutire Kaura agreed to see *The Courier* after the weekend of the DTA Congress. A Member of Parliament since 1990, he confirmed that this marked the official launch of the party's political campaign. Not in the least downcast by the size of the SWAPO majority, Katutire Kaura happily confirmed that he would be standing in the presidential elections to be held in a few months' time.

The DTA is a federation of moderate tribal parties, representing the whole population. In 1975, all the leaders of the Bantustans met at Windhoek, in the Turnhalle building, to make a formal request for independence. For the first time in the history of white colonialism, a split had been created within the Nationalist Party: some whites, like Dirk Mudge, supported the blacks in their demand for independence. The others, led by A H Duplessis, rejected it. The DTA headed the multi-party government supported by the South African Government from 1984 to 1989. In September 1997, the Democratic Turnhalle Alliance was set up by all the chiefs of the 11 Namibian tribal groupings, including the leader of the country's white tribe, Dirk Mudge. It was the birth of a party that represented every ethnic group. Later, before independence, SWAPO also accepted whites within its ranks, but we were the first to do so. "We believe in 'unity within diversity'. We speak different languages, we have different cultures and we live in different areas, but we have interests in common: we are all Namibian citizens, and we have to share our country's resources." **The DTA has just held its Party Congress. What were the main issues on which you focused?**

The first issue was farming, which includes the issue of "land hunger" in Namibia. The blacks still think that their land was stolen by the white colonists, who still hold it. Since independence, only 75 farms have been bought back by the Government to be worked by blacks, and they regard that as too slow. Something has to be done to settle this problem. Then we dealt with the issue of education. According to our new policy, English has become the official language. Abandoning Afrikaans created an educational disaster, and the failure rate is very high. We are educating a lost generation.

We also talked about health: our doctors come from abroad, many of them from Cuba, and we have problems with communication. Others come from neighbouring African countries, and we have to say that they are not sufficiently qualified: people are dying after such simple operations as appendectomies!

We also analysed the economic situation. Globalisation of the economy, reduced controls on imports: too many small enterprises are having to close because of dumping of products from Asia which are flooding our markets. We produce meat in Namibia, but the industry is dying because the production costs are too high.

Another aspect that must not be overlooked is the increase in crime. Namibia is attracting more and more tourists, but incidents of attacks on tourists are becoming more frequent. We are forced to live in fortresses, protected by guards, and we will never succeed in attracting foreign investment in that kind of climate.

**You have been heard using quite strong language about the President. Is your main objection that he may stand for a third term?**

The President takes an appallingly self-centred attitude. This is the same President that signed the Constitution, where it clearly states that he will only serve two terms. He should have been schooling his successor! He's served his term of office, made his contribution. Now it's time for him to step down. It is unacceptable for this young constitution to be amended for the benefit of one individual.

**The DTA often refers to the need to improve the country's economic situation. Where would you start?**

It is essential to consider different variables.



One of them is to reduce insecurity so as to allow investors to move in. We produce copper, for example, but it is being processed in Europe although we have the capacity to process it here. The Government has to encourage businessmen, and especially encourage the establishment of SMEs. The policies followed up to now are not adequate.

**You are going to have to expect competition, because a new party is in the process of being formed. What position do you think it may occupy on the political chessboard?**

Ben Ulenga, the leader of that party, is a defector from the SWAPO. He used to be the High Commissioner to Great Britain. We still don't know what this party is worth, but it seems to be a negligible force, without even a clear political manifesto. I believe they intend to elect their leaders at their first Congress in July 1999. So it's hard for me to say what position they will occupy.

**So you don't think there is any need for a new political party in Namibia - a different form of opposition?**

If this new party is there to take votes away from the SWAPO, fine; but if it is there to collect the few votes held by the opposition parties, I can see no point in it. At present, it is doing the rounds of the opposition members to try to attract them into its camp.

**What are your views about the fight against corruption in Namibia?**

Anyone guilty of corruption in Namibia gets promoted! We have seen so many people misappropriating funds and simply being moved from one ministry to another. In other countries, they would have been forced to resign. Corruption is completely acceptable to this Government, and always has been. It would be no exaggeration to say that they congratulate you on being corrupt. But that is only one example of the many things that are wrong here. Our mission is to maintain democracy in our country. For example, we oppose Namibian involvement in the Democratic Republic of the Congo - the President never asked Parliament for a mandate! Not only that, but Laurent Désiré Kabila was not democratically elected - he took power by force, and we have no right to oppose those who are now using force against him. We cannot see what our President hopes to achieve in the DRC; other ways have to be found of restoring peace.

Finally, the important thing is that the hope of this country lies with the young. I would say to young people that they must go to the ballot box. If they want to stop Nujoma serving a third term, they should tell him

so and vote against the SWAPO. They need to wake up and start working for their future.



The Parliament Building in Windhoek

## A different voice



Julita Dobbler

**H**e describes himself as "a family person." At 47, **Ben Ulenga** has been in politics for a long time. As a member of SWAPO, he was involved in the struggle for liberation and was detained in South Africa, in the prison on Robin Island. Since independence, he has been active in his country's diplomatic service and has been a Member of Parliament. So it was from within the country that the need to obtain a hearing for a different voice prompted him to establish the CoD, Congress of Democrats.

**"CoD was not Ulenga's idea, it was the idea of the Namibian people. In Namibia, you have to wake people up."**

Although not much has been heard about it from SWAPO, the creation of a genuine political alternative has pleased supporters of democracy in Namibia. The country is theoretically a multi-party democracy but in view of the two-thirds majority held by SWAPO in Parliament, it was beginning to seem like a "virtual one-party state". The words are those of Gwenn Lister, editor of *The Namibian*. Political pluralism certainly exists, she says, but a single party is dominating the others and the opposition is weak and vulnerable.

"Given that level of domination, the DTA - the main opposition party at present - has no effective role to play. In any case, it has not succeeded in escaping from its political heritage: having evolved during the internal reform process of the 1980s, it is regarded as a creation of South Africa." Yet it must



be recognised as having historical merits: during the 1970s and 1980s, it acted as a catalyst for change in an intolerable system. To quote Gwenn Lister again, it could be said that a State in which a single party dominates could be an excellent State, if that party were a highly democratic one.

In view of the scandals that were being revealed and the decisions taken by the President without consultation, the country needed a genuine opposition, and it was undoubtedly this that led to the formation of the CoD. It is much too early yet to say whether the party will succeed in reducing the two-thirds majority at the next elections. This is a crucial point in Namibia's history, and Namibians believe that the Government should not perceive the new party as a threat but take advantage of it to improve its style of government.

Namibia also knows that the new party's founders came from within SWAPO itself, and nurtures hopes of a genuine dialogue. Ben Ulenga maintains that he had no choice: when rumour revealed that President Nujoma was intending to stand for a third term, there were already expressions of displeasure in some quarters. And when, in 1998, SWAPO announced an amendment to the Constitution enabling him to do so, that was the last straw.

It was time for a public protest, and Ben Ulenga resigned from his post. Reprisals were swiftly forthcoming, and SWAPO decided to suspend him from the Central Committee.

"The way they did it was unacceptable: my case was discussed in my absence and I was suspended. That made me decide to leave the party. The Namibian people, too, were concerned at what was going on. It was time for a political alternative, and a group of

people went into action. In March 1999, the CoD was launched."

The public had taken action, especially in the interior of the country, where a sense of insecurity had prevailed for years.

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**"The Namibians need to see their dreams become reality, need to realise themselves, and they can only do that with a government that concerns itself with the people - a government that really tries to develop the country."**

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They felt that the Government was not paying sufficient attention to regional development.

The creation of the CoD caused tension in official circles. As far as its leader is concerned, government media tend not to touch any information relating to him. The NBC, the Namibian Broadcasting Corporation, has a lukewarm attitude, but the independent press gives the party good coverage. At NBC headquarters Director-General, Ben Mulongeni, has only one thing to say:

"We are there to reflect reality, not to put out propaganda. When the COD was set up, we passed the information on. Just as we do for any party!"

**Opposition from within**

The COD has opened a branch at Oshikati, to represent the Oshana region. The new office, visible from the main road, already has several hundred members. The Secretary is Shanika Jordan, aged 24, a fast talker and clear thinker, whose keenness to get things moving will be a catalyst for the party. He refuses to allow Ben Ulenga to take all the credit for of the new party, regarding him

as a media figurehead.

"The rest of us, ordinary Namibian people, are also watching the way the situation in the country is changing. We are also in favour of maintaining multi-party democracy in Namibia, without being against the other opposition parties. We have studied the country's social situation, and then we got together and set ourselves the task of solving Namibia's problems: lack of water, unemployment, lack of prospects after leaving school. CoD was not Ulenga's idea, it was the idea of the Namibian people. In Namibia, you have to wake people up. They don't understand why they vote for SWAPO; they vote because they have a vote. Only when there are several parties will our leaders be obliged to concern themselves properly with the questions that interest us."

**First Congress**

The inaugural Congress of the CoD was held in Windhoek in late July.

"We adopted the party's constitution and we addressed the major issues: agricultural reform, education, the economy, good governance and the need to do away with corruption. We are still working on the documents and we have decided on the party's main lines of policy. Committees have focused on the documents, and we hope to publish them soon."

Ben Ulenga summarises the CoD's aspirations: a Namibia which is progressive, capable of feeding and educating its population and giving them a sense of responsibility.

"The Namibians need to see their dreams become reality, need to realise themselves, and they can only do that with a government that concerns itself with the people - a government that really tries to develop the country."



# Living off the land

Agriculture and rural development is the third priority sector identified by the Namibian Government's National Indicative Programme (NIP). The other two are education and training, and the development of the private sector.

Developing and organising the country areas is a major challenge for the Government, and a priority for European cooperation, which in 1999 launched the Research Extension Management Programme (REMP), a research programme to improve the administration of support for the farm sector.

**E**ros Airport at dawn. There are nine of us taking the northbound flight to Oshakati, a town lying beyond the "red line" - a *cordon sanitaire* established between the former homelands and the rest of the country to prevent the spread of epidemics. It is here, in the former homelands of the north, that most of the communal farms are to be found. This huge area, the country of the four Os - Omusati, Oshana, Oshangwena and Oshikoto - is made up of sandy plains forming part of the Kalahari basin, where the land is barely able to support those who work it. This is a country of traditional subsistence arable and livestock farming, the main crops maize and millet. It was only natural that those responsible for European cooperation decided to make this the base for the country's most important agricultural development project.

More than 70% of Namibia's population live in the rural areas, sharing 43% of the country's land, mostly in the seven regions of the north. The town of Oshakati is an important regional centre. Decisions affecting the rural workers are taken by the commune, each community being made up of several villages, though the word "village" hardly seems appropriate to the foreign observer: the people here live on homesteads, a few hectares of cultivated land granted by the government and surrounded by outbuildings. Each hut is separated from its neighbours by wooden palisades or fences to prevent

the livestock escaping. The traditional homesteads are disappearing now, under demographic pressure; people are tending to move into houses along the road network, to try their hand at commerce, or are emigrating to the cities. But traditional figures such as village headmen remain.

## From the RDSP to the REMP

The Government's efforts affect more than 93,000 farm units spread over an area of some 53,000 km<sup>2</sup>. The National Agricultural Policy is trying to introduce significant changes, particularly by supplying services to those who work the community farms. Another objective is to realign the activities of the private sector by introducing new methods and more efficient approaches.

With the aid of technical assistants, Namibian experts have got down to business. Their main activities are demonstrations and experiments. Familiarisation sessions, fertiliser promotion, the introduction of new seed varieties and other techniques have been offered to the farmers. The latter can then compare the results obtained by these crops with the traditional methods. The REMP, a project costing about € 7,450,000 (48,500,000 Namibian dollars) and financed by the European Development Fund (EDF), was signed in May 1999 for a four-year period. This programme is a follow-up to a 1994 project, the RDSP (Rural Development Support Programme), which ran from 1994 to 1998. There is no doubt whatever that the lessons of the RDSP have borne fruit and provided a basis for the drafting of the REMP. The primary objective, first and foremost, is to reduce the poverty of the rural areas. Subsequent aims include improving security of food supply for the basic family units, reducing the drift to the towns and, finally, recognition and upgrading of the role of women in farming.

## Even further north...

As you approach the Angolan border, vegetation becomes increasingly scarce. The country here is even drier, with very sandy soil and unpredictable rainfall. As a result of the population increase, most smallholders can no longer rely on what they produce. More than half their household income comes from farm produce. For the rest, people manage on the pensions granted by the Government and the wages of those who have left for

Between two homesteads in the bush around Oshakati





the towns. The nearer you get to the border, the more trade there is with neighbouring Angola.

We are going as far as Eunda, in the extreme north of the country. Accompanied by officials from the Ministry of Agriculture, based in Oshakati, we are on our way to meet a small welcoming committee of villagers. With the support of the programme, they are trying their hand at chicken farming and rice growing. The results of the latter experiment are inconclusive, though that will not prevent the inhabitants of Eunda from trying again next year, this time with vegetables, because "you can't just give up".

The last rainy season was disappointing, but "if God sends us some rain, we'll give it another try next season and then we'll see what happens". Rain; an endless topic of conversation, because it is problem number one for this region. The farmers concede, though, that the selected seeds give a better yield even with low rainfall. Simon Nakale, the oldest of the group, complains of the parasites that too often destroy the harvests. Maria Pavo puts in a word, offering more encouragement for the various experiments supported by the projects. Maria and Simon consider themselves well off today; they remember the years of guerrilla warfare and are glad that, at last, they can go where they like and do what they like.

"Thanks to the projects, we're learning to concern ourselves with our harvests. It must be said that we receive a government pension now, and we are in a position to help each other. You have to get used to poverty here, and the lack of education. The whites have huge estates, but they don't stay there. That would just be impossible here; everyone here has to look after his own little field. Ten years ago cattle could graze everywhere, but there are more and more of us now - animals have to make way for people."

### Organising people and coordinating aid

REMP objectives are ambitious; to continue the development of programmes concerned with manpower training, management advi-

sory services, the development of information systems for farmers and support for groups of producers. It has two target groups: workers on the communal farms and the local team working for the Ministry of Agriculture, Water and Rural Development.

Tina works for the only veterinary hospital in the region. Like many of her compatriots, she was trained in Zimbabwe and Cuba. The farmers can take their animals to her, otherwise a team travels around from time to time to take samples.

"We organise vaccination campaigns, supported by 12 teams, and we also offer three-day training sessions for agricultural workers."

The latter have formed an organisation, the NNFU [Namibian National Farmers' Union], which also receives European aid to help organise it.

Mr Imalwa, an official of the Ministry of Agriculture, has worked on the RDSP for several years.

"One of the original features of the programme was that it provided the population in these communal areas with a service that goes to them: mobile teams offering them the chance to obtain information and to visit proximity training centres. The 'farming system' was certainly the best way of operating at rural level. At the time when the REMP was under discussion, numerous consultations were arranged with all those involved. It was a genuine joint deci-

sion; government, NGOs, farmers, etc. And it allowed better integration of the various projects into the national structure."

One of the essential aspects of the REMP, then, is to allow genuine coordination between the donors. They also meet once a month to discuss progress. The Namibian Government, for its part, makes a financial contribution, in particular paying the operating costs and wages. Travelling with the French mission, we were able to understand that this is not an idle concept: French volunteers are providing technical assistance at the Ministry of Agriculture's outstation in Oshakati. Over and above the opportunities offered to farmers, the REMP also enables the Department of Agriculture and Rural Development to see through the institutional reforms it undertakes and to boost the capabilities and management techniques of the research personnel, organising the skills of a local service capable of meeting the farmers' needs.

For Mr Imalwa, the measure of success is that farmers from the "four Os" have no hesitation nowadays in making a trip to seek advice.

Namibia - EU cooperation 1990-2000

Lomé Convention	EDF 7 (€m)	Focal sectors	EDF 8 (€m)	Focal sectors
Lomé National Indicative Programme	50m	Agriculture Health Education & Human Resources Dev	52m	Education 28% Agriculture & Rural Development 28% Productive Sectors 28% Others 16%
Regional funds	21m	Infrastructure	7m	Infrastructure
Sysmin	40m			Under consideration
EIB Funds	50,2m	Infrastructure Manufacture Telecommunications	67m	Telecommunications Energy Mining
Other Lomé funds	0,17	Emergency	-	
Total Lomé	161.37m		126m	
Other EC budget lines	38m	Miscellaneous	8.7m	Miscellaneous
Total	199.37m		134.7m	



# Money and politics

## Namibia's budget carries a message

The 1999-2000 financial year officially opened on 7 April 1999 with the publication of the budget by the Minister of Finance. Prepared with the assistance of the appropriate departments of the Ministry of Finance and the trade unions, it includes a number of positive points, in particular the reduction of corporate taxation. But by failing to address certain issues, such as the need for staff reductions in the civil service, it has confirmed the anxiety felt in business circles.

The good news was that there was a 5% reduction in corporate and personal income taxes as previously promised by the Government. Otherwise, the picture is not such a happy one, particularly as regards the increase in duty on fuel, the net reduction in foreign aid, higher public indebtedness and a costly "Peace Project".

The biggest economic problem is the tax situation, which has deteriorated since independence. The National Bank of Namibia has sounded the alarm on several occasions, emphasising that a continuous deterioration would become impossible to control. Despite these warnings, no significant action has been taken to remedy the situation.

The forecast budget deficit would represent 4.2% of GNP, now standing at 19 billion Namibian dollars. This trend, according to the World Bank, is the reverse of what is occurring in the other countries of sub-Saharan Africa. As for the country's official debt, it has increased from 15 to 23.5% of GNP. According to Doctor Henning Melber of NEPRU, the Namibian Economic Policy Research Unit, what is so alarming is not so much the size of the debt, especially compared to other African States, but the speed with which it has been built up.

"At independence, the debt could be said to be virtu-

ally zero, whereas now it amounts to a quarter of GNP. Expenditure continues to increase every year. The budget is finite, and thought needs to be given to tough measures to reverse this trend."

### The aid barometer

The cost of the war in the Democratic Republic of the Congo is also draining the State Treasury, even though the budget fails to mention it. However, funds appropriated to the Ministry of Defence have increased by over 20%. The unilateral decision by President Nujoma to send troops to fight alongside Kabila's soldiers has been repeatedly criticised. Sarah Kuugongelwa, the National Authorising Officer for the EDF, regards this as misleading.

"You can only talk about development in a peaceful environment. Here, in Namibia, the only reason we are in a position to debate the budget at all is that we fought against an evil regime. Our neighbour, Angola, borders directly on the DRC. Other conflicts in Central Africa brought about a rapid deterioration of the general situation, and the same could happen again. The international community is watching us: this time, we cannot expect the United Nations or anyone else to come and help us. We have to act for ourselves and support our friends."

The EDF National Authorising Officer finds it difficult to imagine that the donor community could penalise countries for taking steps to halt the rebel advance.

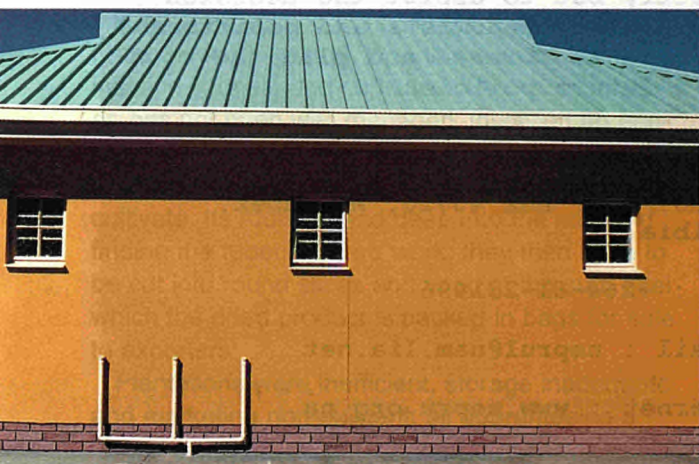
"I want to think that what worries them would be to see an extension of that conflict. I feel sure they would prefer to help the parties concerned to combine and bring about a dialogue to restore peace and democracy. All we want is to stop the rebels jeopardising the organisation of elections. We have a moral obligation to intervene to prevent situations like this from becoming common-place."

However, the budget does show a drastic reduction of donor support. In 1998-99, international aid amounted to 46 million Namibian dollars. Today, it has fallen to 7 million. Dr Melber regards this as a signal that Namibia today must meet the same standards of good governance and political decision-making as any other beneficiary.

### Campaign decisions?

The government's proposed solution to the problem of the veterans of the People's Liberation Army of Namibia is to take most of them (9,000 veterans) into the civil service or to give them pensions of 500

Reduction of aid could threaten certain aid programmes, including those dealing with housing





Namibian dollars a month. These measures would cost the government 255 million Namibian dollars and increase the size of the civil service to 78,249. Observers see this as no solution at all: the Government, they say, is trying to disguise its inability to solve a problem unresolved since independence. It has failed to generate any new jobs. Sarah Kuugongelwa waves these criticisms away.

"We know that some people have used this issue for political ends, as a vote-catcher. Now that we have sorted out this problem, the same people are objecting to our solution so that they can still use the issue in their campaigning. We all know that the private sector cannot generate jobs artificially. Well, unemployment has risen to 34%; that shows that the economy cannot cater for the army veterans. Those who oppose our plan are well aware of that. These men did their bit for liberation, and it is the responsibility of the Government to take care of them. It is completely justifiable."

Be that as it may, the problem of civil service reform has been deferred yet again.

Plus 9.5% and plus 19.8%: health and education are still priorities for the Government, with appropriations to both sectors in excess of the rate of inflation. The Minister of Education considers that Namibia is, as it were, moving into a second phase: efforts which initially focused on promoting schooling for all are now shifting to the quality of teaching.

"Of those in the 6-16 age group, 95% are now registered as attending school, and that is a success. But there is still much to do in order to improve quality: improving teaching skills, equipment, the teaching environment. It takes determination, but it takes money too."

It is difficult for observers to form an accurate idea of trends in the middle of an election year. Everyone is waiting till after the general and presidential elections before predicting the new Government's measures.



Sarah Kuugongelwa,  
NAO  
"We can only  
develop if we have  
peace"

## Dr Henning Melber Director of the NEPRU

### Building up Namibia's capacities

The Namibian Economic Policy Research Unit (NEPRU) is an independent research institute set up in January 1990 at the initiative of SWAPO. Its brief is to provide internal and external advice, in particular by assisting the Government with the drafting of its policies and its decisions in the fields of macroeconomic and socioeconomic strategy. Its Director, Dr Henning Melber, describes himself as a "thoroughbred Germano-Namibian". The son of German immigrants who came to the country in the 1960s, he was undoubtedly the first white to become a SWAPO member, 25 years ago. He trained as a journalist before studying politics and sociology. He accepted the post of Director of the NEPRU in 1992.

"Apart from the assistance we give the authorities, we also compile statistics, because when independence came there were no systematic data on Namibia. As I see it, the most important aspect of our activities is helping to build up capacity through internal and external training activities, and the extensive dissemination of information to the public. We have built up our reputation on those activities. It is fair to say that there are no other institutions able to compete with us. We publish four economic summaries a year - our Quarterly Economic Review - for the benefit of our subscribers, NGOs and donors, but also for use in schools. All this information can also be found on the NEPRU Internet site. Our function is not to address the grassroots directly but to assist the decision-takers, the economists and politicians who have to foresee and plan the country's future policies."

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# Fair trade The Devil's Claw

**H**arpagophytum procumbens, better known by the name "devil's claw", grows in the sands of the Kalahari. It gets its name from the shape of its fruit, which bristles with sharp spines. Its tuberous roots look like elongated potatoes and it is these that contain its valuable medicinal constituents, which have analgesic and anti-inflammatory properties. They are widely used in the region to treat various disorders.

In eastern Namibia, in the area around the town of Gobabis, the country's poorest communities, the !Xo and Ju/'hoa (bushmen), have been living since independence on communal land. They have always relied on wild plants for both food



The devil's claw is put out into the sun to dry

and medicine, especially the *kamagoo*, their name for devil's claw. An extract from the plant is used to treat malaria and other illnesses.

For some time, demand from Europe and the United States has increased steadily. Bernhard Gariseb is the teacher at the little school in Vergenoeg, in the east of the Omaheke region. He explains that the people have no income, which has forced them to sell *kamagoo* at N\$3 per kilo. This offer soon attracted interest from Western alternative medicine practitioners (especially in France and Germany), who use it in the form of infusion sachets and capsules. The trade, however, has not been well managed, involving an endless chain of middlemen, and threatening the species' survival. The plant is extremely difficult to cultivate. Its roots extend deep into the soil, and finding the tubers is hard work; they then have to be cut into round slices and dried in the sun, after which the dried product is packed in bags for sale to exporters.

Plantations were inefficient, storage inadequate and marketing non-existent: all guaranteeing a

minimum yield and a derisory income.

Supported by OXFAM, in particular, CRIAA SA-DC, an NGO, has launched a project to show that the cultivation and selling of devil's claw can be profitable. The resources exist to grow the plant efficiently, generate income for the growers and create work for the 2,800 Damara and Ju/'hoa living in the area. Middlemen are no longer used, diminishing losses, and creating a direct link between the communities concerned, the exporters and the various European customers.

During the first stage of the project, the Vergenoeg communities learnt to grow the plant sustainably, harvesting only the secondary tubers.

They also began to profit from their sales. Gradually, other NGOs and the Commission decided to support the project, which has enabled it to extend to seven more communities.

Other activities have been launched. After the first stage, which provided an indication of the number of growers concerned, training and awareness courses were arranged, equipment (scales, cords, etc.) was bought and active preparations made for the harvesting season. During the rains, studies were carried out that made it possible to establish production quotas and ensure sustainability. Storage sheds have been built, and the necessary steps have been taken to allow use of the "Organic Agriculture", "Environmentally-Friendly" and "Fair Trade"

labels. In April 1999, devil's claw was selling at \$N12 per kilo. As a result of quality improvements, exports have brought in 6 million Namibian dollars. Exporters have to hold permits from the Agriculture and Environment Ministries.

Other plant species may benefit from this experience. The Omaheke region alone has produced at least four other species that could be marketed in the future.

**Bernhard Gariseb hopes that fair trade will help the people raise their income**





# Be Quiet and Listen!

by Aya Kasasa

In the young Namibian nation, there are some things that it may be best not to talk about openly. Historical things, especially. The Namibians are peaceable by nature, as witness the quiet process of transition undertaken by SWAPO after independence. No bloodshed in the streets, no acts of revenge: the policies of national reconciliation and affirmative action were implemented without causing any obvious problems. In South Africa, the Truth and Reconciliation Commission has provided opportunities for all concerned to lance the abscess by discussing the horrors of apartheid, but nothing of the same kind has happened here. A symptom, or a consequence?

Sometimes, in Windhoek, you find yourself in a situation that creates a hint of tension. There is nothing to stop you

visiting this place or that place, but you suddenly feel that you might be stepping out of line. Both sides are finding it difficult to adapt. Trust is the essential foundation, and trust is not created overnight. The fact is that there are many things that are not discussed openly. It is not

easy to talk about the frustrations caused by the absence of any improvement in the blacks' quality of life. It is difficult to talk about the traumas of colonisation, apartheid or the damage done to the fabric of society by the liberation struggle. And it is difficult, quite simply, to accept that the idea of coexistence between white and black is still an illusion. Diagnosis has to precede cure. And arriving at a diagnosis calls for listening, and a discussion of past events.

## Eyes wide open at UNAM

In the suburbs of the capital, students and lecturers at the Department of History of the University of Namibia (UNAM) are actively involved in the construction of the country's official history. In the cool of this winter evening, young people are sitting or sprawling on the grass, in small groups, reading and chatting. The office of Jeremy Sylvester, the Professor of Namibian History, is full of students; it also does duty as a lecture room. It is a place to borrow books and, especially, a place for casual conversation.

Jeremy Sylvester is glad to be in Namibia today, "at a crucial time in its history". When he first came, in 1990, it was difficult to make people talk. Since then, though, tongues have loosened and subjects once regarded as taboo can be discussed. "When my students talk about their memories, during the lectures, some of them weep. They were about 10 years old when those events occurred, and they have lived through some very bad times; but, despite the pain, they want to go on talking

about it. The same thing does not happen at national level. You might say that such matters have been suppressed. The paradox is that this is almost a case of self-censorship - there's no official ban on it. The reverse: in Namibia, there are encouraging signs, and people who want to make themselves heard have the right to do so."

Flanked by a newcomer to the team, Ben Kangumu, Jeremy Sylvester encourages students to read between the lines. They are studying the "hidden" history of Namibia, the images of history that go beyond the books: monuments, museums, public holidays, celebrated dates and heroes. "Take a walk around Windhoek and look about you; you'll see that all the monuments reflect German colonial history - you hardly feel you are in Africa at all. That means that 95% of Namibian history, the part not concerned with German colonisation, has quite simply been pushed to one side."

And so the UNAM Department of History embarked on the adventure. Under this new programme, it has taken on the task of collecting and making more widely available all the riches of oral tradition and history, about which the history books on the colonial period have nothing to say. Books which have marginalised or disregarded numerous subjects and communities. The Damaras, for example, were portrayed as a people with no history, a people that has even forgotten its own language.

A few kilometres outside the capital is the Daan Viljoen Game Park, a paradise for ornithologists. Families come here on Sundays to get away from the city, picnic and watch the birds hopping about freely in the magnificent surroundings. As if to illustrate our theme, the park bears the name of a South African administrator. You could spend a weekend at Daan Viljoen without knowing that it was a Damara reservation, although it conceals some genuine historical treasures. With a little care, you can find all kinds of traces of the past. The UNAM students have come away for a study weekend. The programme includes guided walks in search of historical traces. Along the path, ancient structures suggest that they may have been prehistoric cemeteries; even the grave of a Damara chieftain has been found. By the waterside are identifiable patterns of stones reminiscent of kraals. You can even stop and talk to old people who remember those who were still living here until the 1940s. The archaeologist Goodman Gwasira works at the National Museum of Namibia. During this research weekend, he accompanies the UNAM students and shows them around the archaeological sites. "There should be some excavation, to bring human history to light: this place is much more than a park. I think there is scope for cultural tourism. It's thought that some cave art has been discovered. If more was made of Namibia's history, it would certainly bring in different types of traveller. True, Namibia has not yet signed the United Nations World Heritage Convention. All these things have yet to be done, to increase the interest of the young."



Daan Viljoen Game Park



## The sensitive issues

The students' painstaking efforts will not be in vain. For the tenth anniversary of independence, to be celebrated in the year 2000, the Department of History is organising a conference entitled "Official history - forgotten history". From 24 to 27 August 1999, speakers offered alternative versions of the past and ways in which they could be exploited in the Namibia of today. The conference will also pave the way for celebrations

of the centenary of the war against the German troops in 1904. Also, on 26 August, Namibia celebrated its "Heroes' Day", and the Herero community held a festival at Okahandja to commemorate its past leaders. Namibians interested in portraying the history of their own communities were able to exchange ideas and benefit from the knowledge of those with previous experience of it, especially in the context of tourism.



From left to right:  
Yvan Casep, aged 23, Namibian  
(Windhoek),  
Ouvrou Dax, aged 19, Namibian  
Unice Gustavo, aged 18, Namibian  
(Grootfontein)  
Abena Yeboah, aged 22, Ghanaian,  
Casper Ericcson, aged 26, Danish

## Young people of Namibia ... and their friends

In Namibia today, there are 30,000 young graduates. UNAM, which has had administrative problems, has produced nearly 5,000. Most of the enrolled students receive scholarships from the government; a small number are sponsored by private industry or can finance their own studies, and the most prosperous study abroad. Offered an opportunity to say their piece, young people are reluctant to give up the microphone. Apart from the issues that specifically concern them, they also take an interest in politics and the economic health of their country, and they are concerned with racial issues. Here are some selected extracts:

**Yvan :** We've succeeded in keeping the peace so far, and I'm very glad about that. But I would like to see young people getting more involved in politics. And it's time for changes, anyway: we need a different President. It can be done, just look at South Africa: Thabo Mbeki has been ready for the job for years. I came back a year before independence, having grown up in Germany. In the early years I had to put up with racism, but people are gradually changing. We are beginning to see whites and blacks together, at least young people, in cafés, bars, cinemas, etc.

**Unice :** It isn't like that in Grootfontein. There are lots of places where apartheid still exists in practice. And lots of other cities too. I must admit that when I came to Windhoek it was quite a surprise! It is true that we have a fear of expressing ourselves, our elders especially. It was here, on the history course, that I learnt the art of discussion. Our parents tell us that we can't trust the whites but we don't want any more

problems. We've had enough!

**Casper :** UNAM is a problem-free island. But when I walk through Windhoek with my black friends, car drivers shout insults at me. I think it's a generation problem. Older people have trouble getting used to the idea of reconciliation. I was lucky to have the opportunity to travel around the region, especially in South Africa. You have to recognise that the problems of segregation were greater there. Here, people mingle more easily. You don't hear about it at national level, but in the bars, for example, people sit down and talk. And you have to realise that apartheid did not just separate blacks from whites - it came between white and white as well. The Germans didn't mix with the British, the Afrikaaners, etc.

**Ouvrou :** My parents are starting to change. We have had white neighbours, Americans, and we have started to mix. The only way of changing things would be to bring people into contact. Our culture requires us to respect our elders. When you go back to the villages, the old people tell horror stories about the apartheid days. Here in Windhoek, people get on well, and then we go home and it's a different story! It's very confusing.

**Abena :** The racial question seems to me to go beyond the white/black divide. It's a tribal problem, too, and I can say that because I am an outsider. The Hereros, Namas, Métis, Owambo, etc. all stay in their own areas. Even at university. You have to mix. As for agricultural reform, you have to be very cautious. In Zimbabwe, for example, the blacks found that they couldn't work the land once they had driven the whites off it. Maybe the solution will be for the government to own all the land!



# Quiet and Listen!



**Sunset over Bangui  
la coquette**

Captivated by the charm of the Central African Republic's capital, stretched out along the banks of the Oubangui, a European journalist back in 1934 christened it Bangui la coquette. The picture this conjures up of a neat and tidy African garden city, flattering as it is in many ways to the national ego, has remained in many memories, but the reality, sadly, has been unable to withstand the vicissitudes that have swept the country in recent years. There are plenty of unwelcome scars to serve as a reminder of recent events. The thousands of bullet marks on the walls and monuments of the city centre, a legacy of the three army mutinies that took place in 1996 and 1997, the shortcomings of town planning policy and, more simply, the ravages of time have further undermined what was in any case a dubious brand image. Reflecting the scale of the economic problems facing a country still trying to come to terms with democracy, the events of 1996-7 were themselves sufficient to bring radical change both to the landscape of the CAR and to its people's views. The quest for better living conditions - or simply for survival, in many cases - and the hope for greater freedom and a new set of ground rules dictated by transparent relations between the governing class and the rest of the population, have become more and more urgent in recent years. But one might almost wonder which component of this legitimate dual aspiration might gain the upper hand. In some quarters, the sheer urgency of essential needs has sometimes seemed to create a division between them. This is no place to dredge up the endless controversy over the relationships between development and democracy, but it is more certain than ever today that, if the Central African Republic is to escape from the limbo created by years of groping in the dark and turn its face towards a brighter future, its present situation means that it will have to face up to both these great challenges, as this alone can bring lasting stability.

### Stability or nothing

It might have seemed that the successive periods of political uncertainty that have studded the

history of this country since its independence in 1960 had disappeared after the 1993 elections, when President Ange-Félix Patassé was elected by direct universal suffrage and, two years later, a new constitution was adopted. However, 1996 was to be a year of surprises. Or at least a year of half-surprises, as the steady deterioration of the economic situation might have provided a clear warning of what was to come: a challenge to the government marked by widespread deep discontent and, probably, outbreaks of violence. The perilous way in which public finances were being handled and the low level of government revenue resulted in delayed wage payments to government employees, including the army and the other national defence forces. It was playing with fire twice over to make no effort to prevent this kind of deterioration in the already precarious living standards of an army whose role within the new context of democratisation should have been more clearly redefined. Not only that, the ethnic imbalance which had provided a power base and a form of insurance for each of the successive governments should have been minimised. For example, there was a notable preponderance of Yakomas within the army, especially among the senior officers, and that tribe was deeply involved in the third mutiny. This whole climate of underlying tension and virtually universal discontent, further exacerbated by accusations of favouritism, corruption, politicisation and indiscipline within the professional army, as raised in a study on the troops' situation, clearly helped to light the fuse.

Events might have taken a disastrous turn but for the African efforts at mediation during early 1997, sponsored by President Omar Bongo of Gabon and Mali's General Amadou Toumani Touré. The peace negotiations between the government, the mutineers and the political parties resulted in the dispatch of MISAB (the Inter-African Mission for the Monitoring of the Bangui Accords), supported by France and relieved in



mid-April 1998 by an international force sent by the UN Security Council. Since that time, the presence of MINURCA (the United Nations Mission to the Central African Republic) has enabled relative calm to be preserved within the country. The force of about 1350 men stationed squads in the various districts of the capital and the interior to provide the population with a minimum of security. With a mandate to help the country return to peace and stability, the UN Mission acts mainly as an arbiter to resolve the tensions arising from the installation of a democratic system. It is primarily involved in the organisation and verification of free elections, as occurred during the general elections of December 1998, and its role in preparing for the forthcoming presidential elections of September 1999 will once again be critical. MINURCA's other tasks include disarmament, the training of the security and police forces and the reintegration of the former mutineers, tasks in which it works closely with the other international institutions and the bilateral funding authorities established in the country.

Although it has been generally successful in its mission for over a year, give or take a few minor failings, MINURCA's task is still a difficult one, as confirmed by Mr Adenidji, its Bangui representative. After all, it is no easy matter to effect a compromise between frequently divergent viewpoints without running the risk of upsetting one of the parties or being suspected of partiality. Nor is it easy to provide optimum security arrangements in such a vast country or to provide, unaided, a solution to all the problems that arise, given that the deep-rooted causes of the upheavals are economic and social in nature. Press conferences are regularly organised to take stock of recent activities, and a radio station christened "Radio MINURCA", was set up

shortly after the arrival of the mission to broadcast daily information and awareness programmes for the benefit of the population.

But can it be said, today, that stability has definitely returned to the country? Not really, because no one can predict what the situation will be after the international force's mandate expires in November. Weapons are still circulating in secret within the country, and the programme to demobilise and reintegrate the defence forces, the epicentre of the upheavals of 1996, has fallen somewhat behind. The electoral climate is admittedly much less tense than some observers were predicting, but stability will depend on the precautions taken to ensure the transparency of the next ballot and so minimise electoral fraud, and even more so on the extent to which the population accepts the verdict of the ballot box. The Central African Republic, however, is not entirely master of its own destiny as far as its stability is concerned, because of its central geographical position. Far from bringing it the "falsely genuine" geostrategic advantages of the cold war, where intervention arguments and areas of influence mingled without a shred of logic in the conduct of the satellite state's development, this position really does leave it confronted with a host of problems today, resulting from its landlocked location. On its borders, there is nothing less than a "ring of fire", which may one day prove a threat to its internal security. The CAR is jammed between Sudan to the east, Chad to the north and the Congo and Democratic Republic of the Congo to the south - all countries where war has been raging for several years already. The CAR confronts a hopeless dilemma: on the one hand it struggles with the difficult task of demonstrating its neutrality by way of mediation activities; on the other, it finds the suspicions

of its impartiality hanging over it like the sword of Damocles. And no amount of defence agreements or reciprocal non-aggression pacts concluded here and there will, in themselves, be sufficient to ensure the country's security after the United Nations force has gone, especially in a context of extensive regional tensions. Only a few months ago, Chad army units, heavily armed and coming from the DRC, passed through Centrafrican territory on their way home, to the distaste of the population. According to the Office of the UN High Commissioner for Refugees, the CAR also harbours more than 50,000 refugees from crisis-ridden neighbouring countries, some of whom make armed sorties across the border.

#### **A desire to do better**

Having become accustomed, over more than 10 years, to living in a climate of macroeconomic gloom, made worse by the mutinies of 1996, the CAR is now up against the wall, with no alternative but to react. The problems have arisen steadily, but most importantly have become intermingled, to the point where any attempt at separate or specific solutions is little more than an illusion. Once again, the country faces a critical situation with several months' backlog of unpaid wages. The low success rate with tax collection, necessary to broaden the tax base, and the low level of revenue had considerably unbalanced the national treasury. This shortage in the national coffers was very soon reflected by a slowdown of public investment in priority sectors, and various programmes intended to kick-start economic activity have been deferred. This situation is largely attributable to the inefficiency of the administration, and of the tax authorities in particular. It had become difficult for the State to assert its authority over a demotivated workforce concerned with the quest for





For a landlocked country, roads are the key to gaining access to the markets, above

other means of subsistence. Not only that, but the insecurity generated by the military rising and the decay of various institutions have driven foreign investors - rare, in any case - out of the country. More than half of the SMEs have closed down or moved into the informal sector. Estimates are that this situation caused losses in the private sector of up to 41 billion CFA.

It was against this background of universal "bad governance" that a new prime minister was appointed after the 1998 general elections. Brought in to clean

no economist, he won't have a free hand or the resources to pursue his policies," is the more pessimistic angle. In the meantime, his presence will have helped to untangle relations with the Bretton Woods institutions a little more. For several years they have been turning their attention elsewhere, but they took a more favourable view of the CAR once again in July 1998, with an enhanced structural adjustment facility being signed for a three-year period. The terms of the agreement required the CAR to raise its annual growth rate, bring

appointment to his present position seems to please many Centraficans, quite a few seem to be perplexed by it. "For some years, our country has been demonstrating its inability to administer itself. What we need is an administrator, and this may be our last chance," is the cry from some quarters. "Economist or

down the second tranche of the loan, which should normally have happened in December 1998. Concern not to expose the country to a pull-out by other fund providers, who now make their aid conditional on compliance with undertakings given to the IMF, certainly induced the latter to slacken the reins. That, however, is not to detract from the progress the country has achieved. A slight improvement has been observed, and budgetary receipts are increasing, now reaching 9% of GNP, while in 1996 the figure was only 6,1%. For the first six months of this year alone, global receipts increased by 12%. Administrative reforms are on the right track, and the State continues its divestment of public companies. According to Jacob Mbatadjim, CAR is experiencing, due to its efforts, a period of growth and improved relations with the international community. The end of the tunnel is still a long way off, and the Centraficans are realising that it will take time to put things straight, because the obstacles to be overcome are huge.

### Access to the world

Nature sometimes does things wrong, or does them by halves. While it generously endowed the CAR with potentially profitable natural resources in sufficient quantity to meet the essential needs of its population, it did the country no favours by shutting it away at the very heart of the African continent, with no direct outlets to the exterior, a situation exacerbated by the anomalies of history. It would more or less be fair to say that many of the country's difficulties derive from its landlocked status. This geographical situation, which is admittedly a serious handicap to the exploitation of the country's national wealth, is often advanced as an argument in partial justification of its serious economic backwardness since it achieved independence in 1960. The CAR's central position pro-

Some goods for export are transported on the Oubangue River, below



house and sort out the government's books, and to guide the country to the next presidential elections, Anicet Dologué, one of the few economists to have occupied this post, has been able, in the course of a few months, to form some impression of the scale of the problems he will have to solve. Although his

engagement from manufacturing industry and major companies, and speed up the reforms of the financial and banking sectors. Although the terms and deadlines laid down have not been fully observed, the Centrafican authorities did nevertheless succeed in obtaining the IMF's agreement, last July, to draw



vides it, indeed, with no direct access to the Atlantic Ocean on the west of the continent or the Indian Ocean on the east. As a port, the CAR generally uses Douala in Cameroon, which has to be reached overland from Bangui, or Pointe-Noire in the Congo, which is accessible by river and then road. This situation could not be worse, not only for passenger transport but more particularly for freight, given the precarious condition of the transport infrastructure. Unsatisfactory transport conditions impair the quality and safety of Centrafrican products, but the enormous cost of moving them is what mainly makes them uncompetitive as exports and, conversely, raises the price of imports. Also, the CAR's dependence on its neighbours offers it no protection from the crises that may arise in those countries, as occurred recently, once again, with the war in Congo Brazzaville.

In order to confront all these problems, the country is going to have to equip itself with reliable infrastructure to provide it with links with the outside world, both inward and outward. This policy requires the injection of extensive technical and financial resources, more extensive than the Centrafrican State can mobilise unaided. The CAR does, after all, have a vast transport network to cover. With 9,000 km of national and regional highways and 15,000 km of rural tracks, not to mention 45 airport platforms and 1,900 km of navigable waterways, transport infrastructure alone currently swallows up some 40% of public investment. It has benefited more than any other sector of the economy from the increased volume of international aid, but the results have been inadequate as yet. Within the framework of cooperation with the European Union, the authorities have once again selected this sector as the priority focus of the aid granted under the EDF. A strategy document, prepared with the support of the World Bank and entitled

*Sectoral Transport Project (STP 2)* lays down the objectives for the second phase of the project begun at the start of the decade. It relates specifically to ways of strengthening and utilising the synergistic effect of the various modes of transport and ensuring the maintenance of a priority transport network. The project also endeavours to increase the involvement of the private sector, whose capacities have so far been under-used, and to sustain the reform of the institutional framework, including total withdrawal of the State from some activities.

Activities are planned for each subsector. As far as roads are concerned, the project plans to reduce the problem of the lack of made-up roads, which currently account for only 500 km out of a total road network of more than 23,000 km. Sections of highway such as that from Baoro to Garoua Boulai, which provides access to Cameroon, and the Sibut Bambari road in the centre of the country will be tarred. The government also plans to build a number of bridges and improve some unmade roads. Projects are also underway to improve the river navigation situation. The country has 1,600 km of navigable waterways: the Sangha, the Lobaye and most of all the Oubangui, which carries the bulk of the commercial traffic. The country's three main ports, especially Bangui, are manifestly under-equipped. The short-term objective is to carry out an urgent repair programme on the upstream harbour, increase the tonnage capacity of some barges, purchase

new derricks, etc. Modernisation and renovation work is also to be carried out at Bangui airport and the five minor airports. Air links to the CAR are limited, Bangui being one of the least well served capital cities in the region.



Wood is one of the most important resources in Central African Republic - but it is a resource that needs good management, above

The telecommunications facilities necessary to open up the country are very underdeveloped, and are virtually restricted to the major urban centres (especially Bangui), to the detriment of the more remote regions. Only the wealthiest citizens can afford to install a telephone line and make use of it. The main telecommunications company is Socatel, 40% of whose shares are owned by French companies. Socatel is currently concentrating its operations on profitable investments, but the conditions for its reconstruction are still fluid. Apart from cost-related issues, the success of the policies designed to open up the country will depend on

An observer post, below





political stability, and also on the regulation of the public finance situation.

### **The mainstays of success - agriculture and forestry**

With more than 3.5 million inhabitants scattered over a surface area of 622 984 km<sup>2</sup> and wide differences in population density in some towns which often exceed the national average (5.5 inhabitants/km<sup>2</sup>), the population of the CAR is a young one. Fifty-two per cent of Centraficans are under 20, and the prospects of finding decent jobs for those of working age are slender. Apart from these largely unexploited human resources,



60% of the population live in the countryside

the country holds various strong cards which only sound and imaginative administration can enable it to play. The contribution made to the country's GDP by the agricultural sector is still low. Subjected to many different economic, technical and socio-cultural constraints, farming has been unable to develop smoothly. The restricted nature of the national market, underequipment, the country's landlocked position and the absence of adequate infrastructure and means of communication have slowed its development. The two main export crops, coffee (see page 53) and cotton, are in dire straits, and unless some policy is instituted to reconstruct and support these two businesses, there is reason to fear that they may col-

lapse altogether. The cloud of gloom hanging over the cotton business this year has forced the government to inject nearly two billion CFA francs to assist hundreds of rural workers hard hit by the situation. This year's production of cotton (12,000 or 13,000 tonnes) was down by more than half on the previous season. The pricing policy governing the payments to farmers must be reviewed. Some specialists in the business want to see an early return to pricing logic which guarantees the equilibrium of the cotton sector and a minimal level of confidence among producers, rather than fixed prices based on purely political considerations.

Management of the cotton sector is far from perfect, and a source of friction with donors. The future of cash crops will also be tied to the country's capacity to revitalise and modernise its agro-industrial processing plants. As for food crops such as cassava, groundnuts, millet, sorghum and rice, the government plans to broaden the production base which has remained reasonably stable, though inadequate, in recent years.

Centrafican timber, harvested from more than five million hectares of forests which occupy 8% of the country's territory, is one of the most important sources of export income. Like many other sectors, timber has been the subject of various reforms, not only institutional and legal but also within forestry itself. With the aid of the international community, projects to conserve forestry resources and make efficient use of them have been underway for a considerable time. The World Bank, for its part, is financing a Natural Resources Improvement Project (PARN) while the EU is acting through the ECOFAC programme to ensure the conservation of forest ecosystems in the region, and other bilateral donors

are providing support. However, timber cannot escape the structural constraints affecting the country. The cost of transporting it is high, and the conditions under which it has to be moved to the foreign shipping ports are difficult. Reforms have been undertaken to increase profit margins on this product, but the situation is by no means resolved. Trading activity in this sector, as in many others, is highly convoluted and not always easy to follow, despite the jobs it provides. Cyclical factors such as the Asian crisis and the vagaries of the market for tropical timber have had an impact on the profitability of the sector. To revitalise the timber industry, the authorities are also planning to increase capacity for the processing of Centrafican wood. The development of the rural areas, where about 60% of the country's total population lives, will inevitably require an increase in the level of agricultural production and product quality. This is an enormous challenge, which the Head of State declares himself willing to accept.

Apart from its agricultural potential, the economy is not benefitting fully from its mineral resources. Gold, and especially diamonds, have more potential as a source of revenue. The production, and more especially the commercialisation of this resource are not yet mastered by national authorities. It is difficult to believe that State revenue from diamonds is only 2,2 billion CFA, while the production figure is estimated at more than 40 billion CFA. The current macro-economic reforms should make the sector more transparent so that maximum revenue can be achieved.

**by Kenneth Karl**







# Ange-Félix Patassé, President of the Republic

**P**resident Ange-Félix Patassé was elected Head of State of the Central African Republic in elections held in 1993, with a six-year mandate. A number of mutinies in the army threatened his power during 1996. Although relative calm seems to have returned to the country, the time has now come for him to take stock of a semi-stable political situation and look ahead to a better economic future for his country. The presidential elections to be held during the second half of this year are already being seen as a test for the man who has just announced, on behalf of his party, his candidature for a second presidential term.

He told **Kenneth Karl** his analysis of the present situation in the country and - with an eye to his campaign - his many ambitions for the Central African Republic.



**“The time has come  
for our country to accept  
its responsibilities  
as a nation”**

*Selected extracts*

## **A lasting social peace**

The Central African Republic has lived through two years of very difficult problems which have posed a dangerous threat to social peace and the country's image abroad. All the economic revival programmes have been slowed down, and the country has had to incur unforeseen expenditure in the interests of restoring peace. "Thanks to the active support of the African States, reinforced by the efforts of the entire international community, we have succeeded in restoring calm."

Even so, for President Patassé, there are some positive lessons to be learned. This is the first time that Africans have taken such concerted action to defeat an attempt to destabilise an African state. The peacekeeping mechanism installed by the African States has enabled the United Nations to take over in due course, particularly since, at the Security Council, the cause of the Central African Republic has consistently been defended by the group of non-aligned countries.

"The time has come for our country to accept its responsibilities as a nation," the President

told us. That means it is essential to speed up the programme of reconstruction of the armed forces to create a genuine national army, improve the situation as far as barracks and equipment are concerned, and put the emphasis on training and the restoration of discipline. President Patassé also envisages using the human resources of the army to turn it into what he calls a production army within the framework of the policy of decentralisation. This is why projects for reintegration into the sectors of farming, business and industry, including civil engineering, are to be instituted.

But simply taking action directed at the army and the barracks, from which the first shots were fired in the challenge for the President's power, is not enough to establish a lasting peace. The safety of Centrafrican nationals and foreigners, and of the country's resources, too, must be guaranteed if confidence is to be restored and if the country is to bring back a good proportion of those who have been forced to leave it. The mutinies within the army brought about the destruction of the economic fabric and problems with the Treasury. Consequently, action is also needed upstream, at the macro-economic level, and in particular global situations will have to be found, because peace requires the mobilisation of every sector of economic, political, civil and social life. The major priorities of the government programme announced by President Patassé himself are in keeping with this logic, in his own words.

## **Laying the foundations of democracy**

Since democracy first came to the country, according to the Head of State, progress in that area has been positive. Despite the mutinies and the discontent among the opposition, the situation has improved considerably by comparison with the Bokassa period. The issue today is to restore confidence to the Centrafrican people by trying to build on what has been achieved

"We have adopted a democratic constitution, in the broadest sense of the term. It guarantees genuine separation of powers, especially as



regards the judicial power, where we have actually gone a great deal further than some European countries."

Decentralisation is one of the keys to democracy, but the programmes initiated to bring it about have been delayed by the country's problems. President Patassé was nevertheless anxious to emphasise the efforts that have been made on this front since he came to power. Justice has been steadily reformed and decentralised. Judgments are arrived at much more quickly than they used to be, and a children's court has just been established. There is extensive press freedom, although this has to stop where other freedoms begin, with minimal respect for the rules of professional ethics. Regional assemblies have also come into being, reflecting the need to bring a sense of responsibility to those living in rural districts. It is essential that all these reforms are continued, and the technical and financial support of the international community, and the European Union in particular, would be very welcome.

As regards questions connected with good governance, Ange-Felix Patasse deplores the climate of corruption and embezzlement prevailing in the country, which must be dealt with as a matter of urgency. To achieve this will require the cooperation of all Centraficans and, especially, a constructive and objective opposition motivated by the defence of the national interest, rather than irresponsible political parties whose only aim is to destroy or poison the situation. As far as good governance is concerned, the government authorities cannot be held exclusively responsible for it. If this scourge is to be eradicated, the whole population must play their part. The government, for its part, is concentrating on cleaning up the area of public finance.

### **Enormous Agricultural Potential**

President Patassé believes strongly in the development of the agricultural sector as a driving force behind the economic rebirth of the CAR. The country has great unexploited potential, and the time has come to make the most of it. The initial aim must be to identify and make an inventory of the best land with a view to promoting the development of genuinely-integrated crop farming. The clearly-stated objective is to have about a million hectares of land under irrigation in 10 years' time, as a result of better exploitation of the country's hydrographic wealth. A huge challenge, though its instigator seems not at all discouraged:

"I have all the facts at my fingertips, and when the time comes I will explain how we are going to achieve it."

Two essential steps, he says, are the development of the country's watercourses and far-reaching reforms of agricultural land ownership.

Drawing on his training and his experience of agronomics, the Head of State intends to make integrated crop farming the basis of rural development, since his aim is to keep the rural population where it is and enable the countryside to absorb the cities, rather than vice versa, as is currently happening. If all these programmes are successfully carried through, the President believes that farm productivity will be increased. The country will also be in a position to meet the growing demands of globalisation and further increase the profitability of high-profile crops like coffee and cotton. Without ruling out the possibility of moving forward to the industrial or semi-industrial processing of agricultural and forestry produce, the President also intends to step up his policies for the internal and external opening-up of the CAR, which should make a major contribution to improving the situation throughout the farming sector.

### **A better life for everyone**

There is no doubt that one of the central issues in the election campaign will be the efforts to combat unemployment, and indeed the employment situation in the Central African Republic is a difficult one, especially for the young. Since the civil service is no longer in a position to fulfil its traditional function as the provider of jobs for the young graduates, new options now have to be considered. First and foremost, it is essential to educate people and prepare them not to expect the administration to achieve the impossible. At the same time, however, training and apprenticeships need to be intensified and diversified. More targeted training programmes, better adapted to professions outside the civil service, must consequently be introduced both for young people and for women, whose role in development within Africa, the President agrees no one today would venture to deny. The human factor is so important in the economic and social development of a country that people have to be constantly motivated to obtain the best possible value from it. This is why the problem of wages has to be swiftly resolved. But the entire social environment will have to be corrected in the future in order to improve people's living conditions, and special efforts will have to be made to develop, as a priority, such vital sectors as health and education.

Aware that all his ambitions for his country will take time, and a lot of money, the Head of State of the CAR plans to implement them gradually, in phases. But he knows already that only the credibility of his speeches will influence the verdict of the ballot box, and that - even if he is elected - the future President of the Republic is certainly not immune from popular discontent and rejection, as the events of 1996 have already shown.



## Driving back the khaki peril

On three occasions in 1996, discontent among the military caused mutinies that nearly plunged the country into catastrophe. No one wants to see anything like that happening again. Today, with the assistance of the international community, the Central African Republic is trying to rebuild its defence forces.

The great majority of Centraficans today still agree that they came very close to disaster three years ago. Although the three army mutinies did create a serious problem situation, the after-effects of which are still rumbling on, they did at least have the merit of showing just how much was wrong within the army - poorly organised with living and working conditions that no army in the world would have envied. With excess military manpower, a glaring shortage of barracks, and a dangerously unbalanced tribal make-up that invited all kinds of manipulation, not to mention many other shortcomings, all the ingredients of an explosive cocktail were undoubtedly present, and were bound to blow the lid off the pot one day - which duly happened. In order to ensure that such things cannot recur in the future, the Centrafican authorities, aided by the international community, have been trying for some months to attack the root of the problem. Radical reforms have been initiated within the army, and everyone agrees that the establishment of a lasting climate of peace and security within the country will greatly depend on the results of those efforts, especially after the departure of the international peacekeeping force.

The National Demobilisation and Reintegration Programme (PNDR), drawn up under the auspices of the UNDP with technical support from the United Nations Office for Project Services (UNOPS) and entrusted to the Ministry of Defence, forms part of this overall plan for the restructuring of the CAR's armed forces. Its aims are to defuse the tensions within the army, encourage the equitable reorganisation of manpower, reduce State military spending and promote the emergence of new economic actors in a post-conflict context. The PNDR is mainly aimed at the country's three most important defence and security institutions: the Central African Armed Forces (FACA), the National Gendarmerie (GN) and the Special Defence Force of the Republican Institutions (FORSDIR), whose total manpower amounts to 5,450 men. The objective is to reduce that number by at least 14%, to which can be added another 630 soldiers taking retirement. In principle, this demobilisation of 800 men will be a two-stage process: the first phase is planned for November this year, and the second should take place in January 2000.

### A made-to-measure programme

Many experiments with demobilisation have already been carried out all over Africa and Central America, with varying results. The CAR's situation, though, is very different in many ways. Part of the problem is the nature of the events, which makes it

unsuitable or even dangerous to try to reproduce schemes used elsewhere. While most post-conflict demobilisation operations have been sweeping and obligatory, there is nothing compulsory about the plan that the UNDP is trying to implement in the CAR - it is a voluntary scheme, designed to prevent any suspicions of forced demobilisation or ethnic cleansing. In any case, the troops to be demobilised are members of the national forces (FACA, GN, FORSDIR); government employees, in other words, who cannot possibly be likened to guerrillas or irregulars. This is why the programme intends to carry out the operation within an institutional framework, on the basis of existing laws. The third special feature of demobilisation in the CAR concerns the fact that the former mutineers are not, strictly speaking, a group of people affected by war, as was the case in Mozambique and Guatemala. There is no question here of applying cumbersome and laborious mechanisms of social reintegration, family regrouping, rehabilitation of the handicapped, humanitarian aid, etc. Most of the Centrafican gendarmes and soldiers live with their families in the suburbs and are already well integrated into community life. The objective of the PNDR is to facilitate professional reintegration, based on the identification and recycling of the human resources forming the defence forces. Several studies have been undertaken in an attempt to form an accurate picture of the troops' situation, their socio-economic profiles and their expectations in the light of demobilisation. Information and awareness campaigns have been carried out, and the programme publishes a bulletin every fortnight summarising its activities.

As far as the reintegration aspect is concerned, the programme plans to provide the demobilised troops with benefits (financial or otherwise), using procedures involving various partners such as banks, NGOs, planning offices, etc. Every demilitarised soldier or *gendarme* will receive a demobilisation allowance, depending on his rank, for some 10 months, but will have to attend a reintegration course and undergo training in the creation and management of a microproject. He will then be given a grant to enable him to finance his business. Study groups on reintegration strategies are organised, and studies designed to provide a diagnosis of the microproject and SME/SMB sectors, and identify productive niches are in progress. The experts responsible for implementing the PNDR already know that reintegration will be no easy matter, because although it is intended to help restart the economy its success is also tied to an improvement in the country's macro-economic situation. The financial difficulties have not yet been resolved. Last June, there was still a shortfall of more than three million dollars. But the programme is also having to confront political constraints which are slowing down its implementation to the point of causing discontent within the United Nations Security Council.



# Prime Minister Anicet-Georges Dologué

Kenneth Karl met him in Bangui

**H**e has a reputation for soundness, integrity, hard work and motivation - but most of all, he is well-thought-of by those who provide his country with funds. An economist by training, and a former Finance Minister, Anicet-Georges Dologué found himself Prime Minister after the recent general elections. His ambitions are praiseworthy: he wants to put a shaky economy back on its feet, rekindle the Centrafrican people's enthusiasm for work, and restore a national



**“changing the way people work”**

image tarnished by the mutinies of 1996. Whether he will succeed, however, depends on how much room for manoeuvre he is given to see through his programme of reconstruction. The 43-year old technocrat's answers to our questions were a blend of optimism and realism.

**For six months you have been at the helm of a government that is having to confront a difficult situation. What were the real reasons that prompted you to accept such a heavy burden?**

I took on the job essentially out of patriotism, but patriotism born out of two reasons - one fundamental and one circumstantial. The fundamental one was that I have spent two years working to clean up the public finance sector, a process which seemed to me very slow but which did result in the signature of an agreement with the IMF. Accepting the job as head of government gives me greater authority to build a sound foundation for many of the reforms to be undertaken. As for the circumstantial reason, the last general elections were closely fought between the presidential majority and the opposition, so that for me to take over this position seemed at the time to be a neutral choice, a non-partisan appointment that could help the country to emerge from a period of crisis.

**From the standpoint of the providers of funds, and even some Centrafricans, the economic difficulties experienced by the CAR can**

**be largely attributed to bad management, especially as far as public finance is concerned. What specific progress has been made towards solving that problem?**

It's quite true that we found ourselves in a really bad situation, with bad governance prevailing throughout the financial administration sector. You have to realise that the disorder resulting from the series of mutinies was prejudicial to a law-abiding attitude. Today, we are try-

ing to start at the bottom by changing the way people work, and of course that takes time. Even so, things have moved on. Not so long ago, for example, it was virtually impossible to obtain any reliable statistical bases, but today it is possible to obtain an overview of the public finance situation at any time. That proves, in itself, that the people responsible are becoming more committed to their work. Next, we are going to try to get them used to methods of working based on objectives to be achieved by various deadlines, backed up by a policy of day-to-day monitoring. That will help to make people work better, in the awareness that they will be judged in terms of what they achieve. Maybe the results are not yet all they might be, but once people have got used to this way of working, the results will be more permanent.

**Apart from people's motivation to work, what about the actual balance of public finances - can you say that the situation is returning to stability?**

It is too early yet to talk of stability, but we have turned the corner. As far as public revenue is concerned, the figure has been virtually doubled since the mutinies. There is still a lot of potential for improvement, and we believe we can do even better. But it will take a lot of preparation. We will need financial resources, of course, better-trained inspectors, a sound strategy for combating corruption and so on. As regards getting public spending under control, on the other hand, we are still having a lot of problems because the Troubles



involved the State in some heavy arrears, both external and internal. We are also having problems with public investment, where implementation rates are lower than we forecast.

**It is said that the resources of the CAR should enable the State to refill its coffers and, at the same time, make good the enormous tax deficits, though that is hardly happening at this stage - what do you plan to do to improve the situation?**

We do in fact have cotton and coffee, which are lightly-taxed resources, because we are also trying to be competitive. Our geographical situation and the state of our sea-access road infrastructures push up transport costs and force us to play the tax card in order to remain competitive. As for timber, it is exploited by half a dozen companies whose activities have so far been outside our control. We have therefore concluded a contract with an inspection company, the SGS, to maintain better control over the traffic leaving the port of departure, where we have a timber yard. No cargo can be loaded on a vessel without certification by SGS. We are working in close cooperation with the Cameroon customs authorities. We have also changed the way in which we estimate values for this product - the present method takes more account of international market prices. Since all these measures have been in place, we have had better control over the Centrafrican timber trade, but much remains to be done - after all, less than a year has passed since we began these efforts. For example, one problem is that part of the cargo goes missing in Cameroon. Sometimes there are differences between what leaves here and what arrives at the port of Douala. We are going to have to stay on the alert.

**What about diamonds?**

The situation with diamonds is much more difficult, because we only have alluvial diamonds. Prospecting is currently under way to verify the presence of kimberlite, and it would seem that some does exist. It is difficult for us, at the present time, to work in partnership with big companies who could exploit this resource industrially and pay royalties to the State. That seems impossible for the moment, since our country is organised on a mainly non-industrial basis with purchasing agencies responsible for export. As authorised commission agents, these purchasing agencies never declare profits. We levy an export duty on exported diamonds which is calculated on the basis of an estimate produced by a local agency and is in the region of 5.75%. Diamonds fetch much more than that on the Antwerp exchange, so there is a problem of valuation.

One of the biggest difficulties concerns the volume and quality of exported diamonds, and we have no machinery to guarantee and check all these things. People often declare lower-quality diamonds for export and conceal the others. So we have no control over much of what leaves the country fraudulently. This is a very big country, and we do not have a big enough or good enough mines inspectorate to make the necessary checks. Diamonds today contribute only 5% of the CAR's total income, although the whole world knows that we have diamonds of good quality, and even in large quantities. Talking of bad governance, as you were just now, our problem is due to our failure to keep control of customs revenue. The border with Cameroon is more than 600 km long, but all we have are a few inefficient customs posts and about 200 customs officers for the whole country. There is a serious corruption problem which prevents us from achieving our objectives in terms of tax and customs revenue. These problems are partly associated with the political situation, because when you have an army which is out of control, national and local police forces which are only just beginning to reorganise, and virtually no prisons anywhere, you do not have the corrective machinery to enforce the authority of the State. And so it is difficult to improve governance under those conditions.

**There is increasing criticism of the presence of foreign economic bodies preying on the wealth of the country and using every possible device to short-circuit the legal system and evade taxes. Is this true?**

Yes, it is, but the essential point is that ideas develop in people's minds. There is a legitimate grievance among the Centrafricans, not against their leaders but against those whom they have identified as the destroyers of the economy. We try not to talk in terms of stereotypes. We attack problems head on, and that increases public awareness and, increasingly, public criticism. I would almost go so far as to say that we have reached a point of no return, so that those who find themselves trying to run this country will have to attack the root of the problem, without concealing the facts from the people. Everything depends on the means available and the methods used.

**But there are those among the population who see the situation differently and even go so far as to think that the government is letting things slide to satisfy certain private interests!**

Well, they are entitled to their view. When you

**We try not to talk in terms of stereotypes. We attack problems head on, and that increases public awareness and, increasingly, public criticism... those who find themselves trying to run this country will have to attack the root of the problem, without concealing the facts from the people.**



are running a country, you have to ensure that the law is applied. Laws exist, but we lack the objective resources of the genuine State authority to apply them. We do what we can to discipline the civil service, but we owe several months' of wage arrears and, as they say, he who pays the piper calls the tune. We have no government forces available to impose total authority, so our progress is dictated more by conviction than anything else.

**Bearing in mind the economic situation, past relations with the Bretton Woods institutions, which are now impossible to circumvent, have been quite difficult; where do things stand today?**

We signed an ESAF [Enhanced Structural Adjustment Facility] agreement with the IMF in July 1998, and we have received an initial payment. The first year's mid-term review will be concluded shortly. It was supposed to take place in December, but it was delayed for various reasons, internal as well as external. Logically, though, it should be completed shortly. This payment would mean that the State has made an effort and has complied with the undertakings into which it entered. Those efforts are beneficial, because they relate to the stabilisation of the management of the economy. We should soon receive a second payment for the first year. Immediately after that, we shall embark on the second year of this ESAF, trying to comply with the terms and deadlines laid down. As far as the World Bank is concerned, though, things are moving rather slowly because we lost so much credibility that we are constantly being asked for more as a test of the government's will to advance. The Bank is keeping a close watch on the privatisation programmes, and we have made a lot of progress on that front. We hope that by September our file will come up for consideration by the Board of the Bank.

**Are you concerned that the**

**late payment of wages may adversely affect people's motivation and seriously compromise your policy of economic reconstruction?**

In a sense, yes; but when you put it like that you give the impression of a country which is failing to pay wages. The situation is not quite like that. We are paying them, approximately every three or four months. But, you see, we have to make a choice: we have to observe the deadlines for honouring our foreign debt payments. Bearing in mind how little money is coming in, this does compromise the payment of wages in some months. If we want development aid from international providers of funds, we cannot build up arrears in payments to the World Bank or the IMF. And that is the option we choose, almost without question, so as not to jeopardise our relations with those institutions. As a result, it often happens that a new backlog of between two and three months' wage payments builds up. Since the end of the mutinies, we have paid the Bretton Woods institutions the equivalent of 14 months' wages. The development of the country remains our major concern. To ensure it, we need to attract foreign capital which will be used to create jobs and re-launch the economy and - as a secondary effect - to clear this backlog of wages. All this is subject to a programme with the IMF and the World Bank, since otherwise people would be working simply to pay the wages, and there would be no future in that.

**Reversing the logic, isn't the decision to respect your commitments to the providers of funds at the expense of wages also a source of social instability, as the mutinies showed? Are you succeeding in getting any flexibility from the institutions?**

These institutions have strict rules which countries have to observe, and no exceptions can be made. We have tried on two or three occasions to reverse the options, but we came close to dis-

aster. I remain convinced that once we are in the clear we shall soon put things straight. After all, 12 months' wages in the CAR is only 240 million French francs, which can be recovered very quickly in the right conditions. If we confine ourselves entirely to keeping control of social tensions, we shall find ourselves running on the spot for a long time to come, whereas what we want to do is to move forward. The option we have taken is the best choice at the moment, however difficult that was to accept.

**Are you not concerned that this question of wages will be used by the opposition to campaign against the government a few weeks away from the elections?**

Certainly it will be used to campaign against the government. But the fact of the matter is that, in the mutinies that gave rise to this situation, all our politicians bore such a large share of the guilt that no one will be able to cast the first stone, because the public are not easily fooled.

**The local private sector is still weak for the purposes of re-launching the economy - is the development of that sector part of your programme?**

The private sector is an option selected by the President of the Republic himself, because we no longer have the resources to operate a planned economy. Our international agreements mean that we must limit our workforce and our wage bill. We are making people aware of the fact that the public employment market is unable to absorb today's new graduates, some of whom are still hoping to find positions. So private enterprise seems a valid alternative, and we are putting particular emphasis on micro-enterprises. We are negotiating with the institutions that finance activities of this kind. At present, most of the businessmen in this country are foreigners who are upsetting the balance of the system and doing well out of it. It is in our interest to have our own people in



business too. We are also negotiating finance for vocational and technical colleges to prepare young people for practical jobs. The private enterprise culture is linked to employment and current circumstances will help to create it, one way or another.

**Another way of returning to growth could be for the CAR to become involved in the regional integration policies now being implemented. How would you define your country's place and role in the CEMAC economic area?**

We have a central geographical position and we border on most of the CEMAC states, and we were also one of the creators of that community. The headquarters of CEMAC is in Bangui, and our handling of the common currency has always been exemplary. We are profound believers in integration - in fact, without integration, we shall have difficulty making any progress because we are a very large country with too small a population to go it alone. So we have to rely on the sub-region, especially for markets, because in this country we do not have the option of living on easy income of the kind provided by the oil industry. But we do have other trump cards to benefit from integration. We also have economic convergence criteria which we check every three months. According to the latest assessment, we were the only country to meet all four criteria. Of course, the figures change from one period to the next, but we are doing our best to meet the thresholds laid down. After all, there are penalties for getting things wrong.

**The success of your policy will also depend on stability within the country. Do you think that the conditions for a lasting peace now exist in the CAR, especially with the forthcoming departure of the United Nations Mission planned for the end of this year?**

The reconstruction of the armed forces has only just begun. We have fallen a bit behind, but that restructuring will take several years, even after the UN Mission has gone. Peace depends first and foremost on the civic education of the civilian population, the military, and politicians, too. The army as such poses no threat. The military no longer have the desire to start all over again - they know they have been manipulated. The disorder was created and encouraged by the politicians, and that could happen again, since the losers in an election may think they can use absolutely any means

of gaining power. At the same time, though, I think there is some clear thinking among these politicians, who have come to terms with the reality of the situation after the recent events. They know that no one today can still govern the country with a faction of the army, and that a national army has to be raised. I can see no one today capable of launching a coup d'état and controlling the whole army. That would unleash a civil war which would destroy them whatever happened. I remain optimistic, because we in the government are working to ensure that the elections are held under satisfactory conditions.

**Your country is surrounded by various focal points of tension; do you think there is any risk of destabilisation in the CAR?**

Inevitably. We have more than 1,200 km of frontier with the Democratic Republic of the Congo, and long frontiers with Sudan and Congo Brazzaville as well. Sometimes the refugees crossing the river between us and the DRC are armed. President Patassé has been deeply involved in the negotiations to restore peace in the region, especially in Congo Brazzaville.

**How easy is it for the CAR to adopt a stance of neutrality in these peripheral conflicts?**

Easier than you might think, because we have no means of doing anything else. We can only be neutral, because we have no cohesive army and no equipment to take part in any conflict. We sincerely hope that the situation will resolve itself satisfactorily.

**No policy of economic reconstruction can succeed without maximum flexibility for those implementing it. Do you think you have complete freedom to carry out your policies?**

As Prime Minister, I run the country without any national or political constraints. No one, objectively speaking, can stop me running it. What is stopping me, though, is the scale of the problems we face. The President of the Republic has entrusted the running of the country to the government in complete confidence, and monitors the way we run it, and that confidence is what enables us to do our job.

**We have economic convergence criteria which we check every three months. According to the latest assessment, we were the only country to meet all four criteria...we are doing our best to meet the thresholds laid down.**



# Not so robusta

Coffee was one of the most important agricultural products of what was French Equatorial Africa. Since independence, coffee in the Central African Republic has suffered a steady fall in volume, loss of quality, disruption of the industry, disheartened farmers, and world price fluctuations which have almost put paid to the industry. Today, with the support of various donors, the authorities are trying to revive the sector before it is extinguished for good - some experts say within five years.



Coffee ranks second only to cotton among the cash crops of the Central African Republic. The country's production is largely confined to the *Robusta* variety, and much of it is destined for export. The crop is grown in several regions of the country, and covers an area of about 56,000 hectares, mostly in the south-west, particularly the prefectures of Sangha, Mambéré-Kadei, Lombelle-Mpoko and Lobaye. It is also grown in Haut-Mbomou in the east, and in Ouaka, Basse-kotto and Mboumou in the southern centre.

Apart from income from exports, the coffee trade provides employment and a livelihood, for between 300,000 and 400,000 families. A few small landowners share part of the production, working plantations of no more than two or three hectares which produce low yields (300 kg/ha). Industrial production has declined considerably during the last 30 years and now accounts for no more than 10% of cultivated land: a far cry from the production level achieved during colonial days. About 40 factories are owned by exporters, farmers' cooperatives and private operators for the processing of Centrafrican coffee. But although their nominal capacity (40,000 tonnes a year) far exceeds the national coffee production volume, currently estimated at between 10,000 and 12,000 tonnes each season, the equipment is seriously in need of replacement.

To confront their problems, coffee planters have banded together in groups (GIRs) of 80 to 120 members and are enthusiastically encouraged and supported by the authorities. Institutionally, the coffee industry is broadly dependent on two supporting structures.

The National Agency for the Development of Family Coffee Planting (ADECAP) supports these

cooperative movements to enable them to improve the quality of their crops, and also helps to improve the general production conditions (road and social infrastructure). The second body is the ORCCPA, the Office for the Regulation, Control and Processing of Agricultural Produce. This office issues buyers' and exporters' certificates of approval, and monitors changes in world coffee prices. It also sets price scales for producers and supervises the equilibrium of the market and the restart of production.

## A tight corner

From 1990 world coffee prices plunged, dragging Centrafrican coffee down with them. The unpaid bills left by the former marketing company, Caistab, and the inadequate income received further increased the difficulties of the coffee trade, giving rise to a general decline in production and a loss of confidence among rural workers. From an annual crop of over 20,000 tonnes during the late 1980s, the figure was down to 7,400 tonnes by 1990-1, which of course had a heavy impact on export earnings. A series of structural reforms stabilised the situation, including the withdrawal of the State from some operational activities and the drafting of new rules to regulate the market. Although the granting of Stabex resources by the European Union has resulted in improvements on the marketing side, the coffee industry as a whole benefited most from the devaluation of the CFA franc in 1994 and the recovery of world prices, combined with the price increase guaranteed to producers.

About three years ago, however, a new combination of structural and cyclical factors had a fresh impact on the sector. No one today would claim that Centrafrican coffee is doing well: the country's coffee production is gradually deteriorating in both quality and quantity. Each year, the coffee season suffers from the chronic lack of finance. Political instability and the deterioration of the macroeconomic situation brought about by the events of 1996 provoked a flight of scarce foreign capital and the banks are no longer prepared to play ball. The huge interest rates they charge on coffee credits and their guarantee requirements have in effect cut off planters, buyers and factory operators from access to resources. Exporters (Lebanese, in particular) have consequently become the main financial supporters of the coffee



Two experts from CAONEF discuss the coffee harvest

business. Unfortunately, profit orientation and short-termism have taken the place of a long-term quality policy, and could eventually pose a serious threat to the survival of the industry. The sums now granted to planters by way of advance financing are not only insignificant but paid late - at best, a month or two before the season officially begins. As a result, farmers make no serious effort to tend their fields until harvest time, and are exploiting no more than 30% of their actual land area, sometimes disregarding the needs of their crops.

Financial problems are not the only obstacles to the good health of the industry. There are plenty of others: the country's land-locked position and inadequate infrastructures, its scattered population and lack of human resources, the low level of public investment and the tiny market, the imperfections of rural land law and the judicial system - all these are further obstacles in the path of progress. The coffee sector also suffers from the absence of any efficient organisation, a lack of equipment and a shortage of savings at local level which makes it difficult to plan the season's activities.

### Solutions despite everything

The Robusta the CAR produces is highly prized in external markets because of its caffeine content. Foreign buyers in Europe (Germany and Romania) and elsewhere in Africa (Sudan and Chad) are willing to pay for satisfactory quality. A workshop focusing primarily on "relaunching Centrafrican coffee production and improving its quality" was held in Bangui from 20 to 23 March 1999. Some of the avenues suggested by participants as ways out of the deadlock are worthy of adoption, but the fact remains that they need additional financial resources and, above all, compliance with



the existing rules and a dedicated approach by all those involved in the trade, including the Government.

According to the agricultural experts in the Ministry section set up to support the plan (CAONEF), the first stage must be to rethink the way in which production is purchased and the coffee seasons financed. The current approaches are unsuitable and benefit neither producers nor creditors. The proposed solutions are geared to improving future cooperation and restoring confidence between the various participants so as to reduce the effect of a number of unattractive features of the former system. Some planters, for example, acquired the habit of selling their coffee to non-State-approved purchasers, and also to their creditors' competitors. Current plans also include making the financing of any planter conditional on his true production capacity, accurately assessed after an in-depth investigation. Furthermore, institutional reforms are to be continued so as to increase the efficiency of the support bodies. The way in which the ORCCPA operates, hitherto considered inappropriate, will be changed to refocus some of its activities on improved quality control, the availability of economic information and an improvement in the expected services. Thanks to Stabex, there

are also plans to subsidise certain credits for planters during the 1999-2000 coffee season.

In some regions where pilot schemes were conducted during the previous season to support and monitor production from beginning to end, there was a noticeable increase in yield and an improvement in quality. The Centrafrican authorities are hoping to obtain EU financial support, the intention being to repeat this pilot experiment on a wider scale at a dozen new production sites.

If these subsidies are granted, they should be used to eliminate the *Excelsa* variety, increase the profitability of coffee planting, create new drying areas, reinforce the debarking units and improve logistics and marketing. Other industry support programmes have also been implemented with the aid of French cooperation.

Anything is possible if these activities raise production levels and, above all, quality. The Sudanese market alone absorbs half the national production. Transactions are usually based on cash or barter. According to an industry specialist, there is a captive market to be developed in the region, with room for all, as most of the coffee produced in the Democratic Republic of the Congo is sold to Uganda.

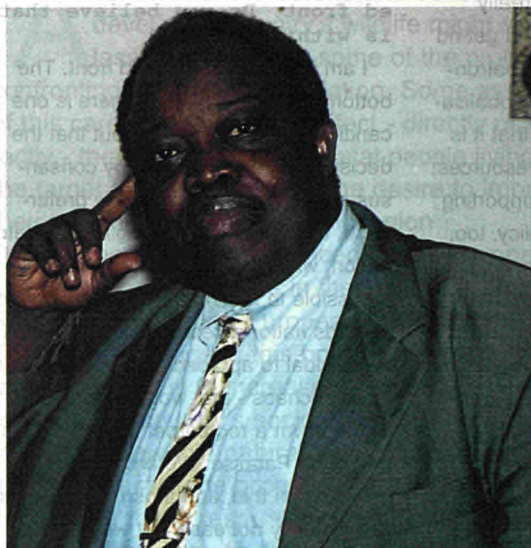
The coffee sector cannot ignore the external constraints imposed by the instability and tensions of the world market. Since 1997, because of the Asian crisis and the coffee glut in Brazil, prices have fallen without a break, dampening the optimism of African coffee-producing member states of the International Coffee Organisation (ICO). Several, including the Central African Republic, are consequently hoping that the Sabex principle will be maintained, in one form or another, in future relations with the EU.

Kenneth Karl



# Jean-Paul N'goupandé, leader of the PUN

**"I favour a united effort by the opposition"**



Although a newcomer to the political stage of the Central African Republic, the Party of National Unity is preparing to play a leading part in the forthcoming presidential elections. Jean-Paul N'goupandé has not been in charge of the party's fortunes for long, but he is no newcomer to political life. Having been Minister for Higher Education in 1985, then Ambassador to Paris, the philosophy teacher had to take on the duties of Prime Minister in 1996 against a particularly tense background of crisis. Three years later, although the country seems calm enough, he still regards the situation as a precarious one and the need for radical change more pressing than ever. From the outset of our interview, he was anxious to welcome the growing cooperation between the EU and the ACP States.

**O**f the various partnerships in which the Central African Republic is involved, its cooperation with the EU seems to me to be the most accurately targeted. First of all, because it sets out to be comprehensive - it incorporates the human factor quite well, rather than concerning itself exclusively and obsessively with the public finance issue. I regret the fact that relations have been obstructed by the endless crises affecting our country, for which we have ourselves to blame. It is up to us as Centraficans to find a way of solving our own problems. We have to help our outside partners to help us, not deceive ourselves into thinking that all they have to do is intervene and that will solve our problems.

**In 1996, at the height of the crisis, you were appointed Prime Minister, but it didn't seem to work out too well. Can you say, today, why that was?**

It was very simple. The great majority of the Centrafican people at the time appreciated the efforts made to defuse tensions and cool the situation down, and also to improve management practices and clean up the public finance sector and the State-owned companies. But those activities were not so popular with President Patassé or his immediate entourage, who saw our activities as a threat. So we struggled on from one conflict to the next until the President himself relieved me of office on 30 January 1997.

**What form did those conflicts take?**

I think you could say they covered four broad categories. The first major division of opinion was political: on the one hand you had those who favoured an internal North-South confrontation, while on the other there were people whose main concern was reconciliation and the

avoidance of any breach. The second area of confrontation was the basic difference between ways of looking at the modern world. Some people took the old-fashioned view that we were still a strategic factor, a counter in a strategic game that we could always cash in for additional finance. The opposite view, more realistic, was that we should take control of our own destiny, because public development aid was dwindling and only the soundest, best-managed concerns could benefit from it. The third difference of opinion concerned public finance: the customs service had to be cleaned up to bring revenue into the country and slow down the rate at which it was living, but I came up against vested interests there. Finally, differences also arose on the subject of public enterprises, and especially the Petroca hydrocarbon company. In the context of globalisation, the role of the State had to be revised downward to increase efficiency. Petroca at that time accounted for between 25% and 30% of government taxation revenue, and when that company was no longer able to pay its taxes, that had a direct effect on our economy. That was what happened early in 1996. At the time of "Operation Turquoise", Bangui was used as a base and a source of aviation fuel for the French airlift. As a result, Petroca made a lot of money in 1994, which went to some people's heads, and led to the embezzlement of government funds. Petroca's inability to pay its tax bill led to a serious shortfall in government revenue, which caused the late payment of wages from 1995 onwards.

**The Government has said that it is determined to introduce radical structural reforms to remedy the situation. Do you believe it is taking the right approach?**

I'm going to be very frank here. I agree with this pro-



gramme because, in essence, the various components of it are the same as those which I myself had announced. So I can hardly oppose a programme of this kind, but the real question is whether, today, merely changing the Prime Minister is sufficient to see through a programme of rehabilitation and structural reform. I think not. We have had five new Prime Ministers in the space of six years. The reason I am sceptical is that while President Patassé remains in office, no government will be able to see through a programme of reconstruction.



The head office of Petroca, one of the major companies in CAR

#### Why?

Quite simply because the President will not give the government a free hand. How can you expect firm and rigorous action to be taken where it runs counter to the

personal interests of the Head of State? In any case, Article 37 of our Constitution does not allow the Prime Minister much in the way of power. We did try to revise the Constitution in 1996 and 1997, and especially that particular article, as the Bangui Accords anticipated. Everything possible was done to stop us. The Dologué Government will experience the same fate as all its predecessors, give or take a few variations here and there - anything which affects the interests of the racketeers will be blocked. So what is needed is change at the top.

**Would you go so far as to say that the destiny of the Central African Republic and its ability to straighten out its affairs are exclusively dependent on the removal of the President?**

No! Not exclusively. Let's be honest here. That is one of the factors, but not the only one. The challenge has to be launched against the entire Centrafrican political class. In 1993, we said "anything but Kolingba", and what we got was what we have today. So we must

make sure not to make the same mistake again. We want to be rid of Patassé, but most of all we want to break with the past, a past that must not be allowed to continue. This country has to realise that the world has changed and that the days of relying on assistance are over. Secondly, the country must really get to work. Thirdly, we need to bring forward the really valuable, competent people and get rid of all forms of political or tribal patronage. In the current context of globalisation, our country has to show that it is capable of exploiting its own resources. Outside aid can only play a supporting role. Health and education policy, too, must comply with these imperatives. But saying that Patassé is the root of all evil is not exactly my view, because if that were the case it would be too easy for the opposition.

**The electoral campaign will be an opportunity to reassert your ideas. How much support do you think there is among the public for your view of the future?**

That's a very difficult question. I do have a vague impression, though, that this country might accept the new ground rules, though on two conditions. The first is that the leaders set the right example by giving of their best and that real efforts are made to make better use of the country's resources. The second is that we must put an end to the tribal alternation of power. If those conditions are met, I see no reason why the Centrafrican people would not be willing to make the necessary effort. I myself, when I was Prime Minister, took steps to get rid of 600 officials from the civil service, and we were actually supported by the unions.

**Is the opposition capable of selling a credible political programme to the people and giving pledges that that programme will actually be implemented?**

We are going through a stage which makes it impossible for me to be as severe on the opposition as I usually am. First, I believe that the first problem facing the Centrafrican opposition is that there is no process of renewal - the people in charge are always the same. That may be due to the exacerbation of tribal tension and the withdrawal behind the shield of one's own identity which have resulted in the former leaders being seen as the protectors of their

tribes. The results of the general elections have confirmed that once again. All these things help to weaken the credibility of the opposition. What we need is to redraw the political landscape on a modern basis to provide a foundation for our credibility.

**A critical factor in future elections will be for the opposition to present a united front. Do you believe that is within reach?**

I am in favour of a united front. The bottom line is not whether there is one candidate, or two or three, but that the decisions should be taken by consensus among the opposition. My preference, though, is for the single candidate option, which will simultaneously make it possible to begin a movement forward towards national reconciliation. It would be suicidal to approach this election in a state of chaos - that would simply be laying down a red carpet for the re-election of Mr Patassé. We are holding discussions on this, and those discussions are certainly not easy, but we are making progress.

**Do you think that the arrangements being made for the elections are satisfactory?**

I am sorry to say that I cannot share the enthusiasm of our friends in the international community. There are two or three irregularities even now. First, we insist that the subprefects should not be both judges and parties, because they are, quite frankly, militants who have been appointed. We have published a list of subprefects to alert the international community. The United Nations Mission was not firm enough about this. Then again, the government representatives on the CEMI [Independent Joint Electoral Commission] are not neutral, either. Thirdly, there is all this controversy about the single ballot paper. The single ballot paper is necessary because a high percentage of the population in the rural areas need to identify the candidates from their photographs. That helps to prevent people being pressured into voting or selling their votes. The Assembly, unfortunately, has just decided that there will not be a single ballot paper because instructions have been received from higher authority.

by Kenneth Karl



# Managing wildlife together

A commitment to defend and conserve a developing country's wildlife might seem less important than some of the problems confronting the human population. Some aspects of this campaign, however, affect - directly or indirectly - the conditions of the local people living in the target areas, with a genuine desire to improve their lot. The PDRN (Northern Region Development Project), financed by the European Union for some 10 years in the Central African Republic through the European Development Fund, has its place in this holistic approach. Its main objective is to increase the contribution made to the country's socio-economic development by renewable natural resources. Whereas the first thrust of the programme is geared towards conserving these resources, a second focuses on improving their day-to-day management and the support of rural development.

## Poaching goes off the boil

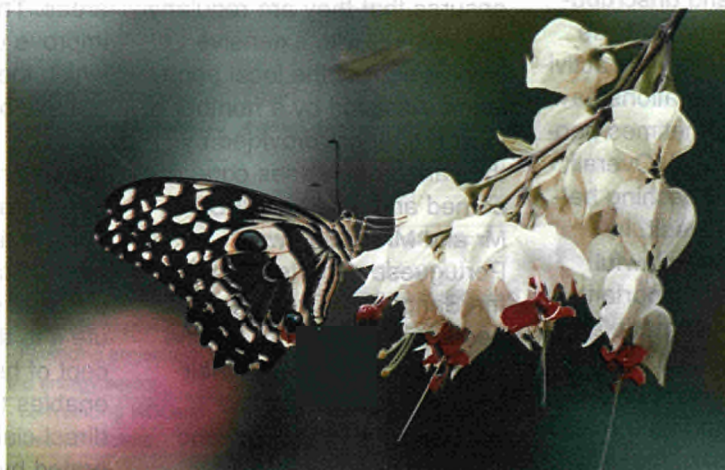
With a highly diverse range of animal species, some of them not even known to the public at large, the northern region of the Central African Republic has plenty of ecological wealth.

Buffalo, giraffe, lion, hippopotamus, waterbuck, sable antelope, giant eland, elephant, monkeys and panther are some of the animals that live in the area, although not always in harmony with man. Coexistence has not always proved easy for them; the survival of some has been seriously threatened. The deterioration of natural resources is the result of the great drought of 1993 and 1994, and epidemics of foot-and-mouth disease and systematic poaching did more to catch the attention of the government authorities from 1986 onwards, following the large-scale slaughter of elephant and rhinoceros. At that time, all the country's wildlife was threatened by local poachers, who rely on hunting and gathering for their subsistence, as the north of the country is not an agricultural region. The worst damage, however, was done by poachers from outside - from neighbouring

countries such as Chad and Sudan. Wildlife in those countries, in the grip of warfare, has been virtually destroyed and the poachers, equipped with military weapons, had no alternative but to turn to Central Africa. The lack of surveillance on the borders, ill-defined in any case, helped their frequent raids into the Republic's territory.

Hunted and slaughtered illegally for their skins, meat, horns or any other marketable part, several species suffered a considerable decline in numbers, and a few, like the rhinoceros, have disappeared altogether. Consequently, numerous wildlife preservation schemes were launched by the PDRN after it began its activities in 1988. This project, whose area of activity covers several thousand square kilometres, focuses particularly on the national parks of Bamingui-Bangoran, Manovo, Gounda and Saint Floris, and the pilot region of Sangha. Campaigns to make the local population more aware of the need to protect their heritage were regularly organised in the national parks, and soon produced results. The great majority of villagers today have little difficulty in identifying those species that are protected by law and, more to the point, understanding why they are protected and their value to the community as a whole. Hunting periods today are regulated and the killing of some animals is authorised subject to certain conditions based on age, size, sex or species.

The conservation side of PDRN has a much more aggressive counterpart: the campaign against poaching itself. In the absence of police squads and government security forces, patrols of six or seven villagers have been instituted with the support of the PDRN. The project arranges training of trackers and game wardens, donates their equipment and manages the organisation and administration of their operating resources. A number of villagers' defence committees have also sprung up spontaneously in regions such as Gordil.





They now work in close collaboration with the project. Frequent deterrent operations are a regular feature. Those who break the law are now arrested and brought before the regional court in the nearest administrative centre for trial, and patrols seize weapons, skins and trophies. Despite a few anomalies here and there, efforts to stamp out local poaching have been reasonably easy to implement. On



Jose Tello

the other hand, dealing with heavily-armed and unscrupulous foreigners from outside the country is a high-risk activity. Serious confrontations have occurred, and sometimes people have been killed. Overall, though, the anti-poaching balance sheet is in credit. In terms of reducing unlawful hunting practices, important progress has been made. Peace and security have returned to the zones covered by the project, and as a result a high proportion of the wildlife

has been saved. A few rare species are already to be encountered there, according to one of the local officers in charge of the PDRN's conservation side.

**Ecological monitoring essential**

An ecological monitoring section has been set up to consolidate results and increase the efficiency of the conservation work. This makes it possible to get a better impression of the changing numbers and movements of animal populations by way of regular inventories, to update the vegetation maps of the region, establish the condition of the wildlife habitat and then to decide on the parameters for managing the protected areas and making use of natural resources. When the project began, there were no reliable indications of the numbers and categories of animal species living in this region. Today, with the assistance of a number of international research centres, this deficiency is being made good. Studies on migrant birds and small mammals, for example, have been undertaken. The data collected allow the establishment of much more integrated programmes which, in turn, make for better management of natural resources.

The PDRN is also taking responsibility for infrastructure construction - roads, tracks, water supply points, etc. - and ensures that they are regularly maintained, with extensive involvement of the local population. Assisted by a number of local managers provided by the various ministries concerned and paid by the State, Mr and Mrs Tello, two Portuguese experts based in the Sangba pilot region, have been running the programme for a very long time. In their view, the recovery of the wildlife population is beyond price. It has given a new

meaning to life in some areas and created a new basis for sustainable socio-economic development.

**Rural development progressing**

The wildlife sector, admittedly, plays a relatively insignificant part in the economy of the country (about 3% of GDP) since the ban on the trade in ivory in 1985, but it is still one of the main sources of jobs and revenue for the northern region. It is therefore the objective of the PDRN, through its "rural development" component, to improve living standards for the village population and, at the same time, to slow the exodus to the major cities. A number of quite specific achievements can now be credited to the PDRN in various areas of this northern region. Associations and groups of villagers have been set up, and the programme provides them with support. It also makes a direct contribution to improving methods of production, harvesting, processing and conservation of consumables such as shea nuts, honey, fish, meat, etc. All these schemes have helped to diversify the economic activities of the local people and to increase production levels.

Zones have also been set aside specifically for hunting activities. The one at Sangba is undoubtedly the most successful pilot experiment and is arousing interest in other areas. The principle is to improve the efficiency with which the results of hunting are exploited, by genuinely involving the villagers in the administration of these activities. Formerly, revenue from hunting activities was collected by the State, which, in principle, was supposed to redistribute it to the villagers. The concept of hunting zones now enables the villagers to lay a direct claim to the income generated by hunting activities,



while the State still receives its share of the revenue through the tax system. The partnership set up between private organisers of hunting for sport and the village communities allows a more balanced distribution of responsibilities and profits in the context of this new approach to the exploitation of wildlife. As a result, the attitudes of the local people and the authorities are perceptibly changing.

The by-products of hunting (skins, trophies, craft products, etc.) are being put to better use and the resulting income is being used to implement community activities of a social nature. The income received has made it possible to build schools, health centres and small pharmaceutical units. The salaries paid to teaching staff, nurses and accountants have become easier to take into account. About 20 drilled and dug wells have been constructed in the region, together with slaughterhouses and tanneries. A new hunting zone has been set up at Dembele Sergobo, in Vakaga Prefecture, and the project is planning others for areas that at present lack them. The PDRN is also involved in the opening-up of the region by the building of air-strips and the improvement of a number of rural tracks.

#### Readjustments planned

Today, it can be said that the PDRN has achieved much of what it set out to do, despite the inevitable problems that have occasionally punctuated its activities. A total of some 40 million Euros has been spent over 10 years under two finance agreements. The second phase of the programme will be concluded at the end of this year, and thought is already being given to ways of following up such a large-scale project. Initially, the intention is that the authorities within the country should take over responsibility, more institutional responsibility being given to the ministries directly involved, such as the Ministry of



Jose Tello

Watercourses and Forests, which is responsible for the administration of natural resources.

In view of the success achieved by the village hunting zones, the intention is to retain them and to extend the system to other areas. The future is likely to see a project on a rather smaller scale, geared primarily to this kind of participative exploitation of wildlife resources. Studies suggest that this would require financial support of about 5 million Euros. However, the continuation of the hunting zones without the conservation aspect could be detrimental to efficiency and undermine what has been achieved so far.

Another scenario, involving a continuation of the programme through the Ecofac project, is also under consideration.

**Kenneth Karl**

CAR-EU cooperation				
Lomé Convention	EDF 7 (€m)	Focal sectors	EDF 8 (€m)	Focal sectors
Lomé National Indicative Programme (NIP)	75	- Transport - Rural Development	102	- Transport - Health
Regional funds	84	Support for economic and cultural integration	Foreseen	
Stabex funds	18,370	Support for the wood, cotton, and coffee sectors	4,410	Support for the wood sector
Sysmin				
Support for structural adjustment	10	- Support for economic stability, restoration of public fund equilibrium and public expenditure		- Health, education (social sectors) - Democracy and good governance
EIB Funds	10	- Financing projects in the energy sector		
Other Lomé	1,9	- co-financing NGOs in the social sectors		
Total Lomé	199,27		113,61	



# Corruption

**"Corruption, that small ability to taste the fruits of liberty, necessarily has its source in extreme inequality."**

Machiavelli

In the Ivory Coast, President Bédié recently dismissed his Minister of Health. The latter's administration had been the focus of a case involving the embezzlement of European aid in the sectors of health and decentralisation - a matter of 27.44 million euros. A few days later, it was the turn of the National Bank of Russia to be the target of accusations: fraudulent practices were alleged to have taken place in the bank's administration of its reserves, its assets and, in particular, funds loaned by the IMF - much to the delight of certain mafiosi circles. Last June, this time in Luxembourg, one of the highest officials of the Luxembourg Establishment was compelled to resign in connection with the case of money laundering. A selection of recent news stories.

Corruption, the "politics of the belly", to borrow an expression of Cameroon origin, is a widespread practice to be found in every country on earth. It has always been with us, everywhere, and still is. It may go by a variety of names: bribery, backhanders, swindling, embezzlement or even drug trafficking. It can be active or passive. It can be simply electoral. A little deal done on a street corner, a juicy contract awarded against a promised commission, a colossal fortune channelled through a dummy company into some Caribbean tax haven - intentionally, it takes many forms. Governments presumed to be corrupt from within, political strong men adroitly mixing personal enrichment with public administration, or routine petty embezzlement that has almost been raised to the status of a local custom.... But whatever form it takes, and quite apart from its immorality, corruption has fatal effects on a country - and especially on a developing country.

The purpose of this dossier is not, of course, to give evidence in support of charges against individuals, even though some examples will crop up here and there

when necessary to illustrate particular themes. We are more concerned with thinking about why and how corruption happens. Are there too many factors combining to create corruption in developing countries? For example, are poverty and the lack of public assets irrefutable causes of corruption? Another question to be answered concerns the effects and consequences such practices have - or may have - on a country's economy, its social development and its machinery of government. We will also look closely at the promotion of good governance and the campaign against corruption, now a key aspect of the policies applied by many fund providers, including the European Union. Some NGOs, too, have nailed their colours to the anti-corruption mast, energetically and impartially denouncing all fraudulent practices, whichever region of the world forms their backdrop. Some countries, too, have made this their battle-cry, recalling incidentally that it takes money to put a stop to malpractice. Finally, we did not want to close this dossier without taking a look at other parts of the world. We say again, corruption is universal. Until quite recently, Latin America was particularly singled out for a reputation for political and financial scandal. The desire to change exists, but is it being put into practice? And what about the industrialised countries? There are many European countries which have recently been embarrassed by various high-profile revelations. The European Commission itself, moreover, was hitting the headlines a few months back, accused by the European Parliament of financial irregularities and favouritism. The jury is still out on that one.



capital of Indonesia.  
Is there such a thing as  
good corruption?



Vivant univers

## Why fight corruption?

by Susan Côté-Freeman\*

**C**orruption has finally secured a prominent place on the international agenda. There is now widespread recognition that it is a major impediment to development and that it hinders trade and investment.

This was not always the case. When Transparency International was launched six years ago, its aim of curbing corruption in international business transactions was met with deep scepticism. The taboo surrounding the issue was such then that the word itself could barely be uttered. It was viewed as a matter of "culture", of things being done differently abroad.

Fortunately, deeply rooted misconceptions about corruption are now loosening their hold. For instance, the argument that corruption was just a part of certain cultures has now been discredited. If this were true, one might wonder why every country in the world has laws that criminalise corruption within its own borders. Furthermore, there is no culture anywhere, at any time in history, where it has been accepted by society as a whole that leaders are entitled to make decisions in their own favour and against the group interest. Such a society could not survive for long. The traditional evidence is that where leaders have betrayed the trust of their supporters, they have lost either their followers or their heads!

A shift in corporate thinking has also helped to intensify concern about corruption and its impact. Business has become increasingly conscious that to indulge in criminal behaviour by bribing foreign officials to abuse their positions damages the ethics of a company and jeopardises the sustainability of its activities. Major companies are now increasingly sensitive to the fact that they must be socially accountable; they are attempting to become so by enforcing corporate codes of con-

duct and anti-corruption policies.

The collapse of the Asian economy a couple of years ago amid a realisation that corruption had contributed substantially to the region's economic downfall sent shock waves throughout the international financial and business community. Those who claimed that there was such a thing as "good corruption" and that bribery could actually encourage development were proven wrong by the spectacular collapse of the Asian Tigers.

The media has also played a significant role in exposing corruption and focusing the public's attention on its consequences.

Corruption is a complex problem to which there is no simple answer. The reasons for fighting it, however, are simple. Corruption hurts everyone, but, in particular, it hurts those who can afford it least. It deepens poverty; it distorts social and economic development, erodes the provision of essential public services and undermines democracy.

There are no definitive figures showing the extent of the damage corruption causes, but we do know that it hinders a country's development in many ways. Corruption reduces growth, scares away foreign investment and channels loan and aid funds to projects that are of little benefit to the people but which carry great returns for corrupt decision-makers. It has been shown, for example, that a rise in the levels of corruption from that of Singapore, which are very low, to that of Mexico, which are very high, can be equivalent to raising the marginal tax rate by over 20%.

Countries with high levels of corruption experience severe difficulties in attracting investors. The bond rating agency Standard and Poor's has determined that there is an 80%-100% chance of an investor losing his investment within five years in countries such as Colombia, Iraq and Libya. In



The Transparency International 1998 Corruption Perceptions Index															
Country Rank	Country	1998 CPI Score	Standard Deviation	Surveys Used	Country Rank	Country	1998 CPI Score	Standard Deviation	Surveys Used	Country Rank	Country	1998 CPI Score	Standard Deviation	Surveys Used	
1	Denmark	10.0	0.7	9	29	Malaysia	5.3	0.4	11	59	Ivory Coast	3.1	1.7	4	
2	Finland	9.6	0.5	9		Namibia	5.3	1.0	3		Guatemala	3.1	2.5	3	
3	Sweden	9.5	0.5	9		Taiwan	5.3	0.7	11	61	Argentina	3.0	0.6	9	
4	New Zealand	9.4	0.7	8	32	South Africa	5.2	0.8	10		Nicaragua	3.0	2.5	3	
5	Iceland	9.3	0.9	6	33	Hungary	5.0	1.2	9		Romania	3.0	1.5	3	
6	Canada	9.2	0.5	9		Mauritius	5.0	0.8	3		Thailand	3.0	0.7	11	
7	Singapore	9.1	1.0	10		Tunisia	5.0	2.1	3		Yugoslavia	3.0	1.5	3	
8	Netherlands	9.0	0.7	9	36	Greece	4.9	1.7	9	66	Bulgaria	2.9	2.3	4	
	Norway	9.0	0.7	9	37	Czech Republic	4.8	0.8	9		Egypt	2.9	0.6	3	
10	Switzerland	8.9	0.6	10	38	Jordan	4.7	1.1	6		India	2.9	0.6	12	
11	Australia	8.7	0.7	8	39	Italy	4.6	0.8	10	69	Bolivia	2.8	1.2	4	
	Luxembourg	8.7	0.9	7		Poland	4.6	1.6	8		Ukraine	2.8	1.6	6	
	United Kingdom	8.7	0.5	10	41	Peru	4.5	0.8	6	71	Latvia	2.7	1.9	3	
14	Ireland	8.2	1.4	10	42	Uruguay	4.3	0.9	3		Pakistan	2.7	1.4	3	
15	Germany	7.9	0.4	10	43	South Korea	4.2	1.2	12	73	Uganda	2.6	0.8	4	
16	Hong Kong	7.8	1.1	12		Zimbabwe	4.2	2.2	6	74	Kenya	2.5	0.6	4	
17	Austria	7.5	0.8	9	45	Malawi	4.1	0.6	4		Vietnam	2.5	0.5	6	
	United States	7.5	0.9	8	46	Brazil	4.0	0.4	9	76	Russia	2.4	0.9	10	
19	Israel	7.1	1.4	9	47	Belarus	3.9	1.9	3	77	Ecuador	2.3	1.5	3	
20	Chile	6.8	0.9	9		Slovak Republic	3.9	1.6	5		Venezuela	2.3	0.8	9	
21	France	6.7	0.6	9	49	Jamaica	3.8	0.4	3	79	Colombia	2.2	0.8	9	
22	Portugal	6.5	1.0	10	50	Morocco	3.7	1.8	3	80	Indonesia	2.0	0.9	10	
23	Botswana	6.1	2.2	3	51	El Salvador	3.6	2.3	3	81	Nigeria	1.9	0.5	5	
	Spain	6.1	1.3	10	52	China	3.5	0.7	10		Tanzania	1.9	1.1	4	
25	Japan	5.8	1.6	11		Zambia	3.5	1.6	4	83	Honduras	1.7	0.5	3	
26	Estonia	5.7	0.5	3	54	Turkey	3.4	1.0	10	84	Paraguay	1.5	0.5	3	
27	Costa Rica	5.6	1.6	5	55	Ghana	3.3	1.0	4	85	Cameroon	1.4	0.5	4	
28	Belgium	5.4	1.4	9		Mexico	3.3	0.6	9						
						Philippines	3.3	1.1	10						
						Senegal	3.3	0.8	3						

assessed at 100 million dollars. That figure does not, however, factor in the cost to the environment, the possible adverse effect on land prices in the area, the cost of resettling local populations and the increase in the country's debt burden. One can easily see that such a calculation would be very complex and, on a global scale, practically impossible to make.

countries such as Jordan and Morocco, the likelihood is assessed at 50%. Several of these countries fare poorly on TI's Corruption Perceptions Index. Companies are likely only to invest in countries where rates of return are quite high and reliable. Long-term investment, which is the most beneficial to a country, is practically ruled out from the start under these conditions.

At Transparency International, we are often asked to provide hard figures

on the cost of corruption and the sums involved. Such figures are very rarely available and even if they were, we would hesitate to use them because they can be misleading. Take, for example, the case of a power plant being built somewhere in the world at a cost of 100 million dollars. It could be argued that, were it not for the corruption involved, the cost could have been 80 million dollars. The financial damage to the public would then be of the order of 20 million dollars. In practice, however, what happens often is that projects are planned just to allow those involved to make huge profits. Assuming that the power plant was not really needed, the financial damage would then be

But corruption is not strictly an economic problem and it does have many other serious damaging effects. Bribery and corruption are often a way of getting business done or circumventing red tape. In so doing, environmental rules and public health measures, to name only two, can be circumvented to the greatest detriment of people and communities. In some parts of the world, for example in Cambodia, corruption and bribery are contributing to the rapid depletion of natural resources. The country's political and military rulers have systematically pocketed the profits from illegal logging. Ignoring the country's laws and procedures, the political leadership doled out logging permits for which the country's treasury received almost nothing. The yearly loss is estimated at \$50 million, 12% of the country's annual budget. More alarming still, it is estimated that at this rate Cambodia's forest resources will soon be commercially destroyed.

Cambodia: a particularly telling example of environmental depletion caused by corruption



Vivant univers



The recent OECD Convention on Combating Bribery of Foreign Public Officials, which came into force in February 1999, now makes it a criminal offence for the corporations of member countries to bribe public officials abroad. This landmark agreement has substantially rewritten the rules of the game. Sales teams that have used middlemen and bribes to win contracts abroad will find themselves in the same risky position as if they had resorted to bribery at home.

Issues of governance, increasingly linked to decisions about investment and aid, must be part of a broader discussion on countering corruption and policy in this area. In what could be a breakthrough development, the successor agreement to the Lomé Convention, which is currently being negotiated, is likely to confer to the notion of good governance, including the democratic principles and the rule of law, the same weight as human rights.

Against the background of these significant changes in the international arena, Transparency International's 70 or so chapters around the world are taking on the fight against corruption in their own countries. Their rapidly growing number is proof of the prominence of the issue and of the energy being mobilised to fight it. These groups of civic-minded citizens all over the world are working together to build just and honest government and to develop sound and socially responsible business practices. Their approaches may vary from country to country and whether they focus on awareness raising, privatisation monitoring or education, they all share the same emphasis on prevention.

At the moment, there are unfortunately no ways of providing objective measures of corruption, only perceptions as in TI's yearly Corruption Perceptions Index (CPI), which has been published since 1995. The CPI is a "poll of polls" which draws upon several distinct surveys of expert and general public views of the extent of corruption in many countries around the world. This powerful and often controversial tool has stimulated constructive public debate on the issue of corruption. It has also drawn the link between the fact that some of the world's poorest nations are perceived as being amongst the world's most corrupt. While corruption is certainly a symptom of underdevelopment, aid agencies increasingly see it as a major cause, making the fight against corruption a key priority.

But no society, even the less corrupt ones, can take the moral high ground on the issue of corruption. In every society there are those who will try to beat the system and if the system is vulnerable there will be more of them. Less corrupt countries have developed stronger institutions and practices to contain this problem. Transparency International's CPI only reflects one side of a very complex picture, that of governments and their officials on the receiving end of bribery. In an attempt to redress the balance of perceptions created by the CPI, Transparency

International is currently developing a bribe payer's index, which will rank the countries from which the givers of bribes are most likely to originate. It is hoped that such an index will shed new light on the phenomenon of corruption and will over the years help us monitor the effectiveness of legal instruments meant to deter corruption such as the OECD Convention.

There will be no quick fix for curbing corruption and even vigorous efforts to fight corruption within countries can take some time before they gain public support and have any effect. Open discussion of the issue and the recognition that corruption cannot simply be legislated away can hopefully lead the way to ethics-based approaches that hold some promise of success.

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Transparency International is a non-governmental organisation dedicated to increasing government accountability and curbing both international and national corruption. It is the only global, non-profit and politically non-partisan movement with an exclusive focus on corruption. Transparency International has multiple concerns: humanitarian, as corruption undermines a society's integrity; and practical, as corruption distorts the operation of markets and deprives ordinary people of the benefits, which should flow from them.

Transparency International's main aim is to fight the "grand corruption" which paralyses development. We believe that the fight against corruption must be global and that it should transcend social, political, economic and cultural systems. Transparency International does not expose or investigate individual cases of corruption because we believe that this is the role of law enforcement agencies, an independent judiciary and a free press. Transparency International builds its strategies on the close dialogue it holds with its partners in the private sector, civil society and government. As an organisation, we promote the principles of integrity, accountability, participation, decentralisation, diversity, democracy and transparency. TI attempts to achieve this by working both at the national and international levels.

At the national level, TI assists developing nations and countries in transition in mobilising efforts to confront corruption. It is our view that civil society can and must be involved in these efforts. Only civil society organisations have the public mandates and the global potential to both declare the improvement of people's lives everywhere in the world as the paramount priority, and to do something meaningful about it.

We hold the view that civil society organisations can and must provide the impetus, the force and the leadership to wage the global fight against corruption. Their efforts and leadership can set the framework for actions by government and business that leads to new international conventions and national laws and regulations that make bribery and kick-backs less pervasive.

At the international level, TI has been working with leading international organisations in efforts to articulate anti-corruption policies and to lobby the governments of industrialised countries so that they prevent their corporations from paying bribes around the world. Such efforts are beginning to bear fruit and there are now a number of significant international conventions and measures creating the basis for a legal framework which fosters greater transparency in global commerce.



# The causes of corruption - an economic analysis

by Jean Cartier-Bresson\*



The army is often corrupt in less-developed countries

If corruption in developed countries can be seen as an imperfection of democracy, in developing countries it has more serious and alarming consequences.

Whatever their political systems, the failings of the State and the market economy are greater and cause more extreme forms of distortion in developing countries. It is essential to improve the process of transition to a more efficient market economy and towards democracy. This article aims to outline the contributions made by economic literature to analysing the causes of corruption (1).

## Power to the officials

The interconnection between economic and political systems encourages incestuous relationships, and the mixed economy facilitates lawful and unlawful trading in resources between these two spheres. Most economists regard the causes of corruption as being due to the differences in interest that exist between the elected officials (politicians and civil servants) and their electors (the public) and the difficulty of controlling officials allows them plenty of freedom in the way they behave.

It is easy for an official to use his discretionary power - he holds a monopoly position which means that he cannot be circumvented - to cash in favours done for third parties whose profits and losses depend on him. Authority is frequently delegated, a significant factor allowing oppor-

tunities for corruption. Also, officials lack any sense of responsibility and make the most of the absence of society's condemnation of their acts.

The likelihood of penalties is relatively low, not only because lack of information shields the perpetrators, and judicial proceedings are rare, but especially because it remains difficult to mobilise the numerous and widespread victims against well-organised officials benefiting from the illegal sale of securities. The passivity of the victims, therefore, is an additional factor favourable to corruption.

Opportunities exist at all levels in the hierarchy, from the senior civil service to the bottom end of the scale (low-level and high-level corruption). Within this system, a distinction has to be made from the corrupter's point of view between hand-outs:

- i) which make it possible to evade or reduce costs (unlawful reduction of taxes, laxity in applying an anti-pollution rule, under-valuing of rent payable for state-owned accommodation, dropping of charges against a criminal etc);
- ii) which offer a bonus (overpayment on the occasion of the award of a public contract);
- iii) which supply an income but increase the cost of the good (allocation of scarce resources such as import licences or loans on advantageous terms);
- iv) which provide access to a lawful benefit (a contract or accommodation for an entitled person);
- v) which offer an unlawful benefit (the dropping of legal proceedings or accommodation for a party who is not entitled to it);
- and
- vi) which reduce profit (extortion). In the developing countries, weak governance and poverty give a specific nature to the origin of corruption.

## Weak governance and property rights

Three factors explain why bad governance is the underlying source of the spread of corruption.

(1) For a general presentation of the economic analysis of corruption, see Cartier-Bresson, "L'économie de la corruption. De la définition d'un marché de la corruption à ses formes organisationnelles: un premier bilan des analyses économiques de la corruption [The economics of corruption: from the definition of a corruption market to its organisational forms - an initial balance sheet of the economic analysis of corruption]", in D. della Porta and Y. Mény, *La Corruption en Europe [Corruption in Europe]* (La Découverte, 1995), pp. 147-63, and "Éléments d'analyse pour une économie de la corruption [Analytical aspects of an economy of corruption]", in *Revue Tiers Monde* 131 (1992), pp. 581-609.



### 1. The weakness of the opposition

Property rights, which at best are currently being institutionalised and at worst do not exist at all, are often the origin of corruption. According to Weberian logic, systems of political legitimacy based on charisma and the supposed rationality of objectives are more susceptible to corruption than systems based on competence and performance. So there are many developing countries where the State's monopoly on coercion is unlawful because of its arbitrary use by the public authority. In authoritarian regimes, the systems of checks and balances are precarious because there is no tradition of separation of powers, no culture of expertise, and no use is made of freedom of the press, mobilisation or speaking out (*Report on Development in the World, 1997*). The weakness of independent mediators and forms of representation increases the discretionary power of the political middlemen, and the cost of complaining can become prohibitive in terms of both time and money.

2. The second relates to divergences from the Weberian model and problems with constructing the nation. It has been noted that political regimes, even if they become democratic, are still based on clientalism and patronage or corporatism (imperfect political market). The hand-outs collected when major contracts are awarded serve both for personal enrichment of the members of the elite and the establishment of clientalist-style redistribution networks which enable the political authorities to retain power by buying political support. A high degree of ethnic, religious or regional division accentuates the importance of the informal redistribution networks and

their alliances. Administrations then suffer permanent pressure from the political, clan and family powers which limits meritocracy. A system develops in which it is possible to buy an assignment within the civil service to a job which offers opportunities for *baksheesh*.

3. Finally, the law fails to develop. The formal rules that govern society should be constantly evolving, to adapt to the rapidity of change. The more the formal rules are vague, rigid or unadapted, the more the actions and the choice of the economic actors will be dictated by informal arrangements. Furthermore, numerous formal rules are introduced to allow predatory acts (pedantic procedures or rules perceived by the public as being unlawful), while informal rules develop in an atmosphere of confusion and with no procedure for verification of their effects. A labour law ahead of the progress of economic development, or excessive fiscal pressure on new activities, favours the grey labour market and the corrupt arrangements necessary for it to function.

The arbitrary acts of many States - which fail to protect the economic actors and or organise any negotiation between them - leave room for alternative systems of protection based on family, clan, tribe, region, criminal organisation, guerrilla warfare, etc. These systems, by their nature, exclude those who are not members of the local protection networks by (ethical) intent or lack of ability (no resource to offer). The sense of an initial unfair distribu-

tion of private and public rights of property (or restricted access emphasising marginalisation) or an allocation of new rights designed to promote the emergence of an elite then poses the question of the rules of justice. If the lawful distribution of favours to some elements of the elite does not directly benefit the population as a whole, by virtue of mechanisms for income creation or redistribution, there is a grave risk that the actors will learn to disrespect the rules laid down by the public authorities.

### Economic backwardness, scarcity of public assets and poverty

The role allocated to the State in the developing countries' strategies for progress and the weakness of its resources are fertile soil for corruption. It flourishes in the following five situations:

- The exploitation of rich natural resources can provide a source of income when those resources are sold at a price significantly higher than their

The weakness of independent mediators and forms of representation increases the discretionary power of the political middlemen

Major infrastructure projects have highlighted international corruption



europimages



cost. As a result, the payment of hand-outs is frequent when concessions are sold. Many observers believe this explains why the discovery of oil and the explosion of corruption have gone hand in hand in Mexico and Nigeria.

- Development policies have been based on a great many transfers of income sources which have encouraged corruption. The small number of productive businessmen thus explains the relationship between the original accumulation of capital, the allocation of public resources to these businessmen and corruption. The restrictions on trade imposed by quotas make import licences very valuable to importers, who compete for them, while taxation protects manufacturers and shuts out foreign companies. Industrial policies based on subsidies, reduced tax burdens or input price control similarly create income for the private sector. Major infrastructure projects give rise to extremely valuable public works contracts, and it is in this context that international corruption has prospered (*Transparency International Report, 1996, 1997*).

- The scarcity of public assets in the developing countries creates waiting lists. The longer the waiting list, and the more essential the assets (accommodation, a business telephone line, a hospital bed, a scholarship, water for irrigation), the more willing people are to pay a surcharge for privileged access. In a system of free prices (on an official or parallel market) and fixed prices (interest rates, exchange rates, currency allowances, subsidised raw materials, accommodation), assets sold at the fixed prices below the free market price are rare, and the competition to obtain them encourages corruption. This reintroduces competition and discrimination through the medium of consumer prices. The price of subsidised foodstuffs, including a bribe, may still be lower than in a free market, and so liberalisation strategies will have little chance of popu-

lar support if they fail to include any social objective.

- Although the reforms undertaken to reduce the size of the public sector and regulatory policies should eventually reduce the opportunities for corruption arising from interventionist development policies, the period of transition will encourage new unlawful arrangements. Privatisations, and authorisations to establish banks, are two examples of the new corruption. Furthermore, the future institution of a competition policy through the development of regulatory agencies carries the risk of enabling, against a background of poor governance, the appearance of a new form of large-scale corruption within the logic of the catch-up economy.

- The low wages in the civil service largely explain the ubiquity of low-level corruption. The further wage levels in the civil service fall below those in the private sector, the greater the temptation will be to close the gap by unlawful means (in Gambia private sector wages are from three to six times higher than those in the public sector - and this is not unique in Africa). Opportunities for corruption thus become the main motivation for joining the civil service. Confronted by a tax crisis and adjustment policies, governments have often preferred to allow inflation to reduce wage levels rather than reducing the number of officials. Thus, in Latin America, real public sector wages have fallen by from 30% to 40% since the early 1980s, three times as fast as those in the private sector. In Africa, in 1983, the salaries of senior officials amounted to only 5% of the 1975 figure in Uganda, 11% in Ghana, 30% in Nigeria and 45% in Zambia (Klitgaard, 1997).

### **Conclusion**

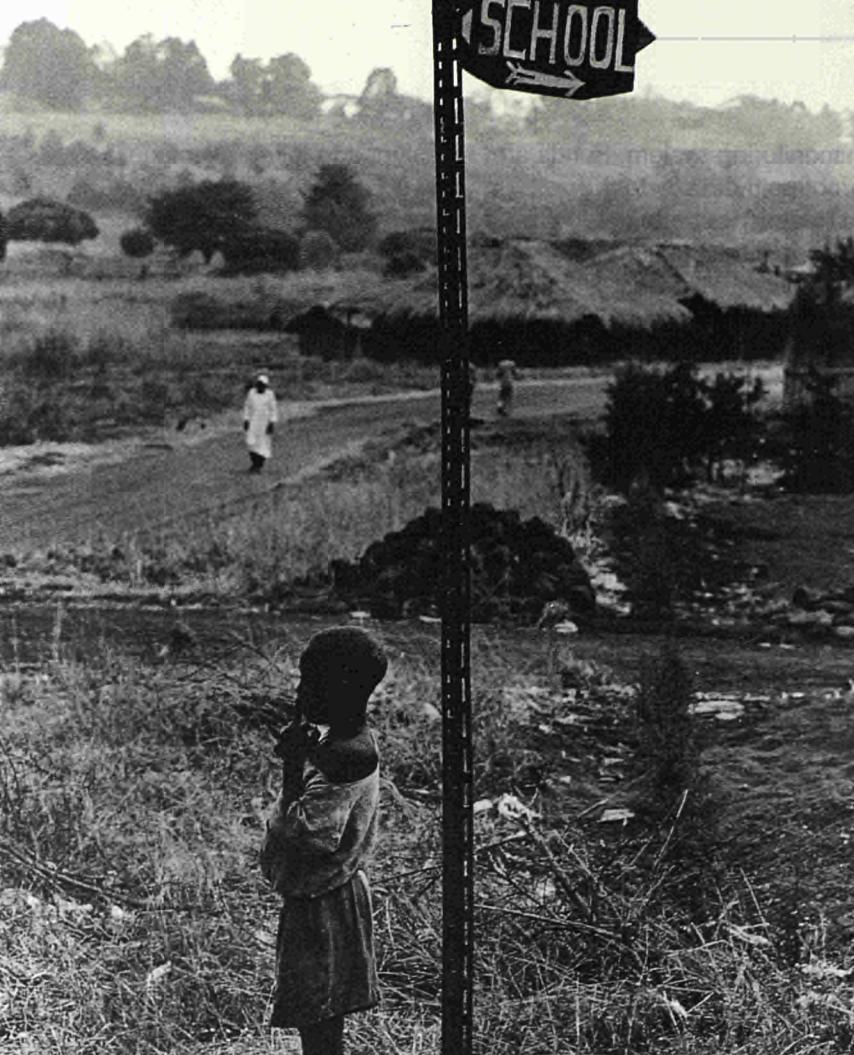
Cause and effect are closely associated, since many sources of corruption are caused by people adapting to the consequences of earlier corruption. Economists

accept, therefore, that the effects of corruption depend to a large extent on the characteristics of transactions and on those who develop them. In the developing countries, extortion is often involved. The amount of the bribe and the number of corrupt transactions increase as a result of threats. This occurs frequently, either because civil society or the private sector is weak (underdevelopment or absence of human rights and property rights) or because the political power is deeply divided (between regions, tribes or parties, or within parties); each clan has to find the maximum resources to carry on its struggle. This predatory situation generates the most negative effects. Income dries up, either because it is over-exploited or because it is exhausted (primary products, international aid). Tension over the redistribution of income becomes intolerable, there is social disintegration of the system based on clientalism or corporatism, and violence increases. Civil war is often the result.

In the context of all this, international institutions need to strengthen their research programmes, and their activities against political and administrative corruption, but they have to take this problem into account, and ensure they integrate it into their planning of adjustment policies.

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### **Corruption:**

the perversion or adulteration of a situation, a person or an action. It is also an action: the act of corrupting someone by securing their consent to act in breach of duty for financial gain. The act degenerates or deteriorates and becomes an act of decadence.

In this sense, corruption is a matter for individual ethics, although it may result in unintended macroeconomic costs.

### **Duty:**

an obligation that one person may have towards another by law, ethics or convention. To bribe or corrupt another person to act contrary to his duty is to violate and induce the violation of a code of practice customary in a society.

## **The Cost of Corruption**

by Mamadou Koulibaly\*

**B**oth corrupter and corrupted refuse to comply with rules which are regarded as honest and just. Corruption, then, is an individual vice which opens the way to collective decadence. Whether it occurs on the micro-, meso- or macro-economic scale, therefore, it has its price, both direct and indirect.

### **An individual vice**

The restrictive definition above means that instead of condemning corruption without defeating it, we can characterise it and analyse its effects on individual and group activity. The costs of corruption can thus be appreciated through the costs it imposes on the community.

Corruption is an activity initiated, organised and adopted by people for their own profit and their own purposes. Although there is no contract to provide a framework for this concerted activity, those involved nevertheless have an implicit or explicit agreement for the joint exploitation of a source of mutual profit.

If corruption leads to a change for the worse, those involved are embarking on the destruction of values and resources.

Unfortunately, corruption is not a zero-sum game.

There must be a third person who pays what the others share: a natural or legal person, or a larger and more complex entity such as the State, the nation or the community.

Consider a simple example, and one which frequently occurs in Africa. Spending a night during your travels at a hotel in Ouagadougou, you entrust your clothes to the hotel laundry for a flat fee, displayed in your room, of 3,000 francs CFA, which you undertake to pay simply by calling the laundry service. On his arrival, the laundryman offers you a deal. Either you can accept the hotel's offer at 3,000 francs CFA or you can give your clothes to the laundryman personally, for 1,500 francs. The quality of service will be the same, since he will be dealing with your laundry whichever option you select, and he can arrange for you to receive a hotel receipt for 3,000 francs CFA. He is offering you corruption of the hotel's pricing system. You will both be betraying the trust of the owner of the hotel who will be the first to bear the direct costs of the act.

The laundryman, in order to provide you with the service he has promised, will have to use the water, electricity, laundry products, labour, premises and machinery bought and paid for by the hotel. Now, it was not so long ago that the hotel



owner incurred debts to friends and the banking system in order to build his hotel. He has not even finished the building works, for lack of financial resources. He decided to open the hotel and put the finishing touches to the work bit by bit, out of his own money. The corruption of one of his employees is causing him to lose money. His future customers will find that the hotel is still not completely finished. His future customers will be less comfortable and poorly accommodated, and may not return.

It is clear that the return on the hotel owner's investment will be lower than it would have been if there had been no corruption.

#### **Collective decadence**

Picture an African government, a member of the exclusive club of Heavily Indebted Poor Countries (HIPC) living off international official aid. The European Union allocates this country budgetary support of 50 billion francs CFA between 1992 and 1997 to help ease the social impact of the Structural Adjustment policies which the country has been applying without much success for some 20 years. In the country's budget, totalling about 2,000 billion CFA francs and adopted by Parliament, 600 billion are expected from international aid. On the expenditure side, 700 billion has to be set aside for debt repayment. The economic situation is a difficult one, which should encourage sound management of these scarce resources levied on the earnings of farmers, workmen, businessmen and other producers, consumers and taxpayers, both at home and abroad (in the countries providing finance).

The budgetary support takes place within the framework of a supposedly infallible

monitoring system. Funds are not paid directly to the Treasury but retained by the local EU delegation. The African government is authorised to spend money on constructing and equipping social services for the population. It then submits the invoices to the EU which checks the documentation and then reimburses the expenditure incurred by the Treasury. Plans to award public contracts are initialled.

And yet, somewhere between the ministries who commission the works, the Treasury which implements the expenditure and the EU which reimburses the invoices, it becomes apparent from a support programme evaluation undertaken in 1999 that nearly 25 billion francs CFA have gone missing.

In order to bypass the call for tender regulations when public contracts are awarded, expenses have been split up by the same enterprises under several different names, and the same treatment has been given to tax accounting, without any inspector of taxes calling a halt. Operations financed by the support programme are over-invoiced by comparison with the regulated contract prices, without being spotted by any Treasury inspector. The senior officials of the beneficiary ministries certify the performance of services several months after the event, using any technical formula and any medium, without raising any eyebrows among the fund administrators. Services are invoiced that have never been performed or supplied.

This instance relates to development aid funds, but the techniques adopted to set up the system of corruption and misappropriation derives from an agenda full of forgery and abusive practices

designed to take advantage of social assets with multiple accounting systems. These techniques are just as easy to apply to the non-State organisations: NGOs, associations, private enterprises, publicly-owned establishments etc.

Amadou Barry, an accountant and internal and external auditor in Dakar, has supplied us with a galaxy of annotated cases, describing the mechanisms used, in a work entitled *Détournements fraudes et autres malversations dans les entreprises* [embezzlement, fraud and other misappropriations within organisations].

These practices may be universal, but in African economies impunity is regarded as a public benefit. Everyone condemns corruption, yet impunity is admired and celebrated by the individuals involved in corruption and organised into networks with different strata of responsibility, at the pinnacle of which, very often, are to be found the Supreme Court judges of these republics. So one hears about the Suharto Clan, the Mobutu Clan and others. Corruption is accepted, therefore, even if statesmen condemn it.

The famous cases of all those millionaire African customs officers – billionaires, some of them, at the top of the hierarchy – explain the enthusiasm among young people to make a career in the customs service. Entry to the training systems for the customs, police, inland revenue or any other authority with high potential for corruption is by way of application lists which are themselves corrupt. In order to gain access to these colleges, it is necessary to corrupt the intake procedure. But, given equal talent for corruption, the intervention of a political authority is decisive.

The African States are

**The techniques adopted to set up the system of corruption and misappropriation derives from an agenda full of forgery and abusive practices designed to take advantage of social assets with multiple accounting systems**





Corruption can begin in a hotel laundry

responsible for corruption, and the people who run them use that corruption to convert the public patrimony into private property of their own, which is then theirs to redistribute. And yet, through the agency of the State, these same statesmen know that corruption is morally deplorable, economically destructive and punishable in law. This, furthermore, is why the African States have been equipped with procedures to provide political, civil and criminal responsibility for all.

Laws have been designed and adopted to defend these States against economic and social crime. National and local police forces are set up and made available to the State, in large numbers, to protect public property and the public heritage. Magistrates and judges are trained at universities and colleges, both in the country and abroad. Prosecutors are appointed by governments to act in the name of the Republic. Prisons – not enough, admittedly – have been built, and our bailiffs know their job as well as our lawyers and tax collectors know theirs. And yet this whole splendid system with its collection of luminaries fails to function because those in charge of it are themselves all as corrupt as each other and as society as a whole.

When those in charge of an

economy are corrupt, they sanctify the impunity necessary for their survival. In a corrupt system, a corrupt individual is unlikely to be apprehended. And even if he is, the probability of being brought to trial and convicted is low – the public prosecutor's office, the magistrates, the judges and other prosecutors, bailiffs, notaries and advocates are corrupt.

Proof of corruption, therefore, does not mean that corruption has been stopped. The corrupt laundryman is violating the trust his employer places in him through his contract

of employment. The Ministry of Public Health and Demography who participates in the misappropriation of European Union budgetary support is mortgaging the health and future of the country's children. This means fewer health centres in our towns and countryside.

The moral responsibility of the Republic here becomes the political responsibility of its leaders. That responsibility raises other issues as well as the issue of personal enrichment. More particularly, it raises the issue of the broken link in the chain of national solidarity. Corruption strengthens the social divide. The present generations of cheats and corrupt individuals are mortgaging the living standards of future generations.

This erosion of social services exerts heavy pressure on what little is left to go round. The surplus demand from the health and education centres will be rationed. Many people will be unable to gain access to these assets. In this African State, this year, 50% of school-age children failed to attend school. These uneducated children of today are the most likely, bearing in mind the positive correlation between human capital (health, education) and living standards, to become poor adults in the years ahead, within a generation. Corruption thus increases the probability of growing poverty during

Africa's next millennium.

The rationing of social services demand also means a conflict of decisions on distribution, and therefore discrimination in relation to education, sickness and death. These are ethical questions of redistribution with enormously far-reaching economic and political consequences.

Corruption, by reducing social spending, compresses effective public spending. The sums budgeted for social spending are not the sums actually spent; far from it.

And the sums that are actually spent are, to a very large extent, wasted, embezzled and overcharged. One of the laws most commonly violated with impunity in Africa is the finance law, and no-one, not even members of parliament, dares to protest against this violation because they only vote to adopt these budgets after having accepted pay-offs from their Head of State. This is the world of the *quid pro quo*. Altruism, in Africa, suffers from the ravages of corruption. This type of corruption is a catalyst for impoverished economies. States will battle to obtain Enhanced Structural Adjustment Facilities. Having obtained them, they will waste them. They will be unable to repay them. They will spread the burden of debt over future generations, while at the same time those generations have less and less provision for illness and education. And so the costs of corruption result in decadence, because the road is the same. The decadence of an economy is the ultimate stage of its corruption.

### Legal reforms first

Many Africans, their international partners and several people who do business with Africa have become convinced that, in this continent, political string-pulling is a ready replacement for business analysis and financial risk analysis and protects their investments from the realities of the African marketplace.

Yet the dominant political culture in Africa, the culture that inspires



**If corruption leads to a change for the worse, those involved are embarking on the destruction of values and resources**

States, governments, authorities and businessmen, reflects nothing more than the specific programme of the single parties in power and their civilian or military regime. Corruption, contrary to what President Bédié of the Ivory Coast believes, is not the legacy of colonisation and the northern States. It is merely the expression of a powerful conservatism which underlies the traditions and culture of the single party which it confuses with the culture of poverty, although the latter is derived from the former. In his book published by Plon in Paris in 1999 and entitled *Les chemins de ma vie*, the Ivory Coast Head of State maintains that the members of G7 are mistaken in their belief that the developing countries are in the grip of universal corruption. In the book he says that it is in the North that corruption exists, and it throws a few crumbs to the Africans through various agents. They are generally investors or businessmen who want to find an easy way of getting contracts and so distribute handouts. If they do it here, it is because they do it just the same way at home. In fact these much-criticised customs are probably more highly developed in Europe and the more advanced countries.

In the African political world, failure to rely on one's political contacts is a measure of failure in the business world. Remembering and using them is a route to institutionalised corruption and widespread nepotism. If these costs are not to result in extreme poverty and underdevelopment, institutional reforms are essential.

In African economies, more and more people are convinced that the issue of corruption cannot be dealt with

by artificial devices and other forms of window-dressing, making use of mass awareness campaigns on good governance, civics and the raising of ethical standards in public life. The changes needed are more fundamental than that.

It is virtually impossible for Africa's current leaders to cure their States of corruption and so set an example for their economies to follow. Any attempt that provides States with opportunities for mantras strengthens the control over development exerted by politicians of the single parties and the pacified democracies, the actual sources of corruption. Hitherto, this has not worked and Africa's politicians almost never accept responsibility for their mistakes. Instead of seeing what is wrong with their own actions, it is simpler, and politically less dangerous, to find fault with the people, a tribe, a profession, a company or, quite simply, foreigners and – why not? – the providers of funds.

Radical reforms, if not undertaken in time, may lead either to rebellion (as with Suharto and Mobutu) or to the informalisation of the economy, politics and life as such. The conformist status quo, where poverty and corruption coexist, shocks the conscience of an increasing number of people, who call for real and deep-seated reforms. In the first stage, these reforms need do no more than help reestablish responsibility, freedom and rights of ownership, all things that are capable of slowing the advance of corruption.

Civil liability protects property and individuals from damage. When individuals are aware of the risks, they will not be indifferent to the rules of responsibility, whether civil, criminal or polit-

ical. It is the law that needs to be restructured. The path to be followed is the one that leads towards the rule of law to which everyone is subject. The first reforms must be judicial, to re-establish the accountability of the political leaders. The economic reforms will follow in their wake, with the private appropriation of the means of production in order to compel the predator either to restrict his field of activity or to pay for his actions. The meaning of contracts must be re-established. These reforms will broaden the radius of trade and reduce the role of altruism based more on family ties and affection.

In plain language, it is impossible to combat corruption unless the rule of law is established, which is not the same thing as saying that the rule of law will put a stop to corruption.

Democracy is a necessary condition for eradicating corruption, even if the democracies themselves are not immune from it. Africa must first break from the single-party ideology. Unless this can be achieved, poverty – the main cost of corruption – can never be eradicated.

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# Good Governance

by Dieter Frisch\*

Transparency in public administration is not a new fashion. First and foremost, it is a legitimate concern of democracy: the people have the right to know how decisions that affect them are arrived at, by whom and under what circumstances; how public resources are administered, by whom and why. Then again, transparency is a guarantee of good governance - because maladministration shuns the light and prefers obscurity - and is thus essential to economic and social development.

Transparency - good governance - development. Already we have come to the word "development": improving the human condition, ultimately our fundamental objective: everything else is a means to it.

The promotion of good governance involves a determined campaign against corruption, which is one of the most concrete expressions of maladministration.

There may be some doubt as to the main motivations for combating corruption. There are some, especially in the business world, who believe the prime concern is to eliminate the distortions of competition caused by corruption, which disrupts the functioning of markets. Their motivation is essentially an economic one.

Others - all, I hope - are ethically motivated: they want to eradicate the "cancer of corruption" which destroys the moral foundations of our society.

Finally, there are those, of whom I am one, who have experience of development and of development cooperation and are convinced, from long experience, that maladministration, waste and corruption are among the greatest obstacles to development. After all, the scarcer resources are - and they are scarce in developing countries - the more essential it is that the real economic and social needs of the people should take priority when resources are allocated. The diversion of scarce resources from basic development priorities (education, health and a secure food supply) towards low-priority and sometimes economically absurd uses (excessive military spending, the personal enrichment of decision-makers) is nothing less

than a violation of economic and social human rights.

And so those who fight against corruption are fighting for development. The encouragement of good governance becomes a key factor in development cooperation.

The effects of corruption on development are many. Not only does corruption significantly force up the price of goods and services but it tends to lower their quality. Frequently, too, it results in technological choices inappropriate to real needs, and can pervert the selection of development priorities. Finally, corruption undermines society morally, drives away serious investors and leads to the reduction of foreign aid (!).

## An 18 point key to good governance

So what is it?

The points set out below, together with specific suggestions for action, are the result of TI's experience in many countries. They are not necessarily applicable world-wide but are a few ideas and suggestions, to provide food for thought.

1 The quality of the administration of a country's resources is an essential factor that

Newspaper seller in Senegal. An independent press is vital in any democracy



(\*) These points are further discussed in D. Frisch "Les effets de la corruption sur le développement [The effects of corruption on development]", in Le Courrier 158, July-August 1996



explains its development performance - good or bad. Thus, when one travels around the countries of Africa and compares their development potential - in terms of availability of resources - with their development performance, we often find a negative correlation, which can only be attributed to maladministration.

2 "good governance is the true test of democracy". A government which administers scarce resources in accordance with the real needs of the population must be fundamentally democratic.

3 The political, judicial and intellectual elite (especially educationalists and teachers) must provide a benchmark, be models of integrity. I know of no society which has not suffered if its leaders are corrupt. In Africa, even more than elsewhere, the leaders provide the clue!

4 The political leadership must be genuinely determined to attack the problem of corruption, and must demonstrate that determination. good governance, like democracy, must not be allowed to become just another slogan - a false front to placate the providers of funds!

5 All the forces of goodwill need to work together. This is behind the coalition recommended by TI, ideally a triangle comprising government, private sector and civil society. Experience shows that it is unrealistic to hope to change things at the instigation of civil society alone. TI's national chapters are not systematic protest movements but partners, monitoring the process of change and advancing constructive criticisms.

6 The essential first step is to influence public opinion and make decision-takers and the public at large aware of the devastating effects of maladministration (public debate, conferences, etc.).

7 A concern for good governance and integrity in the service of the country must play an important part in civic education, from primary school onwards.

8 More targeted training needs to be organised for professions that are particularly exposed to the temptations and dangers of corruption (for example, the customs service and the judicial system).

9 When restructuring overmanned authorities, the aim must be an efficient public service with high standards of professionalism and integrity - because the State has an important part to play, in even a market economy. This requires that civil servants should be appropriately paid (a reduction in the wage bill that leads only to lower individual earnings is an incitement to corruption!).

10 Political pluralism, with an effective political opposition, helps to increase transparency in the administration of resources.

11 Civil society (and in some cases the national chapters of TI) must be encouraged to play a supplementary part in monitoring public administration.

12 An independent press has an essential part to play. Its professionalism, and in particular the training of investigative journalists, deserve encouragement and support.

13 Increasing independence of the judicial machinery seems to be of vital importance. The number of cases brought to trial is a useful indicator of determination to combat corruption, as is the severity of the sentences. The independence of justice - the rule of law - is more important than tax concessions etc., in attracting foreign investment.

14 Paralegal institutions (mediators, administrative justice commissions, etc) and independent monitoring bodies

and inspectorates often play an extremely valuable part, provided that their legal basis is such as to ensure their independence and freedom of action.

15 In the light of experience acquired elsewhere, a review and - where appropriate - revision of anti-corruption legislation may prove necessary, especially in order to bring it into line with the ever-changing international legal framework.

16 The system whereby holders of political office are required to declare their interests and assets, a system sometimes extended to decision-takers in the civil service, has contributed to greater transparency and the prevention of maladministration in countries where it has been applied and taken seriously. It is impossible simply to go on ignoring the lifestyle and property of certain individuals when they give the clear impression of being the consequence of anomalies in the performance of their duties.

17 One area of particularly high risk where corruption is concerned is that of government purchasing and contracts. The current procedures everywhere should be checked out for transparency and effectiveness. There are a number of basic rules (for example, the number of contracts concluded by direct agreement should be kept to the absolute minimum) which enable the risks to be considerably reduced. But the intent is essential! In this connection, TI recommends its "Integrity Pact", whereby contractors undertake formally - by a declaration which forms an integral part of their bids - to make payment of commissions completely transparent.

18 It is also necessary to review the effectiveness of monitoring and financial audit mechanisms. Here again, the legal basis and independence of the bodies responsible are a

**A government which administers scarce resources in accordance with the real needs of the population must be fundamentally democratic**



precondition for any effective action to prevent, detect and penalise fraud and corruption.

### **The role of international cooperation**

The measures required - some of which I have outlined above - are all designed as building blocks in the construction of a "national integrity system". Clearly, these measures are first and foremost a matter for the authorities and inhabitants of the countries concerned. Unless they are truly determined, nothing can be done!

But if they are, external partners, both governmental and non-governmental, can provide support.

Among NGOs, TI is available to provide advice, organise experience exchanges and help to structure civil society around the subject of "integrity/campaign against corruption". TI sees itself not as a consultancy agency but as a genuine NGO which wants to help improve the ground rules governing administration of resources. In many cases, our role is essentially that of a catalyst.

Both governmental and intergovernmental partners, the European Union in particular, are increasingly going to make "good governance of all resources" a criterion for the granting of aid. This seems to me to convey a simple principle: a country which manages its own resources properly should be able to expect outside aid. Conversely, opinion in the industrialised countries is increasingly reluctant to accept that outside aid should be seen as a way of making good the deficiencies created by a country's maladministration of its resources.

The principle will be to support the good housekeepers.

In many areas which I have mentioned in connection with the encouragement of good administration and the campaign against corruption, outside aid can play a part, either in helping to improve the overall political and economic conditions or in providing carefully targeted technical assistance, for example in connection with public contract procedures.

As in the area of human rights,

democracy and the rule of law, the outside contribution to "good governance" must be essentially positive: support, promotion, encouragement, etc.

Where a country is known to be plundering its own resources, the need - as in extreme cases of human rights violation - will be for penalties that may even extend to the suspension of outside aid or, in the case of companies resorting to corruption, their exclusion on a black list from future calls for tenders and contracts.

The developing countries can of course require their external partners to put their own house in order and, for their part, change the ground rules which have previously tolerated or even encouraged the corruption of foreign decision-takers. TI works on this point, devoting its energies to the North as well as to the South and East. Its overall record of activity clearly shows this.

We are, after all, dealing with a phenomenon which flourishes everywhere and is certainly not attributable to any particular type of culture. However, the effects of maladministration are even more serious when resources are scarce.

When we talk of transparency in public administration we are really dealing with the key to sustainable and equitable development.

**\* Founder member of Transparency International in 1993 and a former Director-General of Development at the European Commission. This lecture, which has been slightly edited, was given at a seminar in Dakar last April, entitled *Transparency in the administration of public affairs*.**

### **Transparency International: why was an NGO necessary?**

As the "third sector" - of which NGOs are one manifestation - civil society has a duty to mobilise and express its views whenever the initiatives of the other two sectors, government (or the public sector) and the private sector, prove inadequate to deal with problems affecting society.

The subject of public administration and the campaign against corruption called for this kind of initiative from civil society, particularly in order to deal with uncontrolled and uncontrollable proliferation of international corruption. Thus, in 1993, TI came into being as an NGO devoted to combating corruption or, more positively, encouraging good governance.

The international nature of TI is apparent from the presence of people from all over the world in its governing bodies.

TI is an apolitical, non-partisan movement which has no desire to be adopted either by governments or by oppositions. TI does not investigate particular cases but devotes itself to changing the ground rules where they tolerate, facilitate or encourage corruption.

After barely five years, the results are encouraging. It is now possible to speak freely about the devastating effects of corruption. The fight against it now features prominently on the international political agenda. This awareness was the first essential step towards treatment, towards changing the ground rules. The first, specific, object of TI was to put an end to the legal vacuum on the international scale which held that corruption beyond national frontiers was not an offence under the criminal law of the countries in which the corruption originated. This has now been amended to: **on 15 February 1999 an OECD convention entered into force whereby the corruption of foreigners responsible for official decisions is now a criminal offence. The scandalous practice of treating bribes paid to foreigners as tax-deductible has therefore been abolished...**

We derive great satisfaction from spontaneous initiatives in the developing and transitional countries ("South" and "East") towards integration into our movement, and by the requests for advice which we receive more and more often from governments that have resolved to attack the scourge of corruption.





## Could we be wrong?

by Irene Hors \*

In recent years, combating corruption in the developing countries has become a major concern for the multilateral and bilateral aid agencies. Depending on their specific identities, the agencies justify this commitment - as recent as it is energetic - by putting forward variations on a single argument: corruption is an obstacle to the economic, social and political development of the developing countries. Thus <sup>(1)</sup>, for the UNDP and the DFID, combating corruption is an indispensable step towards driving back poverty and promoting sustainable development. For USAID, corruption has to be fought because it is a destabilising factor for economic and political systems. And for the World Bank, corruption is first and foremost an obstacle to economic development.

In the academic world, many research projects have studied the consequences of corruption, with particular reference to the mechanisms by which such practices affect economic development <sup>(2)</sup>. The main effects are well known: corruption emphasises inequalities and distorts the redistributive role of the State; it results in the wasting of human and financial resources. The public spending programme is biased in favour of programmes where bribes are easily obtained, resources are diverted to unproductive activities, the public budget is punctured both upstream (tax evasion) and downstream (embezzlement); corruption leads to deterioration of public services, etc.

The very word corruption in itself implies an unfavourable moral judgement. In its original

sense it refers to the idea of decay, of "impairment of matter by decomposition"<sup>(3)</sup>. And this semantic relationship is not specific to the Romance languages: in Chinese, the two most common terms for public corruption, *fubai* and *tanwu*, also refer to an idea of decay (*fu*) or uncleanness (*wu*).

So why reconsider the question of the need to combat corruption, when language itself already seems to have supplied an answer?

Let us, instead, turn the question around: are there any good reasons for not combating corruption? There are three different types of argument that are sometimes put forward: economic arguments, arguments associated with the status of underdevelopment, and culturalist arguments. Instead of considering in more detail reasons for combating corruption, the purpose of this article is to take a serious look at the various arguments put forward by those who take a sceptical view of the justification for trying to combat corruption in the developing countries and to attempt to provide some counter-arguments, thus defining our commitment to the campaign against corruption.

### Is corruption beneficial to economic activity?

The argument is that corruption makes it possible to cancel out or reduce the negative impact of over-regulation, obstacles to the free plane of market forces and the proper functioning of the economy - tariff barriers are (de facto) lowered, restrictions relaxed, etc. Along the same lines, corruption makes it possible to speed up administrative procedures and so, ultimately, to make bureaucracy more efficient: the payment of bribes creates a system of incentives for the public servants, inducing them to work more quickly and process more files. Then again, when it comes to the granting of licences to trade or produce goods, or the award of public contracts (without questioning here the justification for State intervention in economic activity), the size of the bribes offered reflects how

<sup>(1)</sup> For a review of the positions adopted by aid agencies in the campaign against corruption, and of their activities, see, for example, the chapter by Pauline Tamesis in *Corruption and Integrity Improvement Initiatives in Developing Countries*, a collection published by the UNDP and the Development Centre of the OECD, 1997.

<sup>(2)</sup> For a review of the theoretical studies of the effects of corruption on economic activity, see, for example, the study by Pranab Bradhan entitled *La gestion des affaires publiques au service du développement: une approche par l'économie politique* [The Administration of Public Affairs in the Service of Development: A Political Economy Approach], published by the Development Centre of the OECD, 1997, or the article by Jean Cartier-Bresson "Les analyses économiques des causes et conséquences de la corruption: quelques enseignements pour les PED [The economic analysis of the causes and effects of corruption: some lessons for the developing countries]" in the periodical *Mondes en développement* [Developing worlds], volume 26, No.102, 1998.

<sup>(3)</sup> Definition in the Petit Robert dictionary.



interested enterprises are in obtaining the licences or contracts in question. In other words, the mechanics of corruption make it possible to demonstrate the comparative advantages of enterprises. So there is no loss of efficiency, contracts and licences being awarded exactly as they should be.

The basic idea here, then, is that - since the creation of a development-friendly institutional framework, an efficient bureaucracy and transparent procedures for granting licences and placing public contracts are too much to hope for - corruption paves the way to an ideal second-best solution. However, case studies (4), and various empirical investigations (5), tend to suggest that bureaucratic distortions and cumbersome procedures are deliberately retained or circumvented in order to enable corruption to flourish. On the other hand, the mechanics of corruption cannot be equated with those of an auction, as revealing the comparative advantages offered by private bodies, unless very specific conditions are met: atomisation of supply and demand, perfect information availability, and no transaction cost - conditions that rarely apply in reality. Far from resembling a situation of pure and perfect competition, corrupt practices in fact give free reign to power networks.

### **Is corruption a consequence of the status of underdevelopment?**

The very status of underdevelopment is sometimes put forward as a justification for making little effort to combat corruption in the developing countries. According to this argument, combating corruption is a luxury restricted to rich countries. Those countries, too, experience high levels of corruption during their

age of industrialisation and corruption has diminished significantly only since they achieved economic development. Some authors (6) demonstrate how the process of the emergence of a capitalist class in a developing country may both generate and be facilitated by corrupt practices. Corruption helps to solve, or at least slacken, the social tensions created by the process of original accumulation. In the context of industrialisation and progressive independence of a sphere and an economic power that are independent of political power, corrupt practices make it possible to compensate for the formal independence of the private sector relative to the political and administrative hierarchy with a de facto dependence, and enable politicians to transfer some of the resources accumulated by the capitalists to the non-capitalist groups.

Here again, this position appears to us to be somewhat unconvincing. It recalls the arguments put forward by those who saw slavery as an institution that was indispensable to the accumulation process. First, industrialisation is not a sufficient condition to allow a reduction in the level of corruption. There are many OECD States which still have a high level of corruption today. On the other hand, a low level of corruption, allowed by a context of good governance, is an important trump card for industrialisation. Secondly, the present industrialisation context in the developing countries differs from that of the first wave of industrialisation: there have been several waves of industrialisation, legitimizing the emergence of a capitalist class. Similarly, the role of the State as redistributor is one of the accepted views of the State, and the redistribution function can be officially undertaken by way of appropriate policies. Finally, the problems of corruption are developing towards professionalisation and greater interdependence with regard to organized crime. There are

reasons to fear that the links established between official authorities and Mafia-type organisations are irreversible. All this suggests that combating corruption can and must be a concern for the developing countries.

### **Cultural imperialism?**

The increased attention paid by the international community to the problems of corruption allegedly forms part of Western cultural imperialism, whereby the West seeks to impose on non-Western countries, and in particular on the developing countries, its own model of society based on concepts of democracy, private sector and free market, imparting a particular concept of the State, a special relationship between the public and the res publica, a model of organisation and separation of powers, and the concept of individual rights, all of which involves combating corruption.

Corrupt practices, according to this argument, form part of the culture and social system of some countries; we hear of the gift culture, the principle of fair exchange in order to obtain a service or build up a cooperative relationship; the

**The Caribbean: industrialisation is not enough to bring down levels of corruption**



(\*) In particular the study by the OECD Development Centre and UNDP on the anti-corruption initiatives undertaken in 5 developing countries (Benin, Bolivia, Morocco, Pakistan and the Philippines), now in preparation.  
(\*) See in particular the World Bank working document by Shang-Jin Wei, "Does 'Grease Money' Speed Up the Wheels of Commerce?", 1999.  
(\*) See in particular the works of Mushtaq Khan.





vivant univers

The outskirts of Abidjan. Corruption emphasises inequality

different importance attached to written documents in certain cultures, the coexistence of written and unwritten laws - corrupt practices falling under the latter heading.

We also hear that corrupt practices reflect individuals' allegiance to another public - the family or tribal network, etc - coexisting with the State public sector.

But corrupt practices are certainly not part of a cultural heritage; it would be more accurate to say that such practices are legitimised by those who derive a benefit from the system of corruption. Empirical studies (7) have shown that corrupt practices are not motivated by allegiance to non-State social circles. The absence of third parties to whom the two main parties to a corrupt transaction can refer in the event of litigation may result in the establishment of networks of relationships which permit corruption by relying on primordial social ties. These ties are exploited in the interest of corrupt practices much more than they motivate those practices. Some of the wealth accumulated through corruption is redistributed to friends and relatives, but no more so than with other types of wealth.

The systematisation of corrupt practices, it is said, even gives rise to a destructive effect on the traditional social fabric. Greed and materialistic values come to replace the values of solidarity.

Similarly, the fatalistic attitude towards corruption adopted by the public in a country does not mean that corruption forms part of that country's culture. As explained by Jeanne Becquart-Leclerc (8), in a situation of systematic corruption, "the participant becomes caught up in the system by a meshing effect and can no longer escape from it without paying an excessive penalty. Subsequently, the contagion creates a spiralling effect and the 'meshing' becomes general. Thus, corruption as a 'social fact' imposes itself upon the participants and becomes institutionalised, perverting the system itself". Corrupt practices thus, in practice, derive legitimacy from the fact that they are impossible to circumvent. This "normality" of corrupt practices is compensated by those who have an interest in maintaining a system from which they benefit.

It is clear, however, that the campaign against corruption goes hand in hand with the defence of a social model whose principles include the recognition of individual rights and a governing power which derives its legitimacy from a genuine mandate given by those it governs, consistent with individual rights. It is not particularly surprising, then, that we encounter the same criticisms here as in the debate on the universality of individual rights. The aim, however, is not to impose this campaign against corruption on the developing countries, but rather to adopt a policy of extending a helping hand to those in the developing countries who themselves want something other than the system of corruption and have taken steps in that direction.

### A few lessons in combating corruption

These brief arguments have confirmed the need to combat corruption, and have also provided a number of lessons on ways of doing so. The real obstacles to combating corruption are as

much the interest of the political and administrative hierarchy as the fatalism and ignorance of the victims, which are often sustained by a culture of fear maintained by the beneficiaries of corruption. Corruption performs certain functions in connection with the existing economic, and even political, systems. Combating corruption, then, means reforming these systems in order to find replacements which are functionally equivalent. It thus seems essential to incorporate the struggle against corruption into policies for improving governance. The next point is that although the status of underdevelopment does not make corruption inevitable, the financial, human and institutional resources available to these countries are not the same as those enjoyed by the developed countries. Research is needed into ways of adapting anti-corruption and good-governance policies to the specific context of the developing countries. Finally, the external actors must respect countries' sovereignty, which means respecting the differences that will find expression in definitions of what is and what is not corruption, and in prioritisation, but above all means adopting a supportive stance towards active local forces rather than replacing them.

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This article represents the personal views of its author.

(7) As note 5.

(8) See "Paradoxes de la corruption politique [Paradoxes of political corruption]", in *Pouvoirs*, No 31, 1984



# The Commission and Corruption

by Shada Islam

Promoting good governance worldwide has long been a priority for the European Union.

Over the last few months, however, the focus has also turned inwards, with the European Union Commission itself in the firing line for having turned a blind eye to cases of financial irregularities and favouritism in its own ranks.

The allegations of mismanagement in the Commission first surfaced in the media last year. The response from EU institutions was immediate. The accusations were rapidly taken up by the European Parliament which called for an investigation by an independent committee of experts into the Commission's conduct on a limited number of issues. The committee's report was made public in March, leading to the immediate and *en masse* resignation of the European Commission presided over by Jacques Santer.

Beyond that, the report's findings and its calls for more accountability and transparency are set to change the way in which the Commission and other EU institutions conduct their business, both internally and in their contacts with the outside world. Most importantly, the European Commission's incoming President Romano Prodi has made good governance his main priority. He has assured all European citizens that his main task over the next five years will be to launch and implement a "great age of reform and change," preparing the European Union and the Commission for the challenges of the new millennium.

Speaking to the European Parliament earlier this year, Prodi insisted that he wanted a Commission based on clean governance and good administration. "We will not tolerate corruption in any form," Prodi underlined, adding that the new Commission team would take collective and individual responsibility for its actions, with the focus on "more efficiency, transparency and accountability."

The former Italian Prime Minister's overriding preoccupation with good governance and accountability is no surprise. Prodi was selected as President of the European Commission by European Union heads of state and government on March 24 with the specific task of healing wounds created by the unprecedented resignation *en masse* on March 15 of Santer's Commission.

The committee, including five independent auditors, spent four weeks investigating allegations of fraud, mismanagement and nepotism levelled at

the Commission.

Their report exonerated individual Commissioners of any misdeed. It stated clearly that the Committee "did not encounter cases where a Commissioner was directly and personally involved in fraudulent activities." Nor was any Commissioner accused of gaining financially from the reported irregularities.

But investigators did identify what they described as "instances where Commissioners or the Commission as a whole bear responsibility for instances of fraud, irregularities or mismanagement in their services or areas of responsibility."

Most damagingly, the committee concluded that there was a "growing reluctance among the members of the hierarchy to acknowledge their responsibility," adding that it "is becoming difficult to find anyone who has even the slightest sense of responsibility" in the European Commission.

The committee pointed to a number of irregularities by the Commission's security office, including the granting of "small favours" to officials such as cancelling police fines for parking or drink-driving.

Edith Cresson, the French Commissioner for education and research, was criticised for presiding over fraud at the Commission's Leonardo youth training programme. Cresson's decision to employ a long-standing friend as a scientific advisor was also described as a "clear-cut case of favouritism," by the independent committee.

Cases of alleged fraud were discovered at ECHO, the European Community's Humanitarian Office which to overcome its lack of skilled staff, had had to resort to the employment of temporary or auxiliary officials. This was criticised by the

The European Parliament building in Brussels. The accusations were rapidly taken up by the European Parliament





**"We must use this crisis as a catalyst for deep and lasting reform in all the European institutions."**

Jacques Santer

committee as opening up opportunities for fraud.

Also chided by the report were certain Commissioners who had given key posts to friends or relatives. Although the committee decided that such moves were "inappropriate," it pointed out that they did not constitute an abuse of power or violation of EU rules.

Jacques Santer and his team responded quickly to the committee's findings by stepping down collectively - although as Santer pointed out, he believed the tone of the report's conclusions to be "wholly unjustified."

Describing the Commission's resignation as a "political act," Santer insisted: "We have taken our responsibilities, even if we judge the report to be unbalanced. Sometimes criticism can be salutary," he added. "We must use this crisis as a catalyst for deep and lasting reform in all the European institutions."

It's a task that Prodi has taken on with enthusiasm and determination.

"I am determined that the new Commission should meet the very highest standards of public life," Prodi said while unveiling his new executive team to journalists on July 9. The new Commission, he insisted, would give clear direction and leadership to the EU and above all concentrate on promoting good governance.

For the first time, a vice-president - former Labour leader and transport commissioner Neil Kinnock - has been given responsibility for masterminding the internal overhaul of the Commission. "Reform remains a huge challenge for the Commission and other European institutions alike," Prodi insisted, promising to improve staff training, create a modern personnel policy and tighten up the way the Commission spends taxpayers' money. The goal, according to the Commission's future chief is to transform the Commission into a "truly world-

class administration."

With that in view, a far-reaching blueprint for reform is expected to be ready in the year 2000.

Other changes aimed at promoting good governance as envisaged by Prodi include the following:

- Commissioners will be housed alongside their departments rather than grouped together in a separate building;
- Commissioners' private offices (known in EU jargon as "cabinets") will be smaller and more multi-national.
- The rules on senior appointments will be tightened and made more transparent.
- There will be greater internal mobility for senior Commission staff than in past years.

Prodi has also addressed the sticky issue of the personal accountability of Commissioners and made it clear that he will compensate for weaknesses in the current system. Under EU rules, the European Parliament has the right to vet each Commissioner in public hearings similar to the ones held by the US Congress. But the assembly cannot sack individual Commissioners, only the team.

Also, while the EU Treaty of Amsterdam gives the Commission President the power to change the portfolio of a Commissioner or ultimately to deprive them of any portfolio, he does not have the right to dismiss individual Commissioners.

However, Prodi says he has asked each member of his team to accept that he or she will resign if asked to do so.

"Clearly, this will not be a step to be taken lightly," he said recently. "It would only be in the most serious of circumstances that I would request the resignation of a Commissioner."

In addition, a new code of conduct has been drawn up to ensure that Commissioners retain their independence while performing their jobs.

Following the outrage caused following ex-industrial affairs Commissioner Martin Bangemann's decision to work for the Spanish telecommunication giant Telefonica, Prodi has also promised to formulate strict new rules to prevent such conflicts of interest in the future.

An anti-fraud unit has been set up to ensure good governance in all EU institutions.

The Commission's recent troubles are proof that the struggle to ensure good governance is not restricted to developing countries alone. Indeed in recent years, other international organisations have also had to embark on wide-ranging clean-up operations to fight allegations of sleaze and nepotism.

The combat against corruption - one of the biggest threats to good governance - is gaining momentum also on the international level. A new anti-corruption code adopted by the Paris-based Organisation for Economic Cooperation and Development (OECD) is proof that more and more countries - and companies - are realising that graft is a drain on resources and discourages trade and investments.

The European Commission's determination to champion good governance globally and through the Lomé Convention makes it doubly important that it should put its own house in order - rapidly.

Romano Prodi has taken this goal to heart. The media, the European Parliament and EU member states will be watching carefully to ensure that Prodi's strong promises of reform and change are quickly translated into action.



# Latin America, a changing reality

by Katy Ndiaye\*

In theory, no State can be free of incidents of corruption. Unfortunately, what should happen in theory does happen in practice. Recently, a number of European Union Member States have had to deal with "affairs" of this type, and even the European Commission itself has not been spared. However, while these could reasonably be considered to be occasional problems, corruption in the developing countries has

long been a structural phenomenon. Latin America is no exception to this rule, as has been confirmed by a succession of disclosures of political and financial scandals published in the Latin American media. However, solutions do exist and the desire for change is apparent.

Until the 1980s, many Latin American States were in the hands of military dictatorships. The governing classes of those States, protected by the screen of concentration of powers that they had instituted, were able to promote their own financial interests to the detriment of the public good, and effectively made corruption a system of administration. Today, the dictatorships have gone, but corruption has put down roots deep into governmental structures and society. A long labour of renewal has begun, and regularly turns up political and financial scandals.

## Corruption : political enemy number one

Corruption is a running sore in those countries affected. Its corollary, the black economy, devours countries from within and destroys any attempt to institute a development policy. Corruption also attacks the political system and casts doubt on the legitimacy of the State. As a consequence, it blurs the outlines of the concept of law. Argentina and Brazil are two examples which clearly illustrate this point.

In 1995, the Argentinian opposition denounced the "culture of corruption" maintained by the government of Carlos Menem and his personal entourage. A series of scandals involving them burst into prominence. Mrs Amira Yoma, sister-in-law and personal secretary to the Argentinian President, was not ruffled when charged with laundering drug money. This was hardly surprising in view of the fact that, sometime earlier, the newspaper *Página 12* explained how the government team had installed "reliable people" at every level of the legal system where they might prove useful. Thus, two important bodies, the Supreme Court and the new National Court of Cassation, were in the hands of the government, which had itself appointed a majority of their members.

A few years earlier, in 1992, Terence Todman, then United States Ambassador, was already complaining of "the attitude of the civil servants, who were demanding outrageous commissions from American industrial companies wanting to invest in Argentina".<sup>1</sup>

Despite this situation, which was common knowledge, Carlos Menem emerged victorious for the second time from the presidential elections in 1995. Since then, other scandals have followed, often involving the machinery of government. One of these cases concerns IBM. In 1997, it came to light that the multinational company had had to fork out the equivalent of \$37 million under the table for the right to sell its services to the National Bank. The Spanish airline Iberia Airlines apparently used the same method for its acquisition of Aerolíneas Argentinas.

Neighbouring Brazil experienced a similar "climate of embezzlement". Unlike his Argentinian counterpart, however, Fernando Collor was relieved of his office of President of the Republic after a constitutional trial which was exemplary for a Southern Hemisphere country.

Alerted by the press to cases of embezzlement within government, Brazil's Congress set up a Parliamentary Commission of Inquiry (CPI) to study the actions and administration of the Collor government. The Commission, supported by the national media, unveiled a complex web of organised fraud and embezzlement in high government circles, with the complicity of the President. The report by the Commission of



The Mothers' Day protest in the Plaza de Mayo, Buenos Aires, a symbol of resistance to the military dictatorship



**This time, though, Brazil has sent a very clear signal to the political class as a whole, calling for a new "political culture". And Congress, by its prompt reaction, has helped to strengthen the country's machinery of democracy**

Inquiry highlighted a direct link between political and economic decisions made by the government and the fraud and extortion committed by the Brazilian President and his entourage.

In broader terms, it was Brazilian society that organised itself to dismantle the Collor government's politics of corruption. Prompted by endless public demonstrations complaining of the attitude of the country's leaders, the members of parliament based their inquiry on the evidence produced by financial experts and Brazilian Treasury officials.

**A new political culture**

Why did Brazil react so strongly? True, the economic administration of the Collor government had brought the country to the brink of disaster, with a rate of inflation bordering on 25% per month. This was a worrying situation, certainly, but there is more to it than that.

After over 29 years of dictatorship, Collor had marked the beginning of a new democratic era in Brazil. On emerging from this long period of forfeiture of powers and corruption, the Brazilians were determined to turn over this page of their history once and for all. The conduct of their political leaders has destroyed their hopes. This time, though, Brazil has

sent a very clear signal to the political class as a whole, calling for a new "political culture". And Congress, by its prompt reaction, has helped to strengthen the country's machinery of democracy.

In the case of Argentina, it is notable that the efficiency of the democratic institutions was reduced in the course of the economic reforms undertaken by the Head of State and his team. Carlos Menem, claiming that the crisis called for the necessary reforms to be speeded up, made this a pretext for "legitimately" seizing some of the powers of the legislature and judiciary.

These measures are the reverse of what is needed to combat corruption - an independent judiciary and legislature, a free press and total transparency regarding the activities of the government.

For the developing countries, the World Bank and the International Monetary Fund recommend greater liberalisation of the economy and its separation from the State. These recommendations, especially in the countries of the South American continent, are not free of risk, since the necessary economic reforms have to be accompanied by a political control that cannot be guaranteed under current conditions. As a result, far from reducing corruption, unbridled liberalisation would help to create new forms of financial malpractice. In Brazil and Argentina, the establishment of structural adjustment, with its series of political measures, has favoured the creation of a more independent executive which is, in some ways, less subject to democratic control.

The rocketing number of reports of misappropriation in Latin American newspapers

does not signify a corresponding surge in corruption within the political world. It should be seen, rather, as a new departure for society. In the past, the repressive nature of Latin American governments and the image of a corrupt ruling class was able to muzzle the public and deflect it from political concerns. Today, the political class is accountable.

When it comes to putting an end to corruption, some moments are more opportune than others. Take the elections, for example. Hugo Chavez, elected President of the Republic of Venezuela in December 1998, spent his whole electoral campaign focusing on corruption as being public enemy number one. According to estimates, it consumes over 15% of the country's wealth. As a career soldier and former colonel, once involved in a Venezuelan army coup, Hugo Chavez could be said to be a stranger to the world of party politics. His populist call for an end to corruption mobilised the electorate to vote for him rather than opponents representing the traditional parties accustomed to manage the affairs of state ... and corruption. The new president has inherited a difficult situation.

Since 1922, the Venezuelan State has been sitting on an enormous fortune in oil. With daily production of 3.1 million barrels, the country has risen to second place in the world league table. As in many developing countries, the dividing line between the opposition and the government responsible for the affairs of state has never been very clear. The systematic sharing of power for more than 70 years has set the political scene as a somewhat unconstructive form of apathetic cohabitation.

**Drug links**

It is hard to examine the topic of corruption in Latin

Part of Medellín, Colombia, a city sadly best known for its cartel





America without addressing the drug problem. In many countries, the links that exist between the State and the world of the drug traffickers are notorious.

In Colombia, there has been much talk of the cartels in Medellín and Cali. Although the Colombian authorities have always shown their determination to combat this scourge, there are signs here and there of some degree of collusion between the machinery of state and the world of drugs.

Still fresh in the memory is the scandal which left an indelible stain on the four-year presidential term of Carlos Samper. In 1994, a few months after the elections, it was learned that his campaign had been partly financed by one of Cali's drug trafficking families.

The links between politicians and traffickers extend well beyond this one specific example. As is the case everywhere else in the region, the economic power lies in the hands of an oligarchy, the leading families who are close to the seat of power and sometimes even hold the political power. It transpires that these families have included drug trafficking in their activities.

This is particularly true in the case of the Cali cartel, made up of land-owning families with a much longer economic and social tradition than that of the Medellín cartel, a more modest affair of peasant origin. Even so, it will be remembered that Pablo Escobar, hereditary boss of the Medellín cartel, had the opportunity to enter the House of Representatives as a petitioner, assisted by an unflappable political personality, Jaime Castro, former Minister of State and mayor of Bogotá.

In 1983, the Colombian State and the drug traffickers met in a new field: paramilitary activities. With financial backing from the great landowners associated with the drugs world and trained by Colombian regulars, these private armies were set up to protect and ensure the expansion of the heritage of the leading families and to oppose the guerrilla war being waged by the FARC (Colombian

Revolutionary Armed Forces). They have over the years intensified what was in any case a very pronounced climate of social violence. The Colombian State, in the pay of the drug traffickers, has acted as an accomplice in this situation.

The FARC, in any case, are not outside the drug traffic circuit. Securely entrenched in the regions where coca is produced (Meta and Putumayo), they offer "protection" to the peasant coca growers and laboratories in exchange for the payment of "taxes" which will be used to arm their troops.

The Colombian drug traffickers have extended their zone of influence into Mexico. Around 1985, well informed of the planned invasions of Panama by the North American authorities, the Cali cartel increased its contacts in the Tabasco region of Mexico, particularly among politicians, with a view to relocating their activities in the areas of cocaine and money-laundering. Today, 10 years after these connections were first established, many observers regard the Mexican problem as a more worrying one than Colombia. According to them, the drug traffickers in Mexico are on the point of taking over the government and running the country.

### Putting an end to corruption

One question remains: Is it possible to put an end to corruption?

Following the last presidential elections - May 1998 - Colombia appointed an "anti-corruption" candidate as Head of State. This was Andrés Pastrana who promised to "drive corruption out of the country" once elected.

For the past few years, then, there have been signs of a change of climate. Corruption is now definitely in the dock. Yet it must be said that, since coming to power, Presidents Chavez and Pastrana have been unable to improve the situation.

Does this mean that although the authorities may openly display their desire to put an end to corruption, it actually proves to be too firmly entrenched? Should we accept the defeatist argument and regard it as

inevitable, impossible to overcome? The truth is that, in the age of globalisation, a serious and effective national campaign against corruption must be backed by the cooperation of international authorities.

This essential cooperation is in place - financial bodies such as the OECD and the World Bank jointly recognise the problems created by these malpractices in the world economy and, more particularly, the economies of the developing countries.

Numerous conferences, studies and inquiries address the same topic: "How can corruption be stopped?" The American continent was the first to equip itself with an anti-corruption convention as part of the agreements establishing the Organization of American States (OAS) in 1996. This convention, which criminalises acts of corruption, has so far been ratified by 17 of the 26 members of the OAS.

Last autumn, the OECD organised a joint colloquium with the Organization of American States in Buenos Aires on the means available for the effective combatting of corruption.

In a study commissioned by the World Bank in 1997, executives of international companies identified corruption as the main obstacle to their investment in Latin America.

As can be seen, there has been no lack of initiatives centring on the problem of corruption. It is therefore reasonable to hope that in the long term these efforts, and the opening of a genuine in-depth debate on drugs, together with a more soundly-based democratic culture, will eradicate the practices that have given Latin America such a bad reputation.

<sup>1</sup> Carlos Gabetta, "L'Argentine redoute un scénario à la mexicaine [Argentina fears a Mexican-style scenario]", in *Monde Diplomatique* (May 1995).

\* Freelance journalist





Vivant univers

## Corruption in Africa

By Augustine Tommy \*

**S**o you want a passport? Should be easy, shouldn't it? In Africa, not always, and obstacles vary from country to country.

Until the late 1980s economies in these countries were relatively healthy, so passports were not an issue. But they have become vital bargaining tools used by officials to boost their income.

### The passport process

1 You obtain the form on which is clearly marked, "Not To Be Sold." Dishing out some money for obtaining that form does not necessarily mean having paid for it. But no money, no form.

2 At the passport office, the forms are issued by a particular department. The sum of money required from an applicant is assessed on his appearance.

3 This form has to be filled out and certain sections authenticated by a Commissioner of Oaths, supposedly a respectable member of society. Unfortunately they need money too. When they get it, the form is signed and stamped. The second hurdle cleared.

4 The most important obstacle is the main passport officer. An appointment has to be fixed with his secretary to meet him or her. Before seeing her, the palms of the messenger who opens the door have to be greased.

At the secretary's office the applicant is alone with her. For the first time a figure is quoted, from a range of prices. For an immediate rendezvous it is in foreign currency, whereas local currency may secure you an appointment in a few months' time.

There is a snag here if you decide to come back in three months. The secretary may not be the same one and you may have to start again. Best to pay and see the boss immediately.

The condition of the boss's office indicates that he is not someone who will take just anything.

The interview is a formality. Simple question, simple answer. Slip in what you think the chief is worth in the forms and with a smile he tells you to come for it the following day.

This is still not the end of the story. You pick it up in a different department altogether. The same ceremony has to be repeated to get to the chief delivery officer. Palms must be greased until you get on to him or the reply is simple: 'The boss has not signed it yet, come tomorrow.' That tomorrow may never come unless you do the decent thing. When the booklet is finally retrieved, it may have cost the applicant up to 20 times more than it should.

This is the procedure for nationals of whatever status. Foreigners do not need to go through all this. They meet with the boss, out of his office, sometimes in the foreigner's office, where the package is paid for with a large cash sum, and of course in foreign currency. Since the foreigner knows that this money is just for the boss, another envelope is issued for the chief's subordinates who may or may not receive it.

In two days his booklet or sometimes, booklets, are issued, not by the chief himself but by his messenger who inevitably receives his "transport".

### Not just passports

If someone needs a passport it can be argued that they are well off because obtaining one means they can afford to travel out of the country by air.

But the system is very democratic. It applies to many other official documents too. Money is systematically extorted from a relative needing a death certificate to enable him to bury a loved one.

Perhaps in the future civil servants will understand that this is unacceptable, but at present they are justified by their low salaries.

Two issues from Sierra Leone illustrate not only how corruption is entrenched in society but how



the guilty go unpunished. A foreign minister was accused of having sold a huge stock of passports to foreign nationals. Nothing came of the accusation. The valid passports, some of which have been renewed in that country's missions abroad, are still being used far from Sierra Leone. This was the minister who had been accused by Muslim leaders of having diverted funds from the Arab World destined for the transportation of at least 100 pilgrims to the Holy Land. Nothing came of that either.

What about funds for specific projects in African nations? It is no secret that at the time of the one-party system, the lack of accountability made it possible for such funds to disappear without trace. OPEC in the 1970s made sufficient funds available for the construction of a hydroelectric dam at Bumbuna Falls in Sierra Leone's Northern province. This dam was expected to make the country self-sufficient in electricity supply to the point of exporting current to neighbouring countries, deriving a much-needed foreign exchange. The dam was built more than 20 years later at more than five times the original cost, with funds from a completely different donor. The funds from OPEC could nowhere be traced.

One of the best ways of becoming wealthy in Africa is to become a politician, and indeed a parliamentarian. Better still, a government minister. You are in charge of signing project contracts. Terms differ in various countries for the different types of contracts. In Gabon, in the 1980s a contract was either "wet" (with a lot to it) or "dry" (the opposite). This scenario is not so different from that of the struggling passport applicant - it is only the scale that has changed.

The actors are the prospective contractors and the gov-

ernment minister. What is most important here is the kickback. In Nigeria, the norm is 10% of the contract. Hence contractors, and sometimes middlemen, became known as Ten Percenters. What perhaps is the worst of epidemics is the fact that most of the contracts remain largely unrealised. When they are, the standard is at best mediocre, so infrastructure such as road networks, telecommunications, and even such basic needs as water, health and education are in a desolate state.

Corruption is sub-divided into various categories in Nigeria. We can only deal with two major divisions: international and local. Others come under the name of sub-local, state, national, federal and institutional. All told, corruption is institutional, although incoming governments often tend to lash out at their predecessors' legacy, implying that things will change. They don't.

The Berlin-based non-governmental pressure group, Transparency International has constantly classified Nigeria as the most corrupt nation in the world. Even Nigerians cannot easily deny this. What is more, the Nigerian press, so vigorous in opposing such allegations, cannot object because its pages are full of evidence to show how corruption occurs at the high levels of society.

**The Customs Officer**

Let us take the simple issue of the Customs officer. The newly-employed graduate goes off to learn how to become a servant of the nation. How his contribution will help build a healthy nation by bringing in the much-needed funds for the purpose. At the end of the training he gains top marks and is posted to the office. Behind his desk, he has to be content with his salary, whereas out in the field, the less-qualified junior officer who stands up most of the day has

already built three apartment blocks on the outskirts of a major town to be rented out. In the junior officer's home town or village, he builds a mansion.

The young, highly-qualified, well-trained, obedient civil servant in the headquarters can never achieve this. He receives his promotion regularly, whereas the field officer remains out there. It is only when he reaches a certain status that he realises the field officer had been regularly bribing his bosses with an unspecified sum *not* to be promoted. He is making too much money from bribes, more than he would ever make elsewhere in the department. And if he is in a good team, why change? It should be explained here that team work not only means customs but also immigration, police and other similar officers.

If it is not too late for the man in headquarters to be sent to the field, he applies to be there. If he makes it, "God has buttered his bread." He turns a blind eye to many extraordinary things in the field. Annual or sick leave is hardly taken but is always signed for. An officer on leave is never off-duty but always in uniform and on the road. In certain areas, especially at some land border posts, some business people will only cross when they know their "own" customs officer is on duty.

Under normal circumstances, manufactured goods in the West African Sub Region within the Economic Community of West African States should not attract any customs levy. To the customs officer, that is only on paper for the "book people." If you think the border post is the place to argue your case then God help your goods. No system allows a customs-sealed vehicle with the declared goods to proceed to its destination before the seal is opened. In West Africa

Mohammed  
for 30 years  
the father to  
National Unity



every country has its own law, so some trucks spend days at border points, making perishable goods impossible to transport by road.

Transparency International may not have known how insidious the corruption industry here is but nevertheless went ahead, given the fact that they deal with big-time corruption.

The Berlin-based group's chairman, Peter Eingin, notes that much corruption comes from the massive use of bribery and kickbacks by multinational corporations headquartered in industrialised countries trying to buy contracts in developing countries and economies in transition.

### The 419 syndrome

How can the 419 phenomenon in Nigeria be incorporated into this analogy ?

The 419 syndrome named after the relevant article of the Criminal Code of Nigeria is an unmatched scam which started long ago, but became a national sport in the early 1990s. It is also referred to as The Fax Scam and in Europe as The Nigerian Connection.

According to The 419 Coalition which says it is there to fight the Nigerian Scam, 419 operates as follows :

The target receives an unsolicited fax or letter from Nigeria containing either a money-laundering or other illegal proposal, or a legal and legitimate business proposal. Common variations on the Scam include over-invoiced or double-invoiced oil or other supply and service contracts, crude oil and other commodity deals; a bequest left you in a will; money cleaning where someone has a lot of currency that needs to be chemically cleaned before it can be used and he needs the cost of the chemicals. Or the victim will just be offered a legitimate goods or services contract the variations are very creative and virtually endless.

At some point, the victim is asked to pay up front an fee of some sort, be it an advance fee, transfer tax, performance bond or to extend credit, grant COD privileges, whatever. If the victim pays the fee, there are many complications which require still more advance payments until the victim either quits, runs out of money, or both. If the victim extends credit he may also pay such fees, which leaves him with no effective recourse.

For the past 13 years, the Scam has run up to an estimated \$5b. What is most annoying is that no Nigerian government has had any success in fighting it.

Africa's corruption has not gone unnoticed by the international community. The World Bank and the International Monetary Fund (IMF) have become so perturbed by the issue that they have been giving continual assistance, with conditions, to help clean up nations. A warning from the IMF has stated that "Financial assistance may be withheld or suspended if governments' corruption is preventing their economies from moving out of trouble."

The cited causes for corruption are the diversion of public funds through misappropriation,

involvement of public officials in tax or customs fraud, the misuse of official foreign exchange reserves and abuse of power by bank supervisors, as well as corrupt practices in regulating foreign direct investment.

This warning may be seen as sensitive but the ingenuity of the African tricksters beats the imagination of auditors who take a long time to catch on to the frauds, often long after they are committed.

President Olusegun Obasanjo of Nigeria talks of wiping out corruption from where it starts, all laudable sentiments. The problem is that each and every one of his predecessors has said exactly the same thing with no tangible results.

Three classic examples are worth mentioning. These are Liberia under President Charles Taylor, the Democratic Republic of Congo under Laurent Desiré Kabila and Sierra Leone under Johnny Paul Koroma.

President Taylor's seven-year rebellion was principally to wipe out corruption. He may have started off with little funds and backing from those whom his friend turned arch-enemy, Samuel Doe, had hurt in Africa. Today, thanks to the country's natural resources, Taylor not only lives in affluence in a highly-fortified mansion just outside Monrovia, but Liberian politicians, his allies of course, have become the wealthiest people in that country. His speeches may highlight the war-ravaged economy but the country's leadership has still to convince the international community.

Mobutu was for 30 years the father of National Unity



Vivant Univers



The ousting of Zaire's President Mobutu Sesse Seko came as a relief to the international community. Under Mobutu, Zaire with its enormous mineral wealth became one of Africa's most desperate nations. To Zairians themselves it was a blessing, given their poor standard of living. But the hopes they nurtured were dashed.

Even before Kabila was in office, he had already made deals with Canadian mining companies. One may ask what legality there is behind signing a contract with a rebel who has not yet arrived at the seat of power? This attitude raises the question of morality, if there is any, in business. The businessman goes where he can get rich quick and sails out fast.

This was exactly the case with Sierra Leone's Johnny Paul Koroma whose government was only recognised by Burundi. There was a serious battle for ministries by the key figures. Almost all of them were gunning for the lucrative ministry of mines. That meant not sitting in the capital Freetown, but being in the field. When he got the ministry the young Captain Solomon Musa moved straight up to the Eastern district of Kono where he oversaw the real action. Ask today for the government's revenue for the diamond mining industry which is the nerve centre of the country's economy. The answer is "No Records."

A parallel could be drawn here with the spectacular case in the Central African Republic where for refusing to share his loot with the rest of the country's leadership, mines Minister Charles Massy was stripped of his portfolio and declared a wanted man.

But perhaps the most

intriguing aspect in the history of corruption in Sierra Leone comes from the Kabbah administration as the war with the rebel Revolutionary United Forces was being fought.

At the peak of the war, the country's only rickety helicopter gunship broke down. To get it in service again meant urgent repairs for which was badly needed a major spare part. With that in place, the employed mercenaries said the war could be done with in a matter of weeks.

The legitimate government's meagre resources notwithstanding, money for the part was made available. The helicopter is still grounded. No money, no culprit, no repairs and the war continued unabated.

Africa's rich mineral resources have themselves become the continent's undoing by largely contributing to the corruption in most parts where they are available. This is the case in Angola, Congo (Brazzaville) the Central African Republic, Namibia, Ghana, Zambia, Guinea and Gabon.

There are two facets when corruption is being employed here. They come from the giver and the taker. It is against this background that the Organisation for Economic Cooperation and Development, (OECD) has resolved to fight the phenomenon at all levels.

The OECD as well as those organisations fighting the disease in the United States, refuse to adhere to the hypothesis of the popular excuse by industrial nations that their export business merely adapts to local standards of ethics when bribing the officials of importing countries. It is not known how far such a battle will go but it is far from over or better still if it is started.

If the answer is yes, then the current scandal in the Ivory Coast where the government is still to account for the colossal sum of FF180 million (\$30 million) which the Europeans gave for health purposes, will definitely come under its purview of sanctions.

The issue caused quite a stir in the country where the siphoning of public funds was common practise. The only remarkable outcome so far in Abidjan itself is that the scandal has quietened well-placed politicians, thereby raising strong suspicion.

It may just be the beginning of yet another fresh episode where the culprits go scot free. And until such time as good examples are to emerge from the continent's leadership, corruption is here to stay.

\* freelance journalist

**Ask today for the government's revenue for the diamond mining industry which is the nerve centre of the country's economy.**

**The answer is "No Records."**



## DOSSIER

**Partnership  
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**Pharmaceutical products  
in Africa**

**REGIONAL ANALYSIS  
Europe-ACP Cooperation**

## IN THE SECTORS

### Ranovisy:

CDI-EIB synergy for mineral water in  
Madagascar

### MIP Frigo:

vacuum-packed, cooked fish in **Mauritania**  
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Analysis of the wood, rattan, and bamboo sector  
in **São Tomé e Príncipe**

## IN BRIEF

### CDI news in Europe and throughout the world

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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## Pharmaceutical products

The objective of the action led by CDI in the pharmaceutical products sector in Africa can be summarised in a few words: although the laboratories exist in respectable numbers, it is still necessary to assist them to achieve higher and more consistent levels of quality.

In 1993, some 30 countries had a more or less developed local industry. The pharmaceutical industry in Africa - more developed north of the Sahara than in the south - currently includes some 300 companies, more numerous in English-speaking countries than in

French-speaking countries. They account for less than 2% of the global activity in the sector. Little known, they mainly work in generic medicines. These medicines whose formula is public domain are considered everywhere to be a determining factor in maintaining an affordable price for a medicine. This situation results from its lower purchase price for equal quality, compared to speciality medicines (chemist-prepared medicines). It is estimated that approximately 80% of the best-selling brand name products will soon become public domain and will be produced in the form of generic products throughout the world. The majority of these products can still

meet the essential needs of African countries. Yet, it will be necessary to ensure a regular supply for the local market and to support the use of essential generic medicines in Africa. From this stems the need to develop production in these countries. Indeed, the absence or weakness of social security systems, together with the population's low level of purchasing power, result in a level of demand for medicine that does not correspond to the real needs nor the potential market. When considering the matter, one must remember that medicine production involves numerous stages of varying technological complexity: research and development, the



## Inpharma, in Cape Verde

When creating the Inpharma SARL laboratory in Praia (Cape Verde), the project conceived by the Portuguese and Cape Verde promoters was to market medicines in Western Africa starting from this base. The partnership set up with the Portuguese producer/promoter assisted by CDI, ICEP and FCE aims to divide the local production, approximately 60% for export and the remainder for the local market. The project began in 1993. Since then, the company has been supplying generic medicines that meet international standards. To date, the local needs are fully covered by Inpharma, and the quantities exported are growing little by little; the latter are essential to the company's viability. CDI's action has borne fruit during the project's successive stages, i.e. the feasibility study, start-up assistance and the training of personnel. The creation of an internal certification section is now the object of a new request for assistance; this section is necessary to be able to increase the export of Inpharma's production to targeted countries.



production of raw materials, the production of packaging materials, the chemist's preparation or formulation, the packaging and the finished product. In Africa, both of the first two stages are still in an embryonic stage.

### The current situation

A WHO (World Health Organisation) study indicated that there are over 200 pharmaceutical laboratories in Africa, excluding South Africa and without counting part of the one hundred-plus industries listed in Nigeria: more than 50 modern production units there are the subject of doubts hovering over the level of product quality. Nonetheless, it should be mentioned that, in Nigeria, the Petroleum Trust Fund supplies the public hospitals with locally-produced medicines; this has already resulted in an increase of used capacity from 27% in 1995 to 50% in 1996. English-speaking Africa - in terms of numbers - has the upper hand in this sector.

However, as in Nigeria, Ghana

and its 25 modern units is also in need of rationalisation of its apparent production capacity because fewer than three regularly operate in an optimal and satisfactory manner.

In Western and Central Africa, there are generic medicine production units whose capacity is under-exploited because it varies from 8% to 60%. Consequently, the local production remains weak and allows for very few inter-African exchanges.

An initiative which, in the long run, could have positive effects on the use of existing capacities for the production of medicines was the 1996 creation of ACAME, the



In Togo as in other countries, some pharmaceutical laboratories also have direct sales outlets in addition to the independent networks of pharmacies

The pharmaceutical department laboratory of Kinshasa university. Evidently, international assistance is needed to bring both the performance and hygiene regulations up to current standard





HPLC (substance quality control). This type of modern, high-performance equipment will eventually replace the antiquated machinery currently in use

African Association of Essential Generic Medicine Purchasing Groups. One of the objectives of this association that currently includes twenty countries is to carry out grouped purchases. A test made by three countries gave encouraging results. In addition to export development, it leads to a harmonisation of medicine recording procedures. A major constraint facing the pharmaceutical industry in ACP countries is the access to financing because the current borrowing rates in these regions are higher than those enjoyed by competing western companies. What's more, in some countries, local medicine production is subject to numerous direct and indirect taxes while imported medicines are exonerated from taxes.

### New paths

Medicines stemming from traditional medicine are experiencing large development with an orientation toward the manufacturing of medicines qualified as traditional but that are improved by use of the plant and less from the active substance. This approach plays on the synergies that improve a medicine's effect. Numerous improved traditional medicines are sold in countries such as Mali, Ghana, Burkina Faso, Nigeria, Cameroon and the Democratic Republic of Congo. In the light of this success, the recommendations of the Regional Meeting on the

Street pharmacy. This uncontrolled distribution channel is widespread and well received by the population, and could be rescued as a network supplementing the legally-approved pharmacies



local production of traditional medicines involve the introduction of medicines in the national lists of essential medicines for their use in the health system.

### Toward which partnerships?

Out of a sample of 50 pharmaceutical industries studied by CDI, there were three multinationals, three State companies, one mixed company, three joint-stock companies (local + foreign), one private company with foreign capital and 39 private companies with national capital. All of them produce chemist-prepared medicines.

We note a majority of the development in industries with private national capital, essentially oriented toward the production of generic medicines. The large pharmaceutical firms oriented toward research and development (R&D) are currently those that hold 80% of the global market. The dependence of African countries caused by this concentration of the supply has a corollary restriction in the choice of distribution channels. It is also worth mentioning that because the African pharmaceutical industry mainly derives from the relocation of foreign firms or supported by external aid granted to the States, numerous penalty clauses such as the prohibition to export production still govern various collaborations. But the development of generic medicines through partnerships must be envisaged between the European and African producers, and between the African countries themselves. The local production of generic medicines associated with a marketing policy that would enable a better penetration of local markets would optimise the existing system. It is in this manner that Rhône Poulenc Senegal is winning bids from the public buying groups in Western Africa. The existing traditional partnership in Africa, a systematic collaboration with the former colonies, is evolving toward collaboration with new partners from China, Denmark, Canada, etc.

### CDI action

A key idea in the action pursued by CDI in this sector is that, if the number of existing pharmaceutical laboratories is high, it is now necessary to increase the quality of their production, and maintain this level of increased quality so that part of the production is exportable to Europe through the improvement of productivity and operational profitability. One important element is the improvement of the distribution networks. On the path that leads to this objective, CDI has already experienced some successes (see boxes).

An industrial cooperation project in the field of pharmaceutical production was led by CDI in Cape Verde. It brought together a Portuguese producer of generic medicines and a local company, Inpharma



(see box).

Another aspect of industrial cooperation to be envisaged would be the production of excipients (inert ingredients) for the production of medicines from local resources. For example, it would be possible to produce manioc starch for the manufacture of tablets.

Various official African authorities have become aware of the measures to be taken to help the pharmaceutical sector take off, in the interest of their populations' health and of their countries economic activity. In addition to the carrying out of audits (Recommendation of the Health Ministers of the CFA zone, April 1995), the idea is to create a data bank, a bibliography for the local pharmaceutical companies so as to improve their knowledge of the market (WHO, OUA, Health Ministers of the CFA zone, various authorities of English-speaking countries). There is also the matter of favouring transnational collaboration operations between producers of essential African medicines (OUA: Cairo, April 1995, and Yaoundé, June 1996).

#### Technical Meeting in Douala (Cameroon)

In 1997-98, CDI led a comprehensive sectoral study in the States of the Western and Central African Regions. It now has a data bank on some 125 ACP companies established in these two regions, companies active in the production of pharmaceutical products in general and generic medicines in particular. The Centre thus has sufficient elements to organise a technical meeting, a prelude to an assistance programme in the medium term in this strategic sector. This event, which will take place from November 15 - 18, 1999, fits into the series of Industrial Partnership Meetings. Together with industrialists from the European and ACP pharmaceutical sector, it will aim to review the state of advancement of the policies, strategies and programmes dealing with the matter of *Health for all in the year 2000* in West and Central Africa, in light of the role played by modern medicines in the preservation of the health of the people in the countries concerned. The work will serve to determine the typology, the profile as well as the strengths and weaknesses of the African pharmaceutical companies on the basis of a representative sample of four or five companies and two or three active North-South partnerships. The result should enable CDI to elaborate a sectoral Assistance Programme spread over 18 to 24 months for the 30 to 40 best performing companies in the West and Central African zone. With regard to the workshops, they are very practical and close to the problems encountered by the companies.

**Theme 1:** the regulatory context and the production of medicines. The workshop will deal with the interest of industrial partnerships in the marketing of generic products in African countries, access to public and private markets; it will also describe the conditions for a



GGIA's specialities are medicines to treat malaria, viral hepatitis and sickle cell anaemia.

productive, technical and commercial partnership.

**Theme 2:** the improvement of production costs in the manufacturing of medicines. This workshop will consider the production costs of generic medicines in Africa. It will compare these findings with costs in other parts of the world. It will also deal with the fiscal and salary elements as well as the incentives offered by the various governments.

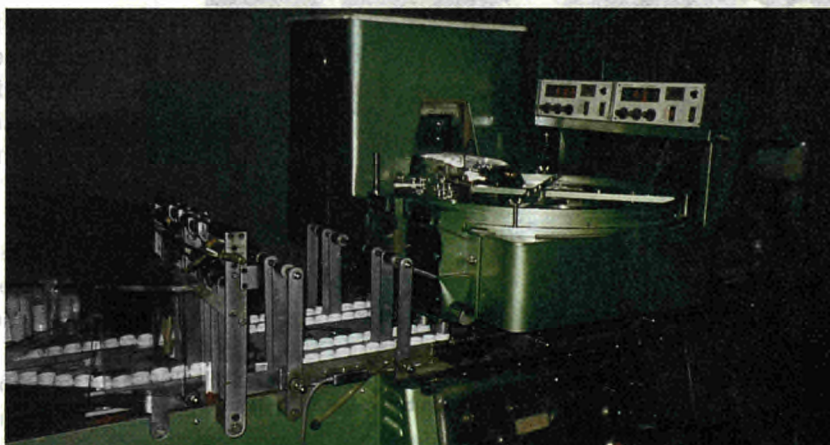
**Theme 3:** the quality of products manufactured (quality assurance). This workshop will study the BPF certification, the ISO 9000 standard and HACCP. Which level of quality is necessary and what will be the cost?

**Theme 4:** the local production of orphan medicines. This workshop will discuss the molecules to be chosen and the size of the market for these molecules, as well as their expected local and/or international profitability.

**Theme 5:** the development of related industries. This workshop will be devoted to the market of related industries. What effect do the distribution, packaging or processing of base products have on the financial volume, the size and the interest for local development?

**Theme 6:** North-South partnership and the

All GGIA products meet international standards





## Dalmus GGIA in Togo

Located some 50 kilometres from Lomé, the Dalmus GGIA (Genetic Engineering and Related Industries) laboratory was created in 1991 in the form of a limited liability company with capital of 1.5 million Euro using French equipment. Since then, negotiations have been underway for its transformation to a public limited company with regional partners and doctors. The objectives are scientific and genetic research, production and marketing of pharmaceutical, dietetic and cosmetic products. The production of medicines only began in 1997 after many years of research. GGIA's specialities are medicines to treat malaria, viral hepatitis and sickle cell anaemia (a sickness that only strikes blacks and that is not treated by any medicine developed in the West). GGIA also markets medicines under generic names (that is, medicines whose formulation has become public domain). In addition to these medicines, GGIA also produces dietetic and cosmetic products. All of GGIA's products meet international standards (controls carried out by the ONPPC/National Office of Pharmaceutical and Chemical Products in Niger and by the Central Laboratory of Medicines in Paris). GGIA's production is sold at competitive

prices and is accessible to the people of Togo and the sub-regions, whose purchasing power has suffered greatly since the 50% devaluation of the CFA Franc in 1994. GGIA's objective is now to win over the public and private markets that are currently monopolised by imported medicines. To do so, GGIA notably needs to improve its distribution network handled by client chemist's shops and medical representatives. The company currently supplies 33 chemist's shops and 30 doctors spread between Togo, Benin and Niger. To date, GGIA is still facing technical, production and institutional problems. The high cost of raw materials obliges GGIA to search for new suppliers; the mastery of technical production procedures requires external technical assistance for the production of generic medicines; the exporting of products to ECOWAS countries requires assistance to prepare the technical files and export documentation. Dalmus GGIA therefore contacted the CDI antenna in Togo to find a solution to each of these problems. After having carried out an analysis of the company and verified the activity's profitability, CDI is trying to identify a European partner able to provide the required technical and marketing support.



ACP delegation visiting Feelystone Company during the mining



The accomplishments of the Dublin mining seminar have given a boost to effective cooperation between CDI, Ireland and ACP countries

Assistance Programme to the pharmaceutical industries located in West and Central Africa. This workshop will illustrate CDI's experience in ACP-EU partnerships: Industrial Partnership Meetings and Missions, support of intra-ACP partnerships, etc. A number of the main lines of the Assistance Programme will be outlined to a sample of 40 pharmaceutical companies located in West and Central Africa.

At the same time (November 23-25, 1999), an International Generic Medicines Fair (SIMEG) will be held in Douala (Cameroon), organised under the auspices of the French Embassy in Cameroon with the support of WHO and the Delegation of the European Union in Yaoundé. In addition to a factory visit and a visit to a purchasing group scheduled by CDI, SIMEG will contribute to illustrating the type of problems that the sector professional encounters in this region.

CDI Contact: Corentin Georges Tatepo

## Europe-ACP Cooperation

### Ireland

An important training seminar for the mining sector took place in Dublin. It highlighted the strong interest in the pursuit of effective cooperation between Ireland and CDI.

On the occasion of a training seminar for survey offices and mining companies held from May 31st through June 4th 1999 in Dublin, CDI wanted to take stock of its collaboration with Ireland. There is a cooperation agreement with Enterprise Ireland - the product of the recent merger of ITB (Irish Trade Board) and FORBAIRT - for the promotion of projects involving partnerships with Irish companies. This agreement could be completed by another agreement with IBEC (Irish Business and Employers Confederation). The above-mentioned seminar, opened by the Secretary of State for Public Enterprises, also illustrates CDI's will to renew activities with Ireland, which, for a few years, have been limited if one considers the





From left to right: John Armstrong, Senior Marketing Executive, Construction Export Group (Northern Ireland); Geoff MacEnroe, Director, IBEC/CBI Trade and Business Development Programme; Fernando Matos Rosa, Deputy Director of the CDI; Dr M. Graham Rees, Chairman, Irish Mining and Exploration Group (IMEG) and consultant, Minorca Ireland

number of Irish companies taking part in ACP projects. On the other hand, Ireland has traditionally demonstrated its dynamism with regard to the use of Irish expertise in CDI projects. Indeed, some 51 interventions have recently called upon Irish experts. They have mainly been solicited in the wood sectors and, to a lesser extent, in the chemical sector, construction materials and agro-industry. During the same period, three projects have involved partnerships with Irish companies: two in the wood sector and one in the agro-industry sector.

## Mining sector:

### Reinforcement of ACP expertise

Following the mining forum held in Accra in March 1998, numerous ECOWAS and UDEAC survey offices/engineering and mining companies (geologists, mining engineers, drilling companies) stressed the need to make their experience available to CDI and the European Commission in the follow-up of mining projects. CDI and the European Commission (DG VIII) - in collaboration with IBEC/CBI (employers confederation) - replied to the ACP request by organising a seminar in Dublin, from May 31st through June 4th 1999, whose goal was to prepare participants for future interventions in mining projects. The seminar was prepared by CSA Group Ltd (an Irish group specialised in the mining sector), in co-operation with the Geological Society of Ireland (GSI) and the Irish Mining and Exploration Group (IMEG).

The organisers sought to offer ACP delegates the means to become more familiar with the various aspects of mining exploration and operations through a practical training programme including conferences, workshops and discussion sessions with their European counterparts. Twenty-three delegates from ECOWAS, UDEAC and SADC took part in the programme, along with 30 European experts.

Forty exposés were presented. The subjects were of a technical, legal and financial nature so as to cover the essential exploration and operation activi-

ties in the mining of metallic minerals, industrial minerals and dimension stone. Among the subjects covered, of particular interest is the carrying out of geological and technical studies, the execution of market studies, the preparation of feasibility studies specific to the mining projects and the implementation of technical assistance. The nature and extent of the European financing programmes in this sector were also presented. A visit to a local company illustrated some of the topics presented.

One of the most important results of the seminar was the reinforcement of the knowledge acquired by the African participants in this sector of activity. Partnership agreements between Irish, European and African mining exploration and operations companies were concluded. A precious advantage for the future was that the delegates decided to create an African mining network.

On the occasion of this seminar, CDI published a mining exploration guide for metallic minerals that presents the sum of the knowledge acquired by professional geologists from Europe and Africa. It reviews the mining industry globally; examines the critical factors that determine the success or failure of mining projects and provides a step-by-step description of the Mining Exploration Cycle (MEC). The guide also contains a glossary of technical terms of the trade, a list of European and ACP consultants in the sector and some case studies. This guide - approved by the European Federation of Geologists - will be useful in pursuing development in the ACP mining sector.

CDI Contacts: Orlando Perez Diaz and Sid Boubekour

## In the sectors

### Ranovisy mineral water

#### EIB-CDI synergy in Madagascar

The project consists of renovating the Ranovisy mineral water facility in Antsirabe (Madagascar), following the ceasing of State operation in 1990. The site was very renowned at the time of the French presence in Madagascar.

CDI gave its support for a renovation study to confirm the viability of the Ranovisy project. Intended to relaunch production, the project is promoted by a large local group and a French investor with vast experience in the field of beverages. The techno-economic study included, *inter alia*, a hydro-geological confirmation of the zone and the drilling of three test wells followed by chemical and bacteriological analyses.

This project, strongly supported by the local authorities, is based on a high quality sparkling mineral water spring. Known since 1875 and exploited for decades, this spring provides water renowned for its therapeutic virtues.







The construction work is in progress

Currently, Madagascar imports most of its mineral water at high prices, making it inaccessible to the majority of the population. The local market is estimated at 20 million bottles per year. The only local production is limited to three small mineral water bottling units. They produce between 1.5 and 2 million 30 cl bottles per year.

The new project targets a market of 10 million bottles (33 and 90 cl) with a selling price that is

affordable for the local population. Some 30 people will be employed. The total investment amounts to 2.2 million Euros. Following the positive conclusions of the study, the European Investment Bank, appointed by CDI, took part in the project's financing by providing 3.9 billion Malagasy Francs, or 700,000 Euros, in the form of two credit lines granted to two local banks. The promoters are providing the remaining 1.5 million Euros.

The bottling plant is scheduled to come on-line in December 1999.

CDI Contact : **Jean-Marie Roth**

## Mauritania

### MIP Frigo

MIP Frigo's project to process fish is one of the first projects in Mauritania to reach a relatively high level in the processing of this raw material: cooking and vacuum-packing.

Activities will begin by the end of

### Société Industrielle des Produits Pharmaceutiques (SIPP) in Yaoundé (Cameroon)

One of Africa's greatest problems is the dehydration of millions of residents, notably caused by the various forms of diarrhoea. In 1998, a group of chemists in Cameroon came up with the idea of creating a local production unit for mass perfusion solutions. The main raw material of any weight being water, it seems wise to consider the advantages of having a local production unit.

The production unit of Société Industrielle des Produits Pharmaceutiques (SIPP) was thus established in Yaoundé in 1989-90. It is the fruit of a partnership with Bioluz (France), a supplier of equipment and know-how that is already very active in France and Spain. It constitutes a success story: first of all because it involves a European partner that does not just sell equipment and let the Cameroon promoters get by on their own; on the con-

trary, it shares an interest with the latter in terms of invested capital. This type of case is rare enough to be worth mentioning.

It is also a successful partnership in terms of the product distribution strategy and the subsequent diversification. Indeed, the quality of the chemist promoters themselves linked with a better knowledge of the market and the distribution networks played a crucial role in the strong organisation noted and in the promotion of products. Afterwards, the company dealt with diversification by beginning production of generic medicines and para-pharmaceutical products. CDI's support consisted initially of the organisation of a 6-week training period at French company Bioluz for the trainers (production and maintenance supervisors). Afterwards, once the production unit had been tested in France and transferred to Cameroon, CDI co-financed the marketing start-up assistance for the Yaoundé unit. SIPP can be considered as a success in both industrial and marketing terms.





The MIP-Frigo project introduces a new level of technology in the Mauritanian fish industry

products will be intended for export, notably to the restaurant sector in France. Another French company specialised in agro-industry engineering contributed its scientific and technical assistance to the project. A training programme to ensure the technology transfer in fish processing, vacuum cooking and the setting up of a quality management structure was an indispensable element for the successful beginning and continuation of activities. The financing for this training was shared by the promoter and CDI.

CDI Contacts : Cristina Bataller, Jean-Marie Roth and Paul Chotard

## Eastern and Southern Africa

### Assistance to the shoe industry

The project consists of training personnel in the shoe industry in certain East African and SADC countries in order to increase design standards and finished-product quality.

Two training programmes were organised for African shoe manufacturers, one in Durban (South Africa) primarily for Zimbabwe, and the other in Thika (Kenya) for East African countries. The twenty-five beneficiary companies - ten in East Africa and fifteen in Southern Africa - had been chosen by local leather sector institutes with the collaboration of UNIC (Association of Italian Tanners) and ESALIA (Eastern and Southern Africa Leather Industries Association). The selection criteria were the following: the demonstration of a real need, the existence of an export potential, the capacity to assimilate the knowledge acquired and professional company management.

The project's promoter with the site foreman during construction of the plant, below



the year. The project submitted by MIP actually brings into effect the objective pursued by CDI since the beginning of its interventions in Mauritania's fishing sector: to carry out locally a maximum of raw material processing.

The promoter and director of the MIP-SOFAPOP group and his French partner, who has a chain of seafood restaurants and a processing plant in France, are completing the construction of a new processing plant that will produce vacuum-packed cooked dishes. The



Mr Giuseppe La Rosa, lecturer, with participants in the Footwear Training Course in Kenya



The manufacture of wood furniture remains semi-manual. CDI assistance will involve the use of new tools

The objective of the training programmes, conceived by UNIC and the Stilisti Calzature Riviera del Brenta Association and financed equally by CDI and ICE, was to improve the competitiveness of the companies taking part in terms of their design techniques, marketing and fashion trends.

Indeed, the lack of experience - this African industry is far from old - and the



From left to right, Alioune Badara Ndiaye, Surendra Sharma, Theophile Ahoua N'Doli, Marc Aubin Banny and Catherine Enoh



low income level of the local clients place elaborate shoes rather low on the list of needs for most of them. Moreover, fashion changes little in Africa and, consequently, the wish to change shoes is rather weak. Regarding the quality of finished products, it requires urgent and lasting improvements.

Most of the participant reactions were very positive and highlighted the programme's good organisation, professional content, the instructor/trainer's efforts to share his knowledge and the need to organise the same type of course over a longer period of time.  
CDI Contact : Mary-Jane Caudron

## **São Tomé e Príncipe**

### **Analysis and assistance in the wood, rattan and bamboo sector**

CDI calls upon the services of Portuguese experts to carry out an analysis of five companies in the wood, rattan and bamboo sector in São Tomé e Príncipe.

Five local companies that manufacture wood furniture and various objects in bamboo and rattan called upon CDI to assist them to improve the quantity and quality of their production. The request involves the carrying out of an analysis followed by technical assistance and the training of personnel. The production of furniture and other objects is semi-manual. Note that, although wood and straw abound in São Tomé, rattan has to be imported by boat from Libreville (Gabon). Because of the small size of the São Tomé companies in this sector, CDI decided to regroup five of them to provide identical assistance.

The objective of CDI's intervention is first to evaluate needs before defining a personnel training programme, provide product marketing assistance, as well as help in the installation and starting up of the new machines and tools used in the manufacturing process. The analysis requested by CDI includes several elements.

The first will pay particular attention to the organisation and general structure of the company. The second is financial: accounting and operating data will be gone over with a fine-tooth comb. The analysis of management controls will examine structure and financial management, loans and financial expenses. The production analysis will involve the plant and equipment, production organisation, warehouse management, maintenance, quality control, productivity and personnel. An action programme should be available in October.

CDI Contacts : Georges Tatepo and Paolo Baldan

## **In Brief**

### **Côte d'Ivoire Minister visits CDI**

On May 26, 1999, accompanied by Marc Aubin Banny, Advisor to the Côte d'Ivoire embassy in Brussels, and Catherine Enoh, Technical Advisor and Interim Director of the private sector, Theophile Ahoua N'Doli, Côte d'Ivoire Minister for Industrial Development and SMEs, met with Surendra Sharma, Director of CDI. The delegation was informed of the Centre's policy and, in particular, of its interventions in favour of Côte d'Ivoire SMI's, notably through ASE s.a., the support structure for SMI's. Mr. Ahoua N'Doli expressed his wish to be better informed of CDI activities in Côte d'Ivoire and to develop relations with the Centre to help his country move from a rural economy to an industrial economy.

The delegation submitted project files related to wood, rubber, coffee/cocoa, oleaginous plants, construction materials, petroleum/gas, mining, etc. CDI also received documentation concerning the support structure for SMEs (Côte d'Ivoire Institute of Business, Approved Management Centres, the Sub-contracting and Partnership Exchange, Business Information Source and the Côte d'Ivoire Foundation for the Development of National Trade).

Mr. Sharma pointed out that the Centre's efforts would have greater impact if more substantial resources in the National Indicative Programme were devoted to the creation, development and reinforcement of SMI's. The minister invited the CDI Director to carry out an official mission to Côte d'Ivoire by the end of the year.

CDI Contact : Alioune Badara Ndiaye



## **Caribbean food products**

### **Promotion by Karstadt**

Begun on June 17, 1999, with assistance from CDI (represented at the occasion by its deputy-director, Mr. Fernando Matos Rosa) and the GTZ (German Technical Co-operation), a "Caribbean Week" took place in the 82 supermarkets of the Karstadt department store chain in Germany. Choice foods had been chosen from among the exotic specialities of Jamaica, Trinidad & Tobago and Grenada to be presented, in a highly-animated environment, to the hundreds of thousands of customers that shop at the group's large stores (see article on 'Ethnic Products' in Partnership Nr 43). Under the slogan 'Karabik geniessen' (savour the Caribbean), the week highlighted the cuisine and drinks of this very colourful region. A cookbook was widely distributed to encourage customers to test the products on display.

**CDI Contacts : Paul Chotard and Acquah Dodet Malenge**

### **Amendment to the CDI-AGCD cooperation agreement**

CDI signed the third amendment to the convention existing between CDI and Belgian Cooperation represented by the AGCD (General Administration of Cooperation and Development). This amendment aims to cover AGCD financing of experts managed by CDI and based in ACP countries in order to promote industrial development in the countries concerned. The first local institution that will benefit from this support is ASE

(Support and Services to Enterprises) in Côte d'Ivoire.

**CDI Contact : Orlando Perez Diaz**

### **CDI Mission in Italy**

CDI carried out a mission in Italy on June 14 and 15, 1999. Fernando Matos Rosa, deputy director, and Orlando Perez Diaz, head of relations with European institutions, met with representatives from ICE (Foreign Trade Institute), Assafrica (employers association linked to Confindustria and regrouping the Italian companies with interests in Africa), the foreign affairs ministry and Simest (Italian development bank). During these meetings, the CDI representatives reviewed the programme of projects and activities underway in ACP countries with Italian co-financing and partnership, notably in the sectors of leather, shoes and natural stone. Various courses of action were also explored in order to develop future activities, particularly in the wood and fishing sectors.

**CDI Contact : Orlando Perez Diaz**

### **CDI Mission in Spain**

Paolo Baldan, CDI's wood sector head, and Orlando Perez Diaz, head of relations with European institutions, undertook a mission to Valencia on June 10 and 11, 1999. This work visit took place on the initiative of IVEX (Valencia regional institute for the promotion of investments and exports) and AIDIMA (technical wood institute in the Valencia region). On this occasion, a meeting took place with companies from the sector that are interested in investing primarily in Africa.

**CDI Contact : Orlando Perez Diaz**

Are African farmers also willing to pay for advice? Will African veterinary services evolve as they have in the developed world? The ultimate question is: "how will the private professional make money in Africa?"



# Delivering Animal Health Services in Eastern Africa

by Giuseppe Di Giulio\* and Lieve Lynen\*

Many economies are currently undergoing structural adjustment and governments are refocusing their priorities on the core obligations of the State. This is often at the expense of services that could potentially be provided by private enterprises. The combined effects of declining resources, overstaffing and inappropriate incentive structures have led to the collapse of many national livestock services. This is especially so in areas distant from urban centres. The private sector has, to date, been slow to fill the vacuum created. It is unclear to what extent the lack of private sector response may be due to insufficient demand, lack of information, fear of further State intervention, inaccessibility of credit, mere lack of business confidence, or farmer/herder strategies which could be more effective than professional veterinary interventions.

In December 1998 the Austrian Development Cooperation, the Technical Centre for Agricultural and Rural Cooperation (CTA) and VETAID Tanzania/UK jointly organised a workshop on the theme *Delivery of Animal Health Services in Eastern Africa*, in Arusha, Tanzania. Representatives from Ethiopia, Eritrea, Kenya, Uganda, Tanzania and Zambia attended the workshop. Veterinary professionals from Somalia and southern Sudan were also present. A cross-section of stakeholders was present, too: these included government representatives, NGOs, private sector veterinary services providers, livestock owners, pharmaceutical companies and international organisations (OAU/IBAR, USAID and DFID).

## **The aim of the workshop**

**To identify the key economic, political and technical constraints facing farmers and service providers;**

**To explore the possibilities to overcome them;**

**To give opportunities to the participants to share their experiences;**

**To publicise the findings and recommendations for the debate to be taken forward at national level.**

The target groups were the livestock and economic policy makers of the countries, veterinarians, government and private donors, NGOs, pharmaceutical companies and farmers' groups. Each country presented a country profile, and papers were given by technical experts on the following subjects:

**What environment is needed for the private sector to take over the delivery of veterinary services from the government veterinary services?**

**What capacity does the State have to create an enabling environment for animal health service delivery?**

**Are community-based animal health delivery services viable and sustainable for pastoral communities?**

**What changes are required to the curricula of vet-**

**erinary faculties in eastern Africa for existing and new veterinary graduates for the future delivery of animal health services?**

**Supplementary papers were presented on the role of the pharmaceutical industry in supporting the delivery of animal health services in rural areas, the experiences of the Kenya Veterinary Association Privatisation Scheme and the experiences of the Zambian programme for the introduction of Community-based Animal Health Delivery Services.**

The workshop participants focused their recommendations on the following points:

**The role of veterinary associations;**

**Information networks and disease surveillance;**

**Strengthening the public sector;**

**Drug importation, handling, use and quality control;**

**Position on government veterinarians providing services deemed to be private sector responsibilities;**

**Strengthening the private sector;**

**Streamlining and standardisation of veterinary faculties in the region;**

**Matching veterinary graduate demands with outputs;**

**Paravets and Communities-based Animal Health Workers (CAHWs).**

## **Post-workshop follow up**

Rethinking the problems faced by public and private veterinary professionals.

**What is the main constraint to an efficient delivery of veterinary services in eastern Africa?**

Until recently, virtually all veterinarians and para-veterinarians were offered State employment almost immediately after completing their training. The result has been that there is no history and culture of private practice in much of Africa, although unofficially, many veterinary providers have been receiving compensation from clients even where their services were to be provided free of charge (Gross J G, 1995).

Livestock owners have become accustomed to treating their animals themselves. Why should they switch to veterinary professionals and pay for their services? This is particularly so if drugs remain freely available in the market and everybody has access to them, despite the fact that existing legislation bars this practice. It should be emphasised that the primary source of income for any private veterinary service provider is drugs sales. This is because, in general, livestock owners in Africa do not value services enough to pay for them alone.

Looking at a country like New Zealand, whose economy depends heavily on livestock export and where private and government veterinary services are well developed, there has been a long-standing veterinary culture - the primary source of income for a private veterinarian



is the sale of de-wormers and vaccines. This is in spite of the fact that these products are freely available in the market place. Why do farmers choose to buy these products from the veterinarians? It is because they get advice together with the products. Are African farmers also willing to pay for advice? Will African veterinary services evolve as they have in the developed world? The ultimate question is: "how will the private professional make money in Africa?"

#### **Among other constraints faced in eastern Africa are:**

- **Neither government veterinary services nor the veterinarians themselves have been able to create a conducive environment in which livestock owners could have built a strong relationship with the veterinary service providers; this has resulted in lack of veterinary education at farm level.**

- **Veterinary curricula, both at university and paraprofessional level, are not as appropriate as they could be, because they were originally copied from European veterinary curricula. Despite the proposal and adoption, since 1992, by the World Veterinary Association of minimum veterinary education requirements throughout the world (Ruppanner R., 1994), little has been done to implement them.**

- **The lack of proper veterinary curricula is magnified by the lack of private practices where new graduates can be exposed to field-work and receive good practical training.**

- **Lack of standardisation and follow-up training, especially for Animal Health Auxiliaries (AHA) and CAHWs.**

- **Inability of veterinary associations to play a strong role in determining professional development.**

A veterinary association should do more than organise meetings and allow colleagues to exchange information. A veterinary association should have credibility at national level and command sufficient respect to be invited by the appropriate government departments to give its views on all animal health and pro-

duction matters, including education (Ruppanner R., 1994)

#### **Unwillingness to define a legal relationship among AHA, CAHWs and veterinarians.**

##### **The donor approach**

It appears that the donor community is putting too much effort into the privatisation of veterinary services. It is forgetting that a strong private sector has to go hand-in-hand with a strong and functional public sector. A fully-operational public sector is a prerequisite for establishing a strong basis for a fully-operational private sector.

The donor community must realise that the livestock sector makes a major contribution to the livelihood and food security of the African people. The livestock sector still needs to be supported and reforms must be properly thought through and monitored; and time must be given for the changes to be fully understood and implemented. Successful projects, especially those supporting both the private and the government sector, must be supported until they are self-sustainable; it does not matter if it takes many years!

The donor community has also to realise that drug availability alone does not mean that veterinary services are in place: long-term training is more important.

##### **The drug issue**

The major source of income for veterinarians is the sale of drugs. In the "developed world" veterinarians, like other professionals e.g. pharmacists, notaries, live in a monopolistic environment. They are able to thrive partly because they live in this protected environment carrying out activities that most of the people are able to perform. Their work is assisted or subsidised by certain activities like administration of (mandatory) vaccinations, an activity that non-professional people are also capable of carrying out; or the prescription of certain drugs that, without a prescription, are not accessible to the public. Veterinarians need this monopoly in order to thrive and perform those activities that only a professional is capable of carrying out.

Veterinary professionals in Africa will also need to be protected if they

have to start delivering veterinary services in the same way. They may need this protected environment until "producers are convinced that paying for 'professional' services, is better than treating the animals by themselves (Gross J G, 1995)".

##### **The AHA and CAHW issue**

While the delivery and privatisation of veterinary services is relatively straightforward in high and medium potential areas, the major challenge facing veterinarians is the delivery of these services in the arid and semi-arid lands (ASAL). In these areas, the use of CAHW and AHA by veterinarians is likely to be the only viable route for improving animal health advice and assistance (Leyland et al., 1998).

AHAs and CAHWs cannot be expected to have the kinds of expertise or the skills of highly trained veterinarians and the limitations of their training and abilities must be recognised (Dolan, 1996). They need constant supervision, by veterinarians, and follow-up training to ensure their motivation and improve their skills. As CAHWs will work in an environment where new and unfamiliar drugs will constantly come on the market, their training must be a long-term commitment.

Currently there are too many non-technical organisations involved in developing community-based animal health projects and improvement of animal health services and sustainability is not always their goal.

Moreover, there is a need for a standardised terminology to define them.

CAHWs and the AHAs have a crucial role to play if they are given the opportunity to work properly and are provided with sufficient follow up.

They will assist in creating the enabling environment that is needed for the veterinarians to expand their practices and to be motivated to work also in those areas which, at the moment, are not yet attractive.

##### **Training**

Veterinary school's curricula need to be re-focused and expanded into areas like animal production, epidemiology, economics and business management. Moreover, and more important, the veterinary students must have the opportunity to be

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**Are African farmers also willing to pay for advice? Will African veterinary services evolve as they have in the developed world? The ultimate question is: "how will the private professional make money in Africa?"**

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exposed to practical work.

A consolidation of the current educational institutes needs to be envisaged. It is clear that the existing faculties in sub-Saharan Africa cannot mobilise the resources needed to mount high-quality educational facilities. Collaboration and consolidation on national and regional basis, with agricultural and other veterinary faculties, needs to be promoted to develop the much needed centre of excellence (De Haan, 1992).

#### **The need for follow-up**

What is the main aim of a workshop? It is to share experiences, answer questions and produce recommendations. Maybe this workshop managed to do this, but how shall we know that it was successful? Who will take advantage of another country's experience? Were any of these recommendations taken up? Did they have any impact? Has the delivering of veterinary services deteriorated or improved? To be useful, a workshop of this kind needs to be followed-up!

There is still a need to draw up indicators to quantify the impact of veterinary services on animal health and production. A standardised format of country information will be required. This will allow participants to rapidly obtain useful and common background information. This format must include quantifiable indicators and information about the main actors and institutions involved in delivering veterinary services. It should show changes that have occurred since the last workshop. It will be the analysis and the discussions of these changes that will show how successful this workshop has been.

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*Veterinary Consultants*

## **CTA at international book fairs**

Book fairs are Meccas for publishing professionals. These annual events draw all those who love the written word and electronic publishing. They come to display and share their wares and their trade secrets. It is where the 'who's who' and the newly initiated in the publishing world gather together and make deals. Some fairs allow more non-publishing public participation than others. There are many such events each year, but the most widely publicised are the Frankfurt, London, Paris and Tokyo International Book Fairs in the developed world, and Cairo, Nairobi, Ghana, Harare and Peking in the developing world. These fairs are gatherings that mark, and also define, the progress of the publishing industry worldwide.

Essentially, book fairs are trade events that assist publishers with market research, establishing contacts, finalising pending deals and identifying opportunities for collaboration. They enable publishing professionals, authors, distributors and booksellers to exchange experiences, particularly with regard to the buying and selling of books and rights. Book fairs offer opportunities to all organisations and individuals interested in publishing and disseminating information to meet with peers and stakeholders to discuss issues of mutual interest and benefit. A recent phenomenon is the prevalence at most book fairs of specialist meetings covering all genres of topics in publishing.

Despite their commercial nature, book fairs offer important opportunities for CTA to advance its publishing activities. CTA participates in these events whenever it is in the Centre's interests to do so, depending on the

thematic focus and relevance to ACP countries, among other considerations. International book fairs that CTA attends include Zimbabwe, Dakar, Senegal, Ghana, Frankfurt, London and Paris.

As for many publishers, there are a variety of reasons why CTA attends book fairs:

- to strengthen cooperation between ACP and EU partners through meeting publishers from both groups and sharing information in order to avoid duplicating efforts of others, meeting other international publishing support groups working with partners from ACP countries and sharing experiences and exchanging views
- to make its publications and co-publishing policies better known amongst partners and beneficiaries by mounting appropriate displays and distributing information leaflets;
- to discuss and assess individual and institutional needs of CTA partner organisations through face-to-face meetings;
- to increase the number of publishing activities involving ACP countries by meeting potential authors, publicising CTA's policies and promoting discussion of the issues involved;
- to monitor technical developments by discussing the application of new technologies and sharing experiences with both ACP and EU partners;
- to improve its distribution channels by meeting potential distribution agents from ACP countries.

Many projects at CTA have had their origin at book fairs, where both planned and fortuitous meetings with other publishers and stakeholders, coupled with careful observations, have generated vital information on availability or lack of books in various disciplines. As long as information provision remains central to CTA's aims, so too will attendance at book fairs remain pivotal to the development of CTA's work.



## World Report on Human Development

The conclusions of the latest World Report on Human Development, published by the United Nations on 12 July, are hardly encouraging. For some years now the divide between rich and poor countries, and between rich and poor within individual countries, has been widening, and this trend has unfortunately continued over the last ten years. The blame is laid at the door of globalisation. The increase in inequality throughout the world is staggering: the income gap between the richest 5% and the poorest 5% of the world's population has risen from 30 to 1 in 1960 to 74 to 1 in 1997. Increasingly, globalisation is coming to mean polarisation and marginalisation. The Report makes the point by observing that the wealth of the world's 200 richest people far exceeds - believe it or not - the combined income of a group of countries that are home to

41% of the world's population, or 2.3 billion human beings. Driving the point home, the Report notes that 48 countries with a total of 600 million inhabitants own less than the world's three richest men.

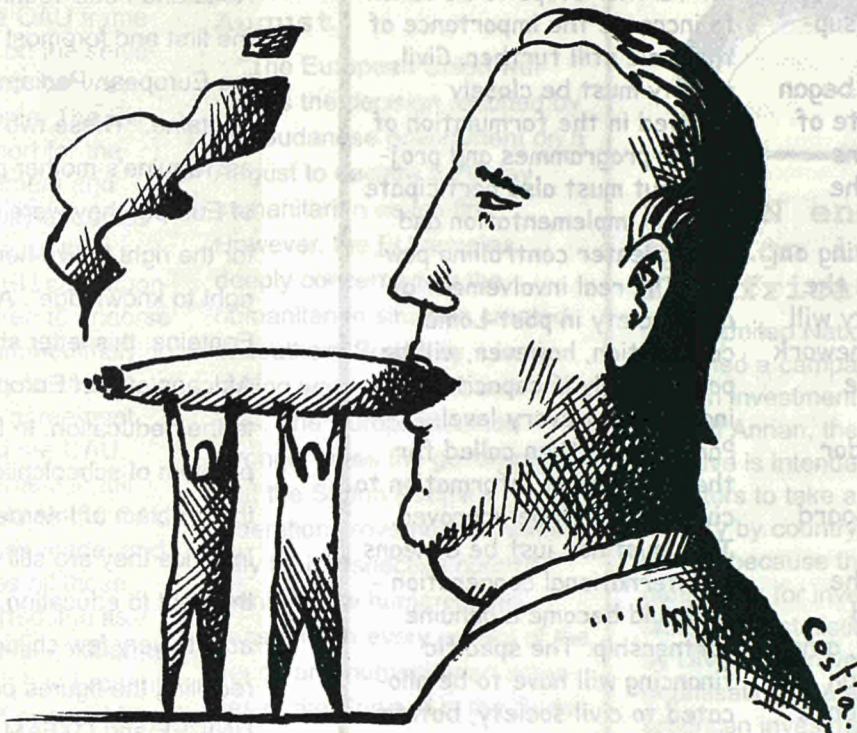
Globalisation is generating unprecedented wealth for those few who can take advantage of it, while at the same time marginalising the majority of the world's population. In terms of human development, alarmingly, the population of 85 countries is in an even worse situation now than it was 10 years ago. The Report also denounces the lack of communications infrastructure in the poorest countries, a technological failing which is exacerbating the effects of inequality. Access to these communications networks, seen as a new, invisible divide

between rich and poor, enables the wealthy countries to interchange masses of data and information which further enhance their prospects of economic advancement. The OECD states, accounting for 19% of the world's population, also account for 91% of users of these new technologies, and especially of the Internet. On the eve of the third millennium, this monopoly on knowledge has placed a new weapon in the hands of countries that were already rich. The report then outlines a number of possible approaches to reducing these inequalities and raising the poverty thresholds

throughout the world.

- The WTO must have a broader mandate, including anti-trust provisions and a code of conduct for dealing with multinationals.

- Each developing country will have to set up high-level groups to deal with globalisation and coordinate



responses with other countries.

- An international public programme for financing information and communications technology, and biotechnology too, will have to be set up with a view to meeting the needs of the most disadvantaged.

- Employment and environment standards will have to be drawn up and formulated so as to give greater weight to the developing countries in the negotiations and guarantee a minimum level of protection from competition.

- Cooperation in the campaign against delinquency and global crime will have to be improved, particularly by introducing more flexible banking secrecy laws and drawing up an international convention against organised crime.



## Civil society and political partnership in post-Lomé cooperation

More than 100 representatives of civil society, business, NGOs and the media met in Brussels from 8 - 10 July to debate the role of civil society and political partnership in future ACP-EU relations. Those attending the conference, organised at the initiative of the IPS (Inter Press Service) news agency, with the support of the European Commission (DG VIII) began by focusing on the state of the current negotiations intended to result in the renewal of the Lomé Convention before moving on to a lengthy debate on the place which civil society will occupy within the framework of cooperation with the European Union.

Chaired by Ambassador Walther Lichem, the Chairman of the IPS Board of Directors, Jos Van Gennip, a member of the Dutch government, and Miguel Angel Martinez, a new member of the European Parliament, the conference took place over four plenary sessions. However, six working groups addressed various themes regarded as important for the future EU-ACP

partnership which appeared on the agenda for the negotiations:

- the environment,
- equality of the sexes,
- human rights,
- trade and investment,
- democracy and good governance,
- involvement of civil society in the post-Lomé process.

While acknowledging the growing role of civil society in the ACP-EU partnership, participants expressed the desire for further steps to be taken to increase the importance of that role still further. Civil society must be closely involved in the formulation of policy, programmes and projects but must also participate in their implementation and have greater controlling powers. The real involvement of civil society in post-Lomé cooperation, however, will be possible only if capacities are increased at every level. Participants then called for the provision of information to civil society to be improved. This must not just be a means of international cooperation - it should become a genuine partnership. The specific financing will have to be allocated to civil society, both in the ACP states and in Europe, to enable it to play its part fully.

## Death of two Guinean teenagers

Our policy of cooperation must include an educational and cultural aspect, was the message put across in an interview given by Mrs Fontaine, the new President of the European Parliament, after the tragic deaths of two young Guineans in the landing gear of a SABENA aircraft during their attempt to enter Europe. "The letter left behind by Yaguine Koita and Fodé Tounkara concerns me first and foremost as President of the European Parliament," said Mrs Fontaine. "These two young people, as Yaguine's mother put it, dreamed of Europe; they were not asking us for the right to live here, simply their right to knowledge". According to Mrs Fontaine, this letter shows that young Africans expect Europe to contribute to their education. In Europe, the problem of schoolchildren today is the problem of Internet use, whereas in Africa they are still concerned with the right to education, a right available to very few children, in her view, recalling the figures published by UNICEF and OXFAM. Providing education for 125 million children would cost the international community 7.5 billion euros, the equivalent of four days' world-wide military spending.

## EIB loan to Tanzania

The European Investment Bank has just granted a 9 million Euro risk capital loan to Tanzania. The loan is a global one, in the form of a credit line intended to support certain financial institutions within Tanzania. The East African Development Bank, the CRTB and the Stanbic Bank of Tanzania are the main beneficiaries. They, in turn,

will grant loans to finance private sector projects selected by themselves, and to bear the risks of those projects. The total value of these loans will be between 30 000 and one million euros, and their purpose will be to support projects in the agri-food industry, horticulture, mining and tourism.



## EU declarations (foreign policy)

### Regarding the conflict in Ethiopia and Eritrea

#### Declaration of 21 July

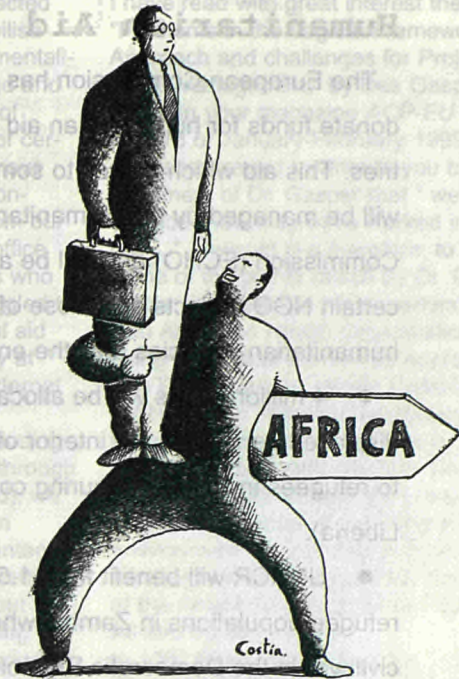
"The European Union welcomes the decision taken by the OAU Assembly of Heads of State and Government, held in Algiers from 12 to 14 July, to approve the arrangements for implementing the OAU framework agreement on the settlement of the conflict between Eritrea and Ethiopia. The EU reaffirms its support for the framework agreement and declares that it fully endorses the arrangements for this agreement. The EU calls upon Ethiopia and Eritrea to endorse these principles immediately, to bring all hostilities to an end, to sign a cease-fire agreement and to implement the OAU framework agreement in full. The EU congratulates the OAU on the efforts it has made, and also congratulates all those who have supported it in its quest for a peaceful solution to the conflict, which has brought enormous loss of human life and property in Ethiopia and Eritrea, is jeopardising the political and economic stability of the two countries concerned and the region as a whole, and is compromising their prospects of attracting the foreign aid necessary for their development. The EU declares its unqualified support for the Algerian President, Mr Abdulaziz Bouteflika, the present chairman of the OAU, in his energetic efforts to continue the peace process until a global settlement of the conflict is achieved. Both the United Nations and the OAU are called upon to cooperate closely in the

efforts they are both making to achieve the complete implementation of the framework agreement and the arrangements it lays down, including the deployment of military observers in the OAU Member States. The European Union is willing to provide assistance."

### Regarding the humanitarian situation in Sudan

#### Declaration of 20 August

"The European Union welcomes the decision reached by the Sudanese government on 5 August to declare a 70-day humanitarian cease-fire. However, the EU remains deeply concerned by the humanitarian situation created in southern Sudan by a long-lasting war and incessant hostilities. The European Union strongly urges the government and the Sudan People's Liberation Movement to respect fully their respective commitments to the humanitarian cease-fire in every aspect of the needs and humanitarian activities of the *Survival in the Sudan* operation and to conclude a mutual agreement on a complete and lasting cease-fire. The EU also strongly urges both parties to comply fully and faithfully with the commitment to the IGAD peace process. The EU reaffirms its unwavering support for the IGAD peace process. The Central and Eastern European States associated with the European Union together with the other associated states of Cyprus and Malta and the EFTA States which are members of the European Economic Area support this decision."



## The UN encourages foreign investment in Africa

The United Nations Organisation has just launched a campaign intended to attract direct foreign investment (DFI) to Africa. Supported by Kofi Annan, the UN Secretary-General, the initiative is intended to persuade foreign investors to take a closer interest in Africa - country by country, sector by sector, niche by niche - because the opportunities the continent offers for investment are enormous. The factual and statistical data recently published by UNCTAD prove the point. According to this organisation, the average rate of return on American investment was higher for the African affiliates of American companies than those in most other regions, including those in the developed countries. However, Africa has not benefited from the IED boom observed during the mid-1980s, as is apparent from the geographical breakdown of this type of investment. Admittedly, the developing countries have attracted a growing share of IED aid in recent years, 464 million dollars in 1997, but the proportion going to the least developed countries - most of which are in Africa - was not even as high as 0.5%. As a result, steps were proposed to reverse this trend. The UNCTAD, for example, is considering publishing manuals intended for enterprises interested in investing in Africa. This is the first time that the international business community and the United Nations have joined forces to attack this problem.



## Loan from the EIB Humanitarian Aid

The European Commission has just decided to donate funds for humanitarian aid for several countries. This aid which comes to some 7.41 million Euros will be managed by the Humanitarian Office of the Commission (ECHO) and will be aimed at supporting certain NGO projects and those of international humanitarian agencies until the end of the year

- 4 million Euros will be allocated for assistance to displaced persons in the interior of Sierra Leone, and to refugees in the neighbouring countries (Guinea and Liberia).
- UNHCR will benefit from 1.5 million Euros for refugee populations in Zambia who have fled from the civil war in the Democratic Republic of Congo.
- 700,000 Euros will support the work of Caritas Austria, which will be concerned with the care of households, food aid, and social centres for the victims of the crisis in the Ukraine and Belarus.
- 530,000 Euros will be given to Merlin, a British organisation which helps Kenyan health authorities in their fight against malaria.
- The NGO project dealing with the return of the displaced population and refugees of Niger, after the Touareg revolt will receive support of 285,000 Euros
- Projects which are aimed at preventing natural disasters (principally an early warning system) in the Caribbean, Morocco, Ouzbekistan and Kirghizstan will receive 395,000 Euros.



## The European NGOs do not want the reconstruction of Kosovo to be financed at the expense of the Third World

The Liaison Committee of Development NGOs to the EU (900 NGOs), which includes VOICE (80 NGOs), the NGOs' emergency humanitarian action network, welcomes the action being taken by the EU to finance the reconstruction of Kosovo, but believes it is unacceptable for this reconstruction to be financed out of European funds originating, for the most part, from cooperation with the developing countries.

The EU Council proposes to reduce all the EU foreign relations budget lines by at least 10% for the year 2000, these including development cooperation. This foreign relations category alone accounts for 8.4% of the total budget of the EU, which is paying the cost of the operation. These reductions are proposed in a draft budget prepared by the European Commission which has already reduced development Cooperation lines by 29% (-109 million Euros), which is felt by the NGOs to be unacceptable. The dismantling of development cooperation will help to destabilise poor countries and increase the risks of war. Regarding the immediate situation, the NGOs recall the testament of the young Guineans found dead in Brussels in the landing gear of the SABENA aircraft: "If we are risking our lives, it is because we are suffering too much in Africa and we need you to struggle against poverty and to put an end to war in Africa."

The NGOs are calling upon the EU governments and the members of the European Parliament to increase the ceiling of the financial perspectives in the Foreign Relations category of the EU budget to make it possible to finance the reconstruction of Kosovo without burdening the development cooperation and humanitarian aid schemes aimed at regions of the world other than Kosovo. Important decisions on the EU 2000 draft budget will have to be taken during September both at the European Parliament (EP) and at the "Budget Triologue (EP, Council of Ministers and European Commission).



# Readers' Letters

At my request, you were kind enough to arrange a subscription to *the Courier*, starting last June (No 175) in the name of Mr Diallo Aboubacar Sidiki Debouchard, in charge of the Knowledge and Solidarity Club (ATD Fourth World Movement) in the Bouake prison camp (BP 128), Ivory Coast. I have had several letters from Mr Debouchard expressing his enthusiasm for the *Courier*, which links Europe and Africa. I thought I should let you know this and would just like to quote one sentence from one of his letters:

"When you bring us ACP-EU newspapers, the Commandant of the prison camp always make a point of telling us that we are men and recognised among men" [sic]. And he adds, "Even though our movements are restricted because we are in prison, our dignity is free."

I understand that *the Courier* is also read by the Commandant of the camp and is passed from hand to hand among the detainees. The detainees have already heard about the ACP Association thanks to the financing of a vegetable-growing patch obtained by our Delegation. But reading *the Courier* makes it possible to illustrate the relations between the Union and other associate states.

**Jacques-René Rabier,  
Honorary Director General  
European Commission**

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Please accept our congratulations on your publication, which we read regularly. The reason why we are venturing to write to you is that we were misquoted on page 20 of No 175 (Country Report Chad, May-June 1999) of your magazine. This prompts us to take advantage of our right of reply to re-establish the truth, so that our image should not be unfairly tarnished by statements of opinion which reflect only the views of its author.

The former President of the Human Rights League, now a minister, has not discredited civil society, as you state. We had set up that movement very soon after President Idriss Deby came to power, in very difficult circumstances, where there was virtually no active civil society and no structured political groups. Day and night, we and our companions, making sacrifices whose consequences we are still enduring, made our contribution to the democratic process that had been embarked upon and to the construction of a state governed by the rule of law. Only history will be able to assess our contribution to the actual situation. We also served as Vice-President of the IHRF, in which capacity we fought for the same cause in some of the most unstable and difficult countries of French-speaking Africa. What public opinion should know is that the discredit referred to is nothing other than an internal process of friction resulting from the difficult coexistence between ourselves, as convinced defenders of

human rights, and certain opportunistic and manipulative "comrades" who acted as pawns to bring about our destabilisation. With the support of the local mentality, we were unjustly accused, tainted and dishonoured by the vast campaign of manipulation with the participation of certain publishers whose praises you have been singing. As far as we were concerned, we were forcibly ejected from our duties in the middle of our term of office and threatened by these individuals who destroyed everything we have struggled to achieve and pillaged all the external aid which we were handling very strictly at that time (as witness the various external audits undertaken by our partners). In view of the damage suffered (including damage resulting from defamation through the publication of *N'Djamena Hebdo*), we wanted to bring legal proceedings in defence of our honour, dignity and integrity. Here again, intervention by our fellow-defenders of human rights throughout the world begged us to refrain from taking action in order not to take the final, decisive step which the enemies of democracy so keenly anticipated; we therefore refrained from any legal action. Any informed observer will now be able to tell you what has happened to the human rights movement since our enforced departure. We should point out that we have spent at least eight months of complete inactivity and non-interventionism, waiting for a congress of our organisation to convict us or clear us definitively. At the end of the day, the very serious campaign undertaken against our person has itself been revealed as a house of cards, despite the enormous damage suffered by us.

Contrary to your allegations, then, which amount to the perpetuation of the machinations in question, there is no connection between the exercise of our mandate (brutally interrupted) within a (benevolent) association and our appointment to the government as an agent of the State, free of any commitment, with an eight-month gap between the two situations. Even when exercising the functions of government, we remain loyal to our militant convictions and we defy anyone to prove to us the contrary. And I would even say that we are well placed to prove it, independently and dispassionately. Also, because your writings are liable once again to cause extremely serious damage to our reputation, we should be grateful if you would publish this so that your widespread readership can see things as they really are, as regards our humble person.

**Enoch Djondang  
Secrétaire d'Etat aux Finances  
et à l'Economie du Tchad,  
Ancien Président  
de la Ligue des Droits de l'Homme,  
Ancien Vice-Président de la FIDH**

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I have read with great interest the article "Problems in the Logical Framework Approach and challenges for Project Cycle Management" by Des Gasper, published in your magazine *ACP-EU Courier* No 173 of January-February 1999. I was also encouraged to write to you by the statement of Dr. Gasper that "we must consider how they have worked in practice ...". I would like therefore, to address some of the points raised by Dr. Gasper's article and describe the experience of the Pan American Health Organization in using the logical framework approach. The Pan American Health Organization (PAHO) is an international agency specializing in Health and its mission is "to cooperate technically with Member Countries and to stimulate cooperation among them in order that, while maintaining a healthy environment and charting a course to sustainable human development, the peoples of the Americas may achieve Health for All and by All".

In 1992 PAHO developed the "Logical Approach to Project Management in PAHO" (LAPM), a methodology based on the Logframe, for managing its technical cooperation projects. The LAPM includes the Logframe matrix for project design and stresses the utilization of the matrix as a tool for logical thinking regarding the project's objectives. As Dr. Gasper suggests, the only way a project matrix will be logical is if a "shared analysis of a situation" is done. In the LAPM a project is only designed once a thorough analysis of the problems and the stakeholders has been made. Furthermore, one of the key elements of the LAPM is that the process must be participatory. In our experience, the LAPM helps to identify and define clear agreed objectives. We find this is a crucial element in technical cooperation projects where both, the agency staff and the national counterparts must guide their collaborative work to achieve common objectives.

We concur with Dr. Gasper's comment on the proposal of Dr. Eggers to make the "project purpose, without exception, the creation of sustainable benefits for the target group". This is too rigid and a negation of the logic that we see in project design whereby the hierarchy of objectives is derived from the problem tree and the identification of the levels is dependant upon the level of responsibility of those that will execute the project. In our experience, trying to establish a rigid definition of the purpose or other higher objectives raises what Dr. Gasper identifies as a "danger of attempting to jam too much into a four-level one-page diagram". We have also found that it "breaks" the logic in the hierarchy and projects may become too ambitious.

We also found that, as Dr. Gasper indicates, the matrix tends to be fixed and not updated. However this is not the case when managers use the project matrix to guide their daily work and decision making



# Readers' Letters

have also found that it "breaks" the logic in the hierarchy and projects may become too ambitious.

We also found that, as Dr. Gasper indicates, the matrix tends to be fixed and not updated. However this is not the case when managers use the project matrix to guide their daily work and decision making process. In our experience, those managers who use the matrix in that manner, do make adjustments and revisions to reflect the changing environment and this is also done in a participatory manner with national counterparts.

Another element to make the matrix a useful tool is to maintain a link between the project matrix, the operational plans and the financial execution. In this manner the elements of the LFA become an integral part in managing (executing and monitoring) the project.

Dr. Gasper further identifies that the "assumptions" column is often poorly used. We concur with Dr. Gasper, since in our experience the assumptions have become mostly a routine of filling the boxes instead of a useful tool for assessing the project's environment. We have also identified that the higher you are in the hierarchy the harder it is to identify those external assumptions. Therefore, we are focusing mostly in identifying assumptions at the level of activities to deliver the results and at the level of results to contribute to the project's purpose.

One aspect of the LFA that we have found very useful has been the identification of our "manageable interests". This is quite difficult, in particular in technical cooperation projects where it is not easy to separate the responsibility of the agency managers and national counterparts. We recently concluded a study on the types of expected results for which our managers may assume responsibility in technical cooperation. Ten types of results were identified and in applying them to our work plans for 2000-2001 they seemed to be very useful to identify what PAHO will deliver in technical cooperation. The results of the study have been published in our *Revista Panamericana de Salud Publica/Pan American Journal of Public Health* 5(6), 1999.

The process of incorporating the LAPM methodology in PAHO's business rules for planning and evaluating technical cooperation has been slow and progressive. It entailed wide consultation within the Organisation to agree on the terminology to be used not only in English but in Spanish as well. It has also entailed massive training at all levels in the organisation. PAHO currently has offices in almost all countries in the Americas (29), eight regional centers and HQ in Washington

D.C. This continues to be a process, as we struggle with issues such as a constantly changing environment, multiple actors in technical cooperation and thus changes in technical cooperation needs. However, in retrospect, we are convinced that this process has helped us to strengthen our managerial capacity for planning, programming, monitoring, executing and evaluating our technical cooperation. It has also strengthened participatory processes in bringing together different stakeholders to work in achieving clearly agreed common objectives. Finally, we have identified that the key elements for a productive and successful utilization of the LFA are the following :

1. There must be a universal understanding within the organization on the terminology to be used as well as a firm commitment from top management to use the information for the decision-making process.

2. Projects should be designed only after a thorough situation and stakeholders' analysis has been done in a participatory process. Projects should not be developed just because funds are available or a "good idea" has been put forward.

3. The matrix should be used as a tool to help us think logically, to establish clearly defined objectives, to identify the responsibility of the project team and their commitment to higher objectives. It should be a flexible instrument, changeable as needed and linked to operational plans and financial execution so as to provide useful information for monitoring and evaluation.

4. The LFA should be seen as an instrument for change and strengthening the managerial capacity in the organisation.

I hope that this experience will contribute to the exchanging of ideas that will hopefully improve the processes of planning and evaluating development projects. We welcome the continued discussion on this subject since we know that, even though our system is a good one, it can be further improved and refined with the contribution of others in this field.

**Lily Jourdan Hidalgo**  
Office of Analysis  
and Strategic Planning  
Pan American Health Organization

**The Courier  
welcomes letters  
from its readers in  
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## Field Work

# The private sector: a new deal in EU/ACP cooperation

by Dr Hamed SOW\*

## A fast-changing problem scenario

Now that ACP/EU negotiations are about to embark on a decisive phase, it seems a good moment to offer those who are taking the decisions some food for thought regarding one of the major issues of the future Convention: the development of the private sector in the ACP states.

The private sector is the motor of economic growth and the main source of jobs in most ACP states. It covers a wide range of economic activities, including the informal sector, which often employs over 80% of the population. Now that the process of liberalisation of national economies has begun, the role and importance of this sector are unanimously agreed to be the essential foundations of the future of the ACP states. It is a future, however, where there are still huge challenges to be met: in 1997, for example, the ACP states attracted only 0.12% of worldwide direct foreign investment totalling 5 000 billion dollars. The importance of the private sector to the economies of the ACP states represents a new deal, a noticeable departure from the situation existing in the early 1970s when the third Lomé Convention was signed. At that time, even though the wind of liberalism had begun to blow, the fact remained that in many ACP states a large proportion of modern production was still in the hands of state-owned enterprises. For many ACP/EU political and economic leaders, the very concept of industrialisation was still often confused with the promotion of major projects. The main economic actors at that time were the states/producers and a number of multinationals. As far as ACP/EU cooperation was concerned, the secondary sector of the SMEs was left almost exclusively to the CDI (Centre for Industrial Development), which was very weak in resources.

From the start of the 1990s, a change became apparent in the political, economic and social framework of the ACP states. One of the main consequences of the process of political and macro-economic reforms taking place in virtually all ACP states has been the change in the role of the state, 'yielding' its position as the leading economic player to the private sector. Against this background, improving the competitiveness of the private sector has become a fundamental objective of development policy. Development cooperation, then, had to supplement this situation. Support for the private sector has now become a priority of EU/ACP cooperation. In its Green Paper, the European Commission stresses "its deter-

mination that the private sector should become a key player in its development policy, thus clearly marking a major turning point in its policy towards the ACP states". This statement was confirmed by the Commission's adoption, on 20 November 1998, of a communication setting out the new Community support strategy for private sector development in the ACP countries. Better still, without awaiting the end of negotiations, the Commission has begun initiating private sector support programmes with funds from the Eighth EDF.

Thus the private sector, hitherto the poor relation of ACP/EU cooperation, should now receive all the necessary attention. As a result, the CDI, with its shortage of resources, is losing its virtual monopoly of support for the private sectors in the ACP countries. The new Centre for the Development of Enterprise (CDE) should in future rank with other important programmes for the private sector in the ACP states. The ACP/EU leaders meeting at Dakar last February, who were in favour of this trend, decided "... that the Centre should be fully integrated into strategies connected with the private sector ...".

Private sector needs in the ACP countries are such that there is room for a variety of programmes, provided that they complement each other. Coordination and consistency between the activities of the Commission, the EIB and the CDE, which the ACP/EU authorities have strongly recommended though they have never really been adequately applied, are today a major imperative of which more account should be taken in the future Convention.

## Towards an integrated Community strategy approach

The EU, in its cooperation with the ACP states, envisages an integrated private sector development strategy for the forthcoming Convention, including the three levels of economic activity: the macro level, involving the commercial, economic and institutional environment; the meso level, which relates to the financial and non-financial agents; and the micro level, which is concerned with enterprises as such. Within this framework, four private sector support programmes for the ACP states have already been initiated or launched by the European Commission and the EIB. They are:

- **Diagnos**, which is intended to enable each ACP country to establish a strategy for the development of

The private sector is the motor of economic growth and the main source of jobs in most ACP countries.

Africa 2000 promotes afforestation, above, to enable tree planting activities within communities and therefore encourage income generation. Activities are placed within one of the young tree plantations.





The private sector is the motor of economic growth and the main source of jobs in most ACP countries.

its private sector. The first tranche of the programme will have funding of € 2 million over three years. The Diagnos programme has been operational since May 1999.

- Ebas (EU/ACP Business Assistance Scheme), whose objective is to improve the competitiveness of private enterprise in the ACP states. The initial budget for Ebas is € 20 million. The objective is to assist at least 1000 individual enterprises in the ACP countries and to provide a total of 1500 grants. The Ebas programme is already operational.

- Proinvest (Programme for the Promotion of Investment and Technology Flows to the ACP Countries), which will aim to encourage investment in the ACP countries. The estimated budget for the Proinvest programme is € 77.6 million. The programme could be operational in late 1999 or early 2000.

- An investment facility, whose primary purpose will be to provide financing for ACP enterprises, either directly or through local and European intermediary institutions. Administered by the EIB, this facility will replace the current risk capital and interest-rate subsidy programmes. The schemes operated by the new programme will relate to loans, the acquisition and quasi-acquisition of participating interests, and the provision of guarantees to foreign and local investors. The programme is under discussion as part of the of the post-

Lomé negotiations.

The CDE programme, for its part, should aim at greater additivity with the Commission and EIB programmes. A consensus has already become apparent among the ACP and EU leaders that the scope of the current CDI should be extended to the entire private sector, hence the name Centre for the Development of Enterprise. The strategy of the future CDE will have to incorporate all the terms of the new Community support policy for private sector development in the ACP states. Taking the needs of ACP enterprises as a starting point, and making due allowance for the other Commission and EIB programmes, the main guidelines of the CDE strategy could be summarised as follows:

- stepping up intervention/action in areas where the Centre has demonstrated proven competence during the 1980s and 1990s, especially in the field of direct assistance to SMEs;

- identifying and establishing contacts between EU and ACP enterprises operating in successful sectors with a view to encouraging technical, commercial and/or financial partnerships arising out of such contacts;

- conducting an in-depth study of new areas of intervention (tourism, other services, etc), holding discussions with operators in these sectors, clearly identifying their needs and then launching the appropriate assistance programmes;

- relying on more suitable structures (NGOs, small manufacturer associations, etc) to guide the microprogrammes;

- evaluating the ACP networks (antennae and correspondents) and the EU networks (bilateral cooperation organisations, European finance and development institutions, professional bodies, etc), and improving and strengthening cooperation with those adopted, taking into account the new orientations of the Centre;

- carrying out assessments of

decentralisation projects initiated by the CDI and, on the basis of the lessons learned, proposing a realistic and concerted action programme for the decentralisation of some of the Centre's activities;

- developing cooperation with the private sector intermediate organisations (manufacturing associations, exporters, chambers of commerce and industry, etc) and helping to strengthen them;

- introducing and developing systems for making technical information (technology, market expertise, etc) available to the professional ACP operators; identifying, assessing, training where necessary, labelling and upgrading ACP expertise;

- reinforcing collaboration with the Commission, working closely and on a complementary basis with Diagnos, Ebas, Proinvest and any other future private sector support programmes; supporting the ACP promoters and enterprises in their efforts to obtain financing for their investment projects, especially from the EIB, the financial institutions of the EDFI (European Development Financing Institution) group and certain ACP financial institutions such as the BAD, etc.

To enable the EDC to institute this strategy, it is important that the ACP and EU decision-takers, through the medium of the future Convention, make substantial financial and human resources available to the Centre. Certain structural reforms will also have to be undertaken by the future management of the Centre, in order to improve the level of intervention and reduce the time taken to implement projects

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# Field Work

More than 17 million people in Africa have benefitted from the **Africa 2000 Network**, now in its 10th year.

**"Deforestation causes drought.  
We have all become aware of this reality ...  
we are determined not to cut down any more trees.  
We are going to make live fences instead."**

This testimony by Mrs. Bintou Barro, from Burkina Faso, illustrates how a simple change in technique has had positive knock-on effects for environmental preservation and thus generated income for Mrs. Barro and her children. Live fences have been installed by local people in Burkina Faso to replace the previous dry or green wood fences. The technique involves planting thorny or euphorbia species of tree around farms, market gardens or plots of land to protect crops against intruding animals, combat desertification and to help avoid conflict between neighbouring farmers.

The introduction of live fences is just one example of a project supported by a wider initiative called the Africa 2000 Network under the aegis of the United Nations Development Programme (UNDP). This year is the 10th anniversary of the network,



which was established in 1989 to support grass-root initiatives aimed at promoting sustainable development and alleviating poverty through local activities, which protect the environment and improve people's living conditions. So far the Network consists of more than 750 projects which benefit more than 17 million people, 9 million of whom are women. The Network supports communities and NGOs in 12 African countries: Burkina Faso, Burundi, Cameroon, Ghana, Kenya, Lesotho, Mauritania, Rwanda, Senegal, Tanzania, Uganda and Zimbabwe.

Since 1997 the European Commission (EC) has been involved in an agreement with the UNDP, which has provided over 1 million Euros of support to three of the 12 countries in the Africa 2000 Network, namely Burkina Faso, Cameroon and Uganda. This is in line with the global consensus on the need to form development partnerships between international bodies. The UNDP and the EC are increasingly working more closely together to "strengthen the capacity of recipient countries to take responsibility for and ownership of their own strategies and development programmes".

#### Poverty reduction measures

The main objectives of the Africa 2000 Network programme are to

- Reduce poverty by supporting and promoting micro-projects, carried out by community groups and NGOs, intended to preserve the environment and promote ecologically sustainable development;
- Strengthen local, national and

The European Commission has supported two projects in Burkina Faso which have been undertaken to encourage the sustainable management of forest reserves, preserving biodiversity while at the same time meeting the needs of the population in terms of resource use. These projects are the **Management of the agro-forestry zone of the Bissiga forest reserve** and the **Restoration and development of natural resources of the village on Nambe**. Other environmental protection projects in Burkina Faso consist of "support for the efforts in preserving the environment in the Sanguié province" and "support for the environmental preservation initiatives of Boura". The EC has contributed immensely to alleviating poverty in **Cameroon** through income-generation, improving the nutritional level of the population and sensitising the population on the need to protect their environment. Projects there include the **Integrated project of young farmers in Bahouoc** and **Agricultural production in Bihiang**. In addition a centre for agro-pastoral and crafts production has been set up for the physically disadvantaged in Soa.

Africa 2000 promotes apiforestry, above, to enable tree planting activities within communities and therefore encourages income generation. Beehives are placed within one of the young tree plantations.



In **Cameroon** soil moisture is retained by digging a hole around roots, filling it with compost, dry grass and soil and regularly watering it - a low cost environmentally-friendly technique.

Women in **Ghana** are being trained how to integrate activities on one farm e.g. fish-farming, with citrus fruit cultivation, cassava production/ processing, bee-keeping and rabbit breeding to be more efficient, generate surplus income and teach the newly-acquired techniques to others.

To overcome water shortages in some areas of **Kenya** a water supply network connects households and farms to a supply of drinking water. The local communities manage the projects to ensure the actions are sustainable.

In **Lesotho** a volunteer NGO has been set up by schoolteachers and agriculturists to promote sustainable agriculture. The schools produce sufficient food for their pupils and sell any surplus, degraded lands are rehabilitated and indigenous medicinal plants are promoted.

In **Mauritania** trees and bushes are planted and green belts installed to keep sand dunes from housing areas, plantations, access roads and water sources.

Some regions of **Rwanda** do not have fertile soil and are unable to conserve water. Africa 2000 has supported

the building of terraces and spreading of manure so crops can be rotated. Yields have doubled.

A fund has been established in **Senegal** to support the Environment and Development (FAED) which provides community-based organisations with financial resources so they can be more involved in the environment while increasing their income. The Fund has assisted in creating hundred of on-farm and other jobs and socio-economic and environmental investments were made in most villages.

Low cost bio-gas production has been a successful project in **Tanzania**. Animal excreta have been used as an alternative source of energy to wood, reducing deforestation and the time women spend collecting wood.

Through training, technical assistance, support for the purchase of livestock and dissemination of information, the Network has encouraged farmers to adopt sustainable farming practices in **Uganda**. This has had the effect of boosting agricultural production, food supply and income.

In **Zimbabwe** training programmes have been undertaken with communities and partner organisations to encourage locals to move to new activities such as irrigation projects.

Ecologically sustainable farming technique: a frame is used for tracing the contour line during contour farming.

subregional organisations engaged in preserving the environment;

- Spread knowledge on successful practices and projects in the field, in view of replicating them;
- Encourage populations to work towards sustainable development.

The strategy of the Africa 2000 Network is based on some

fundamental principles, namely:

- A participatory bottom-up approach that provides people with the motivation to undertake sustainable management of natural resources by themselves.
- Horizontal consultation among the beneficiaries.
- Priority use of local expertise and the development of partnerships between different groups.
- Integration of gender issues.

In addition the programme works directly with grassroot communities and does not pass through intermediaries, involving locals in the preparation, implementation and monitoring of each individual project.

**From reforestation to poverty alleviation**

The projects focus on particular areas of need in the individual countries.

Communities in the 12 countries have undertaken activities in reforestation, management of natural forests, agro-forestry, soil conservation, erosion control, water harvesting and watershed management, pasture/land management, processing/ conservation of agricultural produce and activities contributing to food security and poverty alleviation.

Among the different projects under the umbrella of the Network, the European Commission has supported 15 projects in three countries: Burkino Faso, Cameroon and Uganda.

### Conclusion

The partnership between the European Commission and the UNDP in the Africa 2000 Network has reaped many benefits for the beneficiaries (including NGOs, grassroot communities and associations). In the three countries concerned there has been a notable improvement in living conditions, namely food security and household incomes. The Africa 2000 network has influenced various partners on approaches used in community development and the sharing of experiences has been facilitated by the joint cooperation.

The Africa 2000 Network is one of many joint EC/UNDP programmes/projects which now take place in many parts of the world. Both organisations find it useful to work in partnership, using their comparative advantage to complement each other's actions. Development actions today need to be seen as "speaking and acting with one voice" and it seems that such a partnership between the EC and the UNDP is a very viable and productive one.

Georgina Fekete, UNDP





# Operational summary

n° 109 - September 1999

(Position as at 22 September 1999)

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)

### Main abbreviations

€	Euro
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)
Est.	Estimated

### Blue Pages on the INTERNET

<http://europa.eu.int/comm/dg08/pabli-en/introbp1.htm>

Correspondence about this operational  
summary can be sent directly to:

Mr Franco Cupini,  
European Commission  
B28 6-108,  
200, rue de la Loi  
B-1049 Brussels

**Note: Participation in EDF schemes is strictly confined to ACP or EU firms.**

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

### **Alz Multisector**

- Ala River development
- Alb Regional development projects

### **AJz Unspecified**



# ACP STATES

## ANGOLA

**Reconstruction support programme.** €55m. 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).** €0.8m. Training, supply of equipment. Project in execution.

EDF ANG/7018/000 - AFb

## BAHAMAS

**Road Rehabilitation of Queen's Highway on Acklins Island.** €5.2m. EDF €2.2m, Government of the Bahamas €3m.

Construction/ infrastructure, T.A. incl. studies. Date financing: February 1999. EDF 8.

EDF BM/7001/001 - ABd.

## BELIZE

**Improvement of Hummingbird Highway (2nd segment - Sibun River Bridge to Belmopan).** Resp. Auth.: Govt. of Belize. €13.7m. Construction, T.A., studies. Project in exec. EDF 8. EDF BEL/6001/002 - ABd

**Drugs Demand Reduction Programme.** Est. cost €1m. EDF part €0.3m; Government of Belize €0.7m. Training, T.A., supplies. Date financing: November 1998. EDF 8.

EDF BEL/7004/000 - AGc

**Social Investment Fund (SIF) Belize.** Total cost: €1.6m. Date financing: October 1998. EDF 8. EDF BEL/7003/000.

**Coastal Zone Management Project.** Estimated total cost: €6.25m. 8th FED: €0.6m; UNDP/GEF: €4.87m; IDB: €0.1; GOB: €0.23m; other (ONG): €0.45 Strengthening of capacity for the management of coastal and marine resources. Supplies of equipment/Inputs; T.A. including studies. Date finan. March 1999. EDF 8.

EDF BEL/7006/000 - AHf, ACd, AJz.

**Financial Management Development Project - Training Development Centre.** Total estimated cost: €0.8€. 8th FED: €0.5m; DFID/UK: €0.2m; government of Belize: €0.1m. Improvement of public service in financial management. Supplies of equipment/Inputs; T.A. including studies, training. Date finan. April 1999. EDF 8. EDF BEL/7005/000 - Aaz

**Conservation and sustainable use of the Barrier Reef Complex.** Total est cost: € 0.6 m. Struggle against barrier reef complex ecosystem degradation. T.A., monitoring, equipment, maintenance. Project on appraisal. EDF 8. EDF BEL/7006/000. AHf, AEc.

**Upgrading of Karl-Heusner Memorial Hospital, Belize City.** Total est. cost: €1.6 m. Construction/Infrastructure; supplies of equipment/Inputs. T.A. including studies. Project on appraisal. EDF 8. EDF BEL/6004/001. AGa, AGz.

## BENIN

**Improvement works on the Sémé-Porto Nova road. (12.711 km).** Resp. Auth.: Ministère des Travaux Publics et des

Transports. €20m. Infrastructure works and installation of road signing. Work supervision by KFW (D). Works by int. tender. Project in execution. EDF 7,8 EDF REG/7132 - ABd

**Support programme for structural adjustment (PAS - 1997/99).** Resp. Auth.: Ministre des Finances. €27.5m. Strengthen the country's macro-economic policy. Project in execution. EDF 7. EDF BEN/7200/003 - AAc

**Support for the modernisation of the Ministry of Finance.** €1.9m. T.A. including studies; supplies. Date financing: November 1998. EDF 8. EDF BEN/7012/000. AAa

**Improvement of highways in the framework of the municipal development in the town Parakou.** Total estimated cost: €6m. Improvement of traffic. Works. Studies, support to the PUD (Parakou Urban District), control and surveillance. Date financing April 1999. EDF 7.

EDF BEN/7006/000 - ABz, ABd, ADc.

**Project for a periodic maintenance of the road network.** Total cost: € 38 m.

Transport cost reduction. Construction/Infrastructure; T.A. including studies. Project on appraisal. Date foreseen for financing: September 1999. EDF 8.

EDF BEN/6002/002. ABc, ABd.

**Project for the city of Cotonou access and transit road network construction.** Total est cost: € 16 m. Construction/Infrastructure; T.A. including studies. Project on appraisal.

EDF 7, 8. EDF BEN/6002/003. ABc, ABd.

## BENIN-BURKINA FASO (REG) :

**Construction of the Natitingou-Porga road.** Est. cost: € 23 m.

Construction/Infrastructure; T.A. including studies. Project on appraisal. EDF 8.

EDF BEN/7014/000. ABc, ABd.

**Support for the Structural Adjustment Programme - (SAP III 1999/2000).**

Est. cost: € 29.85 m. Reinforcing the macro-economics of the country. Project on appraisal. Date foreseen for financing: September 1999.

EDF 8. EDF BEN/7200/004. AAc.

## BOTSWANA

**Sysmin - support to base metal industry (Copper-Nickel-Cobalt).** Resp. Auth.: BCL Ltd., €33.7m. 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.: Dept of Tourism (DoT), Commerce and Industry. €1.91m. 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. €1.7m. 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 €17m. Vocational Teacher Training College and Vocational Training Centre (VTC/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. cost €7m. Works, supplies, T.A. Project on appraisal. EDF 8. EDF BT/6001/002 - ACz

**Community forestry development.** Est. cost €2m. Supplies of equipments; T. A., incl. studies; training, NGO and community co-operation. Project on appraisal. Date foreseen for financing: July 1998. EDF 8. EDF BT/6021/001 - ACc.

## BURKINA FASO

**Support project for the reform of the pharmaceutical sector.**

Resp. Auth.: Ministère de la Santé - Direction des Services Pharmaceutiques (DSPh) and CAMEG €1.6m. 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. €11m. 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. cost €1.2m. EDF part €0.3m. Cofinancing with CFD (F), The Netherlands (possible). Project in execution. EDF 7. EDF BK/7023 - AHf

**Support for decentralisation.** Resp. Auth.: Ministère Administration Territoriale et Sécurité. Est. cost €2m. 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 €6.4m. T.A. foreseen. Project in execution. EDF 7.

EDF BK/7200/004 - AAc

**Support for judicial provision.** Est. cost €1m. Training of magistrates and improvement of judicial services. Date financing May 1999. EDF 7. EDF BK/7032 - ACa

**Support for rural development.** Est. cost €24.2m. Financing of action for rice-growing, for support action, financing the rural environment and for information about markets. T.A, works and supplies. Date financing May 1999. 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. €44m. T.A., Works. Financing decision taken in July 1998. Project in execution. EDF - 8. EDF BK/6017/002 - ABd.

**Support Programme for basic education.** Total cost: €10 m.

Improvement of educational infrastructures. Infrastructure; supply of equipment; training. Date financing: May 1999. EDF 8. EDF BK/7016/000. AFz.

**Support to the Sectoral Programme PASEC-T. Periodic maintenance and improvement of 1000 Km of dirt roads.** Total est cost: € 41 m. Construction/Infrastructure; T.A. incl. studies. Works by int. tender. Project on appraisal. Date foreseen for financing: Sept 1999. EDF 8. EDF BK/6017/003. ABc, ABd

## BURUNDI

**Support Group for the National Authorising Officer.** Est cost: €1.95 m.



Reinforcement of the admin. of Burundi. T.A. including studies; supply of equipment/Inputs. Training. Project on appraisal. EDF 7. EDF BU/7014/001. AAz.

#### Rehabilitation Programme (PREBU).

Est cost: € 48 m. Infrastructure; promotion of economic activity. Project on appraisal. Date foreseen for financing: September 1999. EDF 7. EDF BU/7020/000. AAb.

#### CAMEROON

**Support for the people of Lagdo.** esp. Auth.: MINEPIA. €3m. 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.** €98m. Building of the Bertoua-Geroua Bulai road. 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 €9m. 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. Total cost € 52m. Construction, T.A., studies. Project on appraisal. Date foreseen for financing Sept 1999. EDF 8. EDF CM/6031/002 - ABd

**Support for the Structural Adjustment Programme 1998-1999.** Est. cost €25m. Budgetary support. Project on appraisal. EDF 8. EDF CM/7200/002 - AAc.

**Urban Development Programme (FOURMI II).** Est. cost €3.5m. Construction, T.A. incl studies, supply of equipment, training. Project on appraisal. EDF 8. EDF CM/7006/001 - AHb.

#### CAPE VERDE

**Maio island rural electrification.** Est. cost €1.945m. 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. €1.4m. Works, T.A. Project in execution. EDF 7. EDF CV/7011 - ABb

**Distribution of Water and Sanitation of the Town Praia.** Resp. Auth.: Ministère de la coordination économique. €6.5m. Construction - infrastructures; T.A., including studies. Date financing: November 1998. EDF 8. EDF CV/5002/001 - ABb, AHc.

**Road Infrastructure for Santo Antão Island. Construction of the Janela road at Porto Novo.** Resp. Auth.: NAO. Est. cost €12.7m; EDF part €9.6m. Project on appraisal. EDF 8. EDF CV/7010/000 - ABc.

**Support for the Structural Adjustment Programme.** Est cost €9.4m. Budgetary support, T.A. incl. studies. Project on appraisal. EDF 8. EDF CV/7200/000 - AAb.

#### CENTRAL AFRICAN REPUBLIC

**Support for the legislative elections process.** €516,871. Date financing: September 1998. EDF 7. EDF CA/7010/000 - AAz.

**Support for structural adjustment (PAS II 1998/1999).** €7.2m. Date financing: October 1998. EDF 8. EDF CA/7200/001 - AAz.

**Support for the Transport Sectoral Programme.** €18.726. Date financing: October 1998. EDF 8. EDF CA/6008/001 - ABd.

#### CHAD

**Restoration of bridges that fall within the framework of the Second Transport Sectoral Programme.** Resp. Auth.: MINTP Chad. Est. cost €4m. Urgent work to be carried out to restore 15 bridges under the Transport Sectoral Programme. Works, T.A. Project in execution. Project on appraisal. Financing decision foreseen in September or October. EDF 7. EDF CD/6001 - ABd

**Support for Health Programme in Mayo Kebbi** €1.98m T.A. Training of doctors, medical supplies. Project in execution. EDF 7. EDF CD/5011/002

**Support for Water Policy.** Est. total cost €23m. Construction/ infrastructure, supply of equipment, T.A. incl. studies, training. Project on appraisal. Date foreseen for financing June 1999. EDF 7-8. EDF CD/7003/001 - ABb

**Support for National Health Policy.** Est. cost €35m ECU. T.A. incl. studies, supply of equipment, training, construction/infrastructure. Project on appraisal. EDF 8. EDF CD/5011/003 - AGz

**Support for the Structural Adjustment Programme 1998-1999.** Est. cost €16.8m. Budgetary support. Project on appraisal. EDF 8. EDF CD/7200/002 - Aac

#### ACTION - Technical and Institutional Support and Council for the National

**Authorizing Officer.** Total est cost: €1.95 m. Instruction, implementation and the follow-up of the actions financed by the EU.T.A. including studies; construction/infrastructure; supply of equipment/Inputs. Date financing: June 1999. EDF 8. EDF CD/7002/001. AJz.

#### CURESS - Rational Conservation and Utilization of Sudan-Sahel Ecosystems in Zakouma.

Total est cost: €7 m. T.A. including studies; construction/infrastructure; supply of equipment/Inputs. Project on appraisal. EDF 8. EDF CD/4017/002. AHf.

#### Kélo-Moundou Road.

Total est cost: €22 m. Improvement of the N'djamena-Moundou itinerary. T.A. including studies; construction/infrastructure. Project on appraisal. EDF 8. EDF CD/7012/001. ABc, ABd.

#### COMOROS

**Sea-access to Moheli island.** Resp. Auth.: Ministère de l'Équipement - Direction Générale des Travaux Publics. €3.25m. Works, by int. tender. T.A. for further investigations, tender dossier and works supervision. Project on appraisal. EDF 7. EDF COM/6006/7003 - ABd

**Technical Management Unit for the NAO for managing and coordinating Community aid.** €1.7m. Financing decision taken in June 1998. Project in execution. EDF 7. EDF COM/7009/000 - AAz.

#### Moroni Harbour fitting out and development.

Total est cost: €1.5 m. Better management of the Harbour. Construction/Infrastructure. Supply of equipment/Input; T. A. including studies. Project on appraisal. EDF 8. EDF COM/6001/001. ABz, ABd, ABc.

#### Multi-annual Programme for Micro-achievements. Total est cost: €4.25 m.

Improvement of life conditions in rural areas. Construction/Infrastructure. Supply of equipment/Input; T. A. including studies. Project on appraisal. EDF 8. EDF COM/7102/000. Alb.

#### CONGO (REPUBLIC)

**National Road N°1. Brazzaville-Kinkala (Matoumbou).** Estimated cost €0.95m. Resp. Auth.: Direction Générale des Travaux Publics. Environmental, economic, technical studies; project of execution and tender dossier. Project on appraisal. EDF 4, 7. EDF COB/7011/000 - ABd.

#### CONGO (DEMOCRATIC REPUBLIC)

##### All projects suspended

**Rehabilitation Support Programme.** Resp. Auth.: Coordination and Management Unit. Est. cost EDF €84m. and an indicative amount of €6m 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

**Strengthening of the provisional health support programme.** €45m. 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 on appraisal. Date foreseen for financing 1st half 98. EDF7 EDF ZR/6029/001

**Support programme for the preparation of elections.** Resp. Auth.: Commission Nationale des Elections (CNE). €30m. T.A., support for democratisation. Project suspended. EDF 7. EDF ZR/6034/00 - AAc

**Support programme for the reinsertion of displaced persons in the Kasai Province. (PARK).** €2m. The programme will be implemented by CARITAS (NL), OXFAM (UK) NUOVA FRONTIERA (I) GRET (F) and RAUL FOLLEREAU (F). Project on appraisal. EDF 7. EDF ZR/7255/001 - ACa

#### COTE D'IVOIRE

**Support for the structural adjustment programme (GIP V).** Resp. Auth.: Ministry of Finance. €25.5m. General import programme. T.A. Project in execution. EDF 6 & 7. EDF IVC/7200/004 - AAc

**National Agricultural Census.** Resp. Auth.: Ministry of Agriculture and Livestock. Est. cost: €4.4m. Creation of a real new starting point for the introduction of a permanent system of agricultural statistics. T.A., supplies of equipment and studies. Date financing: December: 1998. EDF 8. EDF CIV/7018/000 - ACz.

#### Support Programme for decentralisation and town and country planning.

Resp. Auth.: Ministry of Home Office and Decentralization. Total cost: €49.5m. EDF part: €47m. Infrastructures needed to strengthen human resources (schools and universities). T.A., training and studies. Date financing: Feb 1999. EDF 8. EDF CIV/7001/001 - AAz.



**Support to Health Sector.** €30m. Support for the reform Programme of Health's organization. Project on appraisal. Date foreseen for financing: April 1999. EDF 8. EDF CIV/6011/002 - AGz.

**Support to oil-palm tree planters.**

Total est cost: €1.997 m. Training; T.A. incl studies; supply of equip/inputs. Project on appraisal. EDF 8. EDF IVC/6001/001.

**DJIBOUTI**

**Support for the structural adjustment programme.** General import programme. €4.1m. 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. cost €0.558m. EDF: €0.5m, local: €0.058m. Works, equipment and training. Project in execution. EDF 7. EDF DOM/6002/001 - ACa

**Agricultural Diversification Programme.** Resp. Auth.: Diversification Implementation Unit. (DIU). €2.25m. 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

**Elimination of solid waste.** Resp. Auth.: Min. of Communications, Works and Housing. €1.65m. Restoration of two depots for household waste. Installation of a new waste disposal depot. T.A. by restricted tender, works by acc. process. Project in execution. EDF 7. EDF DOM/7003 - ABz.

**DOMINICAN REPUBLIC**

**Support programme to prevent STD/HIV/AIDS.** EDF part €1.35m. Training, T.A., supplies, evaluation. Project on appraisal. EDF 7. EDF DO/7016 - AGz

**Water supply and sanitation in the poorest areas of Santo Domingo.** Est. EDF part €26m. Construction/ infrastructure, supplies, T.A. Project on appraisal. EDF 8. ABb, AHc.

**Project for the improvement of technical and professional education.** Est. EDF part €13m. Construction/infrastructure, supplies, T.A., training. Project on appraisal. EDF 8. AFd

**Programme to strengthen the health system.** Est. cost: €12m. Resp. Auth.: National Authorising Officer. Restructuring the system of regulating, acquiring and distributing medicine. Development and reinforcement of health institutions at central and provincial levels. T.A., training and qualification of national staff. Project on appraisal. Date foreseen for financing: December 1998. EDF 8. EDF DO/7008/001 - AGz.

**Rehabilitation Programme in the Southwest Region.** Total cost: €1.98m. Retention wall; water supply; reinstallation of 'Enriquillo' radio connection. Date financing: January 1999. EDF 8. EDF DO/7026/000. Aib, Abb, Aia, Ahg, ADc

**Project for the reconstruction of schools for basic education and the increase of disaster preparedness in the regions of San Pedro de Macoris and Higüey.** Est cost: €7.2 m. Works and supervision. Supply of equipment and materials.

Project on appraisal. Date foreseen for financing: Sept 1999. EDF 8. EDF DO/7007/001. AHz, AFz, AHb, AJz.

**EQUATORIAL GUINEA**

**Rehabilitation and extension of the Malabo water supply and sanitation systems.** Resp. Auth. Ministry of Public Works. €12m. Construction, infrastructure; T.A. including studies. Project on appraisal. Date financing November 1998. EDF 7.

EDF EG/6007/000 - ABb, AHc.

**Support to continuation and extension of the "Reproductive and Childless Sanity" programme (Phase II).**

Est cost: €512,500. T.A. including studies; supply of equipment/inputs. Evaluation. Date financing: June 1999. EDF 6. EDF EG/7005/000. AGb, AGz.

**ERITREA**

**Sector study on national water and irrigation potential.** Resp. Auth.: Ministry of Energy, Mines and Water resources €4.5m. 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. cost €20m. 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. cost €10-12m. Works, supplies and T.A. Feasibility study: INYPSA (Sp). Financing decision foreseen in July 1998. Int. tenders no. 4320 and no. 4321 for supplies and tender no. 4318 for works launched with conditional clause. Respective deadlines for submission: 22.07.98. 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 €1.2m. Equip, infrastructure, vaccines, training of veterinary services personnel. Project in execution. EDF 7. EDF ERY/7005/000 -AGz, AFd

**Short-term assistance programme for reconstruction and restoration.** €20m. Project in execution. EDF 7. EDF ET/7001/000.

**ETHIOPIA**

**Rehabilitation of the Addis Ababa - Jima road, Addis Ababa - Abelti (180 km).** Adm. Resp.: Ethiopian Road Authority. 80 m€. Improvement of the road network. Works, supervision, T.A. Project in execution. EDF 7, 8. EDF ET/7005/002 - ABd

**Support to Transport Sector Project (TSSP).** Resp. Auth.: Ethiopia Road Authority. €2m. Works and supplies. T.A. Development transport policy, improvement of programme management road handling capacity, activity coordination. Project in execution. EDF 7. EDF ET/7005/001 - ABd

**Addis Ababa water supply project.** Resp. Auth.: Addis Ababa Water Supply Authority. AAWSA. €19.5m. Works, equipment, T.A. Date financing: November 1998. EDF 7. EDF ET/5006/002 - ABb

**Higher Education development support.** Resp. Auth.: Ministry of Education, NAO. €1.999m. Equipment works. Project in execution. EDF 6, 7.

EDF ET/7016/001 - AFz, AFb

**Addis Ababa - Woldiya Road Rehabilitation project.** Total cost: €120m. Construction/infrastructure. Date financing: December 1998. EDF 8. EDF ET/7020/000 - ABd

**Preservation of the rock-hewn churches in Lalibela.** Resp. Auth.: Centre for Research and Conservation of the Cultural Heritage in Ethiopia. Total estimated cost: €0.3m. Design through open international competition of protective shelters above five churches built in the 11th century. Invitation to tender will be published in the JOCE early 1999. Project on appraisal. EDF 7. EDF ET/70007 - AEI

**EC Programme Support Project (PSP).** €0.67m. T.A.; short term training, seminars, workshops, study tours. Date financing: Nov 1998. EDF 7. EDF ET/7023/000 - AAz

**FIJI**

**New Rewa River Bridge and Town Bypass.** Est. cost €12.3m; EDF part €10m. Construction/infrastructure; T.A., incl. studies. Project on appraisal. Financing decision foreseen in September 1998. EDF 6, 7. EDF FIJ/7012/000 - ABd. Ala

**Environment Programme.** Total estimated cost: €10.6m. EDF part: €9m; government of Fiji: €1.6m. Sustained reduction of health risks. Welfare of urban and periurban population in greater Suva area Construction / Infrastructure; T.A. including studies. Project on appraisal. EDF 8. EDF FIJ/7015/000 - AGz, AHf.

**Design and Supervision of the construction of the new Rewa Bridge.** Total cost: €1.2 m. T.A. including studies. Date financing: May 1999. EDF 7. EDF FIJ/7012/001. Abc, Abd.

**GABON**

**Support for the rehabilitation of the territory.** Construction of the Lalara-Mitzi road. Auth. Resp.: Ministre de l'Equipement et de la Construction. €23.4m. Mainly works, some supplies and service contracts. Project in execution. Tender for works to be launched in May 1998. EDF 8. EDF GA/7006/000 - ABd.

**Technical Assistance for the National Authorising Officer.** Total estimated cost: €1.05m. Improvement of the identification, the implementation, the follow-up and the evaluation of E.U.'s financed projects. T.A. including studies; training. Date finan April 1999. EDF 6. EDF GA/7004/000 - AJz.

**GAMBIA**

**Support to the Education Sector Programme (SESP).** Total cost: €5 m.

Improvement of education sector quality. Studies. Training. Date financing: May 1999. EDF 8. EDF GM/7007/000. AFz.

**Co-ordination of European Community Programmes in the Gambia.** Est cost: €1.9m. T.A.; local staff. Studies, local experts and evaluation. Date financing: May 1999. EDF 8. EDF GM/6004/002. AJz.

**Support to Decentralized Rural Development.** Total est cost: €14.8 m. T.A. including studies; training. Construction/infrastructure. Date financing: June 1999. EDF 8.



EDF GM/6004/003. ACz, Alb.

## GHANA

### Human resources development

**programme.** Resp. Auth.: Ministry of Local Government and Rural Development. €3.8m. 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. €12m. 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. €4.85m. Training and equipment. Project in execution. EDF 7. EDF GH - ACc

### Transport Infrastructure Programme Phase II.

Resp. Auth.: Ministry of Roads & Highways. €54m. Works, supplies, supervision, training. Axle load control equipment, consultancy studies, training of Highway Sector Staff. Project in execution. EDF 6 and 7. EDF GH 6001 ABd

### Small towns water supply project.

Resp. Auth.: Ghana Water and Sewerage Corporation. €15m. Construction of water supply systems. Strengthening of institutions responsible for operations and maintenance. Consultancy services, including community mobilisation, preparation of tender documents and supervision of works, works contracts. Works. T.A. Date financing: October 1998. EDF 7. EDF GH/6006 - ABb

### Decentralised Cooperation Programme.

Resp. Auth.: Ministry of Finance. €1.5m. 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. €4m. Improvement of health, water and educational facilities. T.A., evaluation and contingencies. Project in execution. EDF 7. EDF GH/6102/000 - AHb

### 1998 Structural Adjustment Support Programme.

€21.4m. Project in execution. EDF 8 EDF GH/7200/005 - AAc

### GRATIS (Ghana Regional Appropriate Technology Industrial Service), Phase III.

Est. cost €3m. Project on appraisal. Financing decision expected at the begin. of 1999. EDF 7. EDF GH - ABai

### Support to the Ghana Audit Service.

€4.8m. T.A. incl. studies, supplies. Date financing: Nov 1998. EDF 8. EDF GH/7020/000 - AAc.

### Health sector support.

€11m. Reinforcement of primary health services. Private sector involvement in health services. T.A., supplies of equipment through 'Procurement Agent' and financial support. Project on appraisal. Date financing: December 1998. EDF 8. EDF GH/7022/000 - AGe.

### 5th Micro-projects Programme - Phase II.

Total cost: €23.8 m. Improvement of living standards among poor rural communities. Construction/Infrastructure; T.A. including studies. Project on appraisal. Date foreseen for financing: September 1999. EDF 8. EDF GH/6102/001 AFa, AFci, AGb, AHb.

### Rural Electrification Programme in

Western Region. Est cost: €10 m. Regional development. Construction/Infrastructure; T.A. including studies. Training. Project on appraisal. Date foreseen for financing: June 1999. EDF 7. EDF GH/7011/000. ABa, ABai, ADc, Alb.

## Transport Infrastructure Programme.

**Phase III.** Resp. Auth.: Ministry of Roads & Highways. €56 m. Works, supplies, supervision, training. Axle load control equip, consultancy studies, training of Highway Sector Staff. Project on appraisal. Date foreseen for financing: June 1999. EDF 8. EDF GH/6001/002. ABd.

## GRENADA

### Microprojects Programme.

Resp. Auth.: Ministry of Labour, Social Services, Community Development. €0.22m. Water supply, road improvements repairs and extension of schools, medical and community centre and sports grounds. Project on appraisal. EDF 7 EDF GRD/7102 - ABz

### Rehabilitation of the Bellevue-Grenville Section of the Eastern Main Road - Grenville-Mama Cannes Portion.

Resp. Auth.: Ministry of Works. €2m. Works by direct labour, small T.A. and supply of equipment for repairs. Project on appraisal. EDF 7. EDF GRD/7002/001 - ABd

## GUINEA

### Pilot programme for the development of secondary towns.

Resp. Auth.: Direction nationale de la décentralisation. €1.91m. Technical cooperation, TA and training. Project in execution. EDF 7. EDF GUI 7008/000 - AHa,b

### Diversification Aid. The Agriculture

**Component.** Extension of the Family Plantation Programme in Soguipah. Resp. Auth.: Ministry of Agriculture, Water & Forests. €5.5m. Cultivation of rice fields and rubber plantations and the development of transport infrastructures. Works, supplies, T.A. Project in execution. EDF 7

EDF SYSMIN GUI/9999/000 - ACe, AGe, AHf

### Diversification Aid. The Road Infrastructure Component.

Resp. Auth.: Min of Public Works and the Environment. €74.5m. Works, T.A., supervision, studies. Project in execution. EDF 7. EDF SYSMIN GUI/9999/000 - ABd.

**Urban health support project.** Est. cost €1.2m. T.A., studies Project in execution. EDF 7. EDF GUI/6005/000 - Agz

### The Dabola-Dinguiraye Programme (High

Guinea). €13m. Training, construction/ infrastructure, T.A. incl. studies, supplies, support fund. Date financing Nov. 1998. EDF 8. EDF GUI/6002/002 - ACa.

### PASSIP - Programme to support the

health system in the Guinean interior. Resp. Auth.: Ministry of Health. €13.2m. Decentralisation support and building management capacity. T.A., construction/ development of infrastructures, supplies and training. Date financing: Nov 1998. EDF 8. EDF GUI/6022/002.-Agz, AGe

### Support to strengthen financial

management in public hospitals. Support to MSP's DAAF. €1.3m. Date financing: November 1998. EDF 8. EDF GUI/7031/000.

### Crédit Rural de Guinée (CRG).

Total cost: €5,463,910; EDF part: €1,941 m. Budgetary aid; investment. Date financing: April 1999. EDF 8. EDF GUI/7035/000.- AAc.

### Construction of a bridge in Nianfarando over the Serenge in PK 74 of the Faranah

and Kissidouougou road. Total est cost: €1.5m. Works. Date financing: May 1999. EDF 6. EDF GUI/6021/001.-ABc.

## Safe Transfusion Support Programme

(STSP). Est cost: €1.05 m. Avoid risk of aids transmission. Supply of equipment/Inputs; construction/Infrastructure; T.A. including studies. Training. Date financing: June 1999. EDF 8. EDF GUI/7038/000.- AGz, AGe.

## GUINEA BISSAU

### Bridge construction in Sao Vincente.

Resp. Auth.: Min of Public Works. Est. cost €27m. Works and works supervision. Project on appraisal EDF 8. EDF GUB/7014/000 ABd

### Support for road maintenance.

Est. cost €8m. 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 €1.95m. T.A. Project in execution. EDF 8. EDF GUB/6003/002 - ABd

### Construction of Municipal

Slaughterhouses at Bissau, Gabu, Bafaté. Est. cost €1.91m. Construction, supplies, T.A. incl. studies, budgetary support. Project on appraisal. EDF 8. ACh

### Rural and Semi-Urban Hydraulics Project.

Est. cost €4m. Construction, supplies, T.A. incl. studies, budgetary support. Project on appraisal. EDF 8. ABb

### Support for the Structural Adjustment

Programme. Est cost €8m. Budgetary support, T.A. incl. studies. Project on appraisal. EDF 8. EDF GUB/7200/001 - AGe, AFe.

## GUYANA

### Rehabilitation of sea defences and shore

zone management. Est. cost €20m. Construction, T.A. studies. Project on appraisal. EDF 8. EDF GUA/6003/004 - ABd

### Support Programme for Economic

Reforms. €5.29m. T.A., feasibility study, training. Financing decision taken in June 1998. Project in execution. EDF 8. EDF GUA/7200/003 - AAb.

### Support Programme for Economic

Reforms. Est cost: €4.9 m. Budgetary aid. Date financing: June 1999. EDF 8. EDF GUA/7200/004.-AAc.

## HAITI

### Support for the Structural Adjustment

Programme II. €10.8m. 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). €1.8m. Project in execution. EDF 7. EDF HA 7007/000 - AAz

### Support for decentralised cultural

initiatives. Resp. Auth. Ministry of Culture. Est. cost €0.75m. T.A., supplies. Project in execution. EDF 7. EDF HA/7155/000 - AHi

### Road rehabilitation in the western area of

the South Peninsula. Est. cost: €47.36m. Works, T.A. Project on appraisal. Project on appraisal. EDF 7,8. EDF HA/7012/000

### Support Programme for Local Initiatives.

Est. cost €1m. T.A. incl. studies. Project on appraisal. EDF 7. EDF HA/7013/000 - AAb.

### Support for Structural Adjustment

Programme III. Total cost: €21.3m. Implementation of the macro-economic Programme for: Education, Health, Customs, Taxation, De-concentration, Budget execution procedures. Financial support; T.A. including



studies. Project on appraisal. Date foreseen for financing: end April 1999. EDF 8.

EDF HA/7200/002 - AAc, AAb, AFz, AGz, AJz.

**Rural development Programme in Center and South areas of Haiti.** Total estimated cost: €23m. Projects' investment; support to financial dealers. Local and international T.A. Project on appraisal. EDF 8.

EDF HA/7001/001 - AAf, ACa, ACb, ACe, Aea

**Support Programme for improved governance of the education sector in Haiti.** Total cost: € 4.2 m. Appropriate technology for information management and administrative and financial monitoring. T.A., departmental funds, training, operating costs. Date financing: May 1999. EDF 8. EDF HA/7018/000. AFb, AFd, AFe, AFh.

**Support Programme for governance of the Health sector in Haiti.** Est cost: € 2 m. T.A. including studies; supply of equipment/Inputs. Budgetary Aid, training. (to be defined after feasibility study). Project on appraisal. EDF 8. EDF HA/7019/000. - AGz, AAC.

## JAMAICA

**Northern coastal highway improvement project. Segment 3 (Ocho Rios - Port Antonio - Fair Prospect - 116 km).** Resp. Auth.: Government of Jamaica. Est. cost €80m. 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. Project in execution.

**Institutional strengthening and road rehabilitation.** Auth. Resp.: Ministry of Transport and Works. Cost €13.5m. Works, supervision and supply of vehicles and equipment. International tender no. 4279 already launched for supply, in ten lots, of various equipment.

**Public sector modernisation.** Est. cost €1.95m. Feasibility study, T.A. and training; institution building Project in execution. The feasibility study is currently being prepared. EDF 7 - AAb

**Savanna-La-Mar waste water project.** Est. cost €15m. Feasibility, works and supervision. Project on appraisal. Financing decision foreseen in 1999. EDF 8 EDF JM/7006/001 - AHb

**Rural water supply - Phase 2.** Est. cost €10m. Feasibility, works, supervision and T.A., incl. studies. Project on appraisal. Date foreseen for financing: 1st half of 1999. EDF 8. EDF JM/6003/001 - ABb

**Trade Development project.** Est. cost €6m. T.A., incl. studies; training. Project on appraisal. Date foreseen for financing: end of 1998. EDF 8. EDF JM/5021/001 - AEe

**Small and Micro Enterprise Credit Scheme, 2nd Programme.** Est. cost €5m; EDF part €4m. T.A., incl. studies; training. Project on appraisal. Date foreseen for financing: 2nd half of 1999. EDF 8. EDF JM/5020/001 - AAb.

**Poverty Reduction Programme (Social Investment Fund/Micro Projects Programme).** Est. cost €53.6m; EDF part 6m. Supplies of equipment/inputs; T.A., incl. studies; training. Project on appraisal. Date foreseen for financing: end of 1998. EDF 8. EDF JM/7001/001 - AHe.

**Eastern Jamaica Agricultural Support Project (EJASP).** Total est cost: €6 m. T.A. including studies; local staff; sub-projects. Date

financing: June 1999. EDF 8. EDF JM/7004/001. ACz, AAb, ABc.

## KENYA

**Farming in tsetse infested areas.** €14.6m. 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. cost 28.710m. Reproduction health status of Kenyans family planning services broadened. EDF €14.81m, ODA (UK) €13.9m. Project in execution. EDF 6 EDF/KE 7015 - AGb

**Technical Education.** €5m. 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 of private and public sector members and the European Commission.

€4m. Trade Promotion and Marketing Programme, Training, Equipment, T.A. and Monitoring and Evaluation. Project in execution. EDF 7. EDF KE/7008 - AEd

**Small scale and informal sector enterprises.** Est. cost €10m. Development of micro-enterprises and informal sector of the economy. Project in execution. EDF 6 & 7.

EDF KE/7009/000 - AEe,f

**Northern Corridor rehabilitation programme.** €79.5m. Rehabilitation of priority roads and establishment of a sustainable maintenance system plus T.A. Date financing: March 1999. EDF 7,8. EDF KE/7010/002 - ABd.

**Mai-Mahiu/Naivasha Road rehabilitation.** Est. cost €25m. Project on appraisal. EDF 7. EDF KE/7010/003 - ABd

**Community development.** Poverty alleviation. Est. cost €12.5m. 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. €1.993m. 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. €1.97m. Advice on and design of a financially self-sustainable Tourism Board. T.A., equipment, training. Project in execution. EDF 7. EDF KE/7014 - AEc

**Support Services Programme (SSP).** Resp. Auth.: NAO - Ministry of Finance. €1.795m. Ad hoc support and project preparation, monitoring and evaluation facility. Framework contract. Support to the Office of the NAO of EDF. Training and equipment. Framework contract by restr. tender after short-list. Project in execution. EDF 7.

EDF KE 7012.-AAc

**Agriculture/livestock research programme.** €8.3m. Works and supplies. Project in execution. EDF 6. EDF KE/6003/001 - ACa

**Diversification of tourism base.**

Total est cost: € 10 m. Construction/ Infrastructure; supplies of equipment; T.A. including studies; training.

Project on appraisal. EDF 8.

EDF KE/6024/001.-AEz, AEc.

**Community conservation Programme.** Est cost: €5 m. Improvement of biodiversity conservation. Construction/ infrastructure. Supplies of equipment; T.A. including studies; training. Project on appraisal. EDF 8. EDF KE/7021/000.-ACz, ADj.

## KIRIBATI

**South Tarawa Recycling Programme.** Adm. Resp.: Ministries of Environment and Natural Resources and of Works & Energy. Est. cost €0.495m. Setting up of a centre for the maintenance and refurbishment of abandoned machines and vehicles. Supplies. Project on appraisal - EDF 7. EDF KI/7008. -AHf.

**Solar Energy for Outer Islands.**

Est cost: €4 m. Supplies, works, T.A..

Project on appraisal. Date foreseen for financing: Sept 1999. EDF 8.

EDF KI/7009/000.- ABa, ABai.

## LESOTHO

**Urban Water Supply and Sanitation.** Resp. Auth.: Water and Sanitation Authority. Est. cost €4m. 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 in execution. EDF 7.

EDF LSO/7002 - ABb, AHa

**Road Transport Infrastructure Programme.** Total est cost: €37.7m. Development and maintenance of a road network. Construction/ Infrastructure; supplies of equipment/ Inputs; T.A. including studies, training. Date financing June 1999. EDF 8.

EDF LSO/6016/001 - ABc, ABd

**Transport infrastructure - axle load control.** Resp. Auth.: Ministry of Works. €0.85m. 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 €1.996m. Works, T.A. Project in execution.

EDF LSO/7002/000 - ABb

**Assistance for the 1998 General Election.** Resp. Auth.: Government of Lesotho; Independent Electoral Commission (IEC). Est. cost €0.5m. Supplies. Project in execution. EDF 7. EDF LSO/7009/000- AAC

**Assistance to the Bureau of Statistics.** Total estimated cost: €1.101m. Strengthening of the Lesotho's Bureau of Statistics (BoS); improvement of the use of statistical information throughout all levels of government. T.A.; training, equipment, evaluation. Project on appraisal. EDF 7. EDF LSO/6018/000 - AAC, AAa.

## LIBERIA

**Freeport of Monrovia emergency rehabilitation.** Resp. Auth.: Gov of Liberia. €1.95m. Supplies, engineering services and works. Project in execution. EDF 6. EDF LBR/5019/001 - ABd

**2nd Rehabilitation Programme for Liberia.** Resp. Auth.: European Commission on behalf of the Government of Liberia. €27m. Works, supplies, services. Resettlement and rehabilitation of refugees and rehabilitation of infrastructure. Project in execution. EDF 6.

EDF LBR/7001/002 - AAC.



## MADAGASCAR

**Road infrastructure rehabilitation.** Resp. Auth.: Ministère des Travaux Publics. €72.5m. Rehabilitation works, supervision. Project in exec. EDF 6 & 7. EDF MAG/7004 - ABd

**First decentralised cooperation programme.** Resp. Auth.: National Authorising officer and Head of EU Delegation and authorised NGOs. €1.9m. Works. Purchase of equipment. Project in execution EDF 7 EDF MAG/7022/000 - AGz, AHZ

**Support-training for rural development.** Resp. Auth.: Ministère du développement rural et de la réforme foncière. €1.2m. Developing the farmer's organisations role. Training, supplies and technical cooperation. Project in execution. EDF 7.

EDF MAG/7029/000 - ACb

**Decentralised training programme for regional private tourism operators.** Resp. Auth.: Ministère du Tourisme. €1.9m. T.A. training, evaluation. Project in execution. EDF 1, 2, 3 and 4. EDF MAG 6039 - AEC

**Professional organisation of rural sector and agricultural loans.** Resp. Auth.: Ministère de l'Agric et du Dév. Rural. €1.91m. 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. €0.9m. T.A., equipment. Project in execution. EDF 7. EDF MAG/7028 - AFd

**Support for the Structural Adjustment programme 1997-98.** €27m. General Import Programme. Project in execution. EDF 7

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 Développement Rural. Est. cost €0.613m. Increasing seaweed production. Recruitment, shipbuilding, T.A. equipment and training. Project in execution. EDF 6.

EDF MAG/7024/001 - ACd, AHd

**Priority Support for a National Health Policy.** Resp. Auth.: Ministère de la Santé. €1.95m. Works, equipment, T.A., training, feasibility study. Project in execution. EDF 6.

EDF MAG/6041/000 - AGe, AFbi

**Priority health project.** Support for a national health service to alleviate poverty. Resp. Auth.: Min of Health. Est. cost €15m. EDF 8. Project on appraisal. EDF MAG/6041/001 - AGe

**Rehabilitation of the customs system.** Resp. Auth.: Direction Générale des Régies Financières. Total cost €0.42m. T.A., supplies. Project in execution. EDF 7.

EDF MAG/7200/001 - AAC

**Support for Structural Adjustment Programme II.** Total est cost €50m. T.A. including studies, budgetary aid. Project on appraisal. Date foreseen for financing: July 1999. EDF 8. EDF MAG/7200/002 - AAb

**Pilot project to support rural development in the regions (PAIR).** €1.98m. Date financing: Nov 1998. EDF 8. EDF MAG/7029/001.

**Equal opportunities and development project.** €0.41m. Promotion of equal opportunities in social and economic development. Financial support, supplies, equipment; A.T. including studies. Date financing: November 1998.

EDF 8. EDF MAG/7049/000.

**Programme to rehabilitate the National Statistical System (NSS).** €1.825m. T.A., local appraisal, works and studies. Date financing: December 1998. EDF 6.

EDF MAG/7013/000.-Aab,AAe

**Hydroelectric micro-power station in Maroantsetra.** Est cost: €1.93m. Works, supplies; surveillance and control. Project on appraisal. Date financing Febr 1999. EDF 8. EDF MAG/5018/001.-Aba, ABai

**Project for the rehabilitation of social structures in the "Grand Sud" of the island.** Total estimated cost: €1.95m. Feeding of drinking water in rural areas; construction of social structures; rehabilitation of water walls. Construction/Infrastructures. Date financing June 1999. EDF 8.

EDF MAG/7003/003 - ABb, Ala, AHZ, AHg

## MALAWI

**Soil conservation and rural production.** Resp. Auth.: MOALD. €23m. EDF €15.5m, local €1.3m, counterpart funds 5.7m. Water supply, sanitation, supply of fertilizers, T.A. and training. Project in execution. EDF 7.

EDF MAI/5001/002 - ACE

**Support to the Forestry Department.** Resp. Auth.: Ministry of Natural Resources. €4.4m. T.A. and supply of equip. Project in execution. EDF 7 EDF MAI/5001/003 - ACE

**Health Programme. Strengthening Health Ministry capacities in the framework of planning, decentralisation and equipment maintenance.** Training, infrastructures, equipments and T.A. €18.7m. Project in execution. EDF 7. EDF MAI/6009/002 - AGE

**2nd Lomé IV Micro-project Programme.** €6m. Improvement of infrastructures in the farmer framework with the EC participation. Building, school's rehabilitation, health centres, water points. Project in execution. EDF 7.

EDF MAI/7012/038 - ABz, ABb, AGa

**Land Utilisation Study.** €1m. Studies. T.A. survey. Project in execution. EDF 7.

EDF MAI/6029 - AAg

**Rehabilitation of the Karonga-Chilumba-Chiweta Road.** Resp. Auth.: Ministry of Works and Supplies. €33.5m. Construction, supervision of works, training of technical staff. Financing date November 1998. EDF 8.

EDF MAI/6022 - ABd

**Physical assets management in the health sector.** Resp. Auth.: Ministry of Works and Supplies. €6.45m. Construction, supervision of works, training of technical staff. Project in execution. EDF 7.

EDF MAI/7018/000 - AGE

**Rehabilitation of Chipoka Port - Lake Malawi.** Est. cost €3m. Construction, supplies of equipment. Project on appraisal. EDF 8.

EDF 6022/001 - ABd

**Urgent maintenance to roads and bridges.** Resp. Auth.: Government of Malawi. €1,994m. 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.** €0.78m. T.A., equip, 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 €1,55m. Training, workshops, equipment, T.A. Project in execution. EDF 7.

EDF MAI/6009/003 - AGb, AGc

**Safe Motherhood and Child Welfare Initiative.** Resp. Auth.: Ministry of Health. €1.52m. Works, supervision of works, supplies of equipment. Financing decision taken in June 1998. Project in execution. EDF 7.

EDF MAI/6009/000 - AGz

**Feeder Roads Rehabilitation Programme.** Est. cost €30m. Construction/infrastructure, T.A., incl. studies, training. Project on appraisal. EDF 8. EDF MAI/6021/004 - ABd.

**Private Sector Development Programme.** Total cost: €1.92m. T.A. incl. studies, training, supplies. Date financing March 1999. EDF 7. EDF MAI/7024/000 - AAb.

**Asycuda - Phase II. Support for the customs reform programme.** Est. cost: €5.8m. Resp. Auth.: Ministry of Finance. Construction/development and modernisation as foreseen by Phase I plus T.A. Date financing November 1998. EDF 8. EDF MAI/7012/001 - AAb.

**3rd Microprojects Programme.** €15m. Improvement of infrastructures in rural environment with community participation. Buildings, school rehabilitation, health centres, water points. Environment protection activities. Evaluation and contingencies, T.A. Date financing: December 1998. EDF 8. EDF MAI/7102/039 - ABb, AGa, AHf.

**Support for Health Reform and Decentralisation.** €14m. Supplementary funding for Chiradzulu District Hospital. Project on appraisal. Date financing: Feb 1999. EDF 8. EDF MAI/6009/005 - AGa

**Assistance for civic and voter education for local and national elections.** €1.97m. Regional workshops, production of materials, logistics, monitoring. PMU administration and management. Date financing: December 1998. EDF 8. EDF MAI/7022/001.-AAe

**Structural Adjustment Support (SAF IV)**  
Total est cost: €52.09 m. Budgetary Aid (art. 247b Lomé IV). Project on appraisal. Date foreseen for financing: Sept 1999. EDF 8. EDF MAI/7200/003-AAC.

## MALI

**Geological and mining sector survey.** Adm. Resp: Ministère de l'Energie et des mines. €15m. Aerial geophysical prospecting, geological mapping, mining prospecting, sector-based survey. Project in execution. EDF 7. EDF MLI/9999 - ADa

**Support for the Planning and Statistics Unit of the Ministry of Rural Development and Environment.**

€0.8m. T.A. Financing decision taken in June 1998. Project in execution. EDF 7. EDF MLI/7024/000 - AAC.

**Support for the Transport Sector Programme.** €85m. Construction/ infrastructure, supplies, T.A. incl. studies, training. Date financing: Nov 1998. EDF 8. EDF MLI/7004/001 - ABd.

**Support for the Coordination of Development Activities in the Northern Regions.** €1.85m. Supplies, T.A. incl. studies, training. Financing decision taken in June 1998. Project in execution. EDF 8. EDF MLI/7025/000 - Alb.

**Support for the Structural Adjustment Programme V.** €29.4m. Financing July 1998. Project in execution. EDF 8. EDF MLI/7200/004 - AAC.

**Support to western African sub-regional integration.** Total estimated cost: €1.85m.



T.A. including studies; Programme's activities implementation. Date financing March 1999. EDF 8.

EDF MLI/6007/003 - Alb, AAc.

**Support for the use and analysis of the result of the third population and habitat census.** Total est cost: €0,555m. Human resources; equipment and supplies. Date financing: May 1999.

EDF 7. EDF MLI/7029/000.

AAe, AAF, AAH.

**Structural Adjustment Support Programme (SAP 1999/2000).**

Total est cost: €37 m. Programme of macroeconomic and structural measures. Project on appraisal. Date foreseen for financing: September 1999.

EDF 8. EDF MLI/7200/005. - AAb.

#### MAURITANIA

**Kaédi and Mederda water supply.** €2.6m. Improvement of the living conditions. Works and T.A. Rehabilitation, strengthening and improvement of water systems. Date financing: February 1999. EDF 7.

EDF MAU/7012/000 - ABb

**Support for the programme to strengthen institutional capacity (PRCI).** Resp. Auth. Ministry of Planning and Finance. €1.865m. T.A and supplies. Project in execution. EDF 7.

EDF MAU/7200/002 - AAc

**Rural development in rainy areas.** Est; cost €4.5m. Works, supplies, T.A. Date financing: October 1998. EDF 8.

EDF MAU/7014/001 - ACb, ACg

**Oasis rural development in the Atar region.** Est. cost €5m. Works, supplies, T.A. Project on appraisal. EDF 8.

EDF MAU/7025/000 - ACb, ACg

**Diversification of irrigated agriculture.** Est. cost €4m. Works, supplies, T.A. Proj. on appraisal. EDF 8.

EDF MAU/7015/001 - ACa

**Support for Structural Adjustment (Phase III).** Est. cost €11.2m. T.A., incl. studies; budgetary aid. Project on appraisal. EDF 8.

EDF MAU/7200/003 - AAb.

**Coordination Unit for Programmes financed by the EU.** €1.95m. T.A. incl. studies, supplies. Date financing: December 1998. EDF 8.

EDF MAU/6007/004 - AAc.

**Support for Population Censuses** €3m. Supplies, T.A. incl. studies, training. Date financing: October 1998. EDF 8.

EDF MAU/7200/004 - AAi.

**Gold Survey.** €2.75m. Construction/ infrastructure, T.A. incl. studies, supplies, budgetary support. Date financing: October 1998. EDF 8.

EDF MAU/7002/001 - ADa.

**Development of drinking water network in rural environment.** Est. cost: €4.7m. Resp. Auth.: Ministère de l'Hydraulique et de l'Energie. Works, supplies of equipment. Network equipment with photovoltaic solar pumps. T.A. plus management of drinking water service. Date financing: November 1998. EDF 8.

EDF MAU/7012/001 - ABb.

**Chinguetti community development project.** Total est cost: €2.7 m.

Improvement of the economic and social environment. Construction/ Infrastructure; supply of equipment/ Inputs. T.A. including studies, training;

budgetary aid. Project on appraisal.

EDF 8. EDF MAU/6007/005.

ABb, ABc, ABd, AEc, ACi.

#### MAURITIUS

**Irrigation of the Northern Plains.** Resp.

Auth.: Ministry of Agriculture. €9m. 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. €1.85m. To promote agricultural diversification, and also to upgrade the city centre. Works, supplies, TA. Financing date August 1998. EDF 7.

EDF MAS/7008 - ACe

**Phoenix-Nouvelle France road.** €4m. Upgrading the existing Phoenix-Nouvelle France road to a dual carriageway. Works, T.A. Financing decision taken in June 1998. Project in execution. EDF 7.

EDF MAS/7010/001 - ABd

**Upgrading of sewerage infrastructure of housing estates.** Resp. Auth.: Ministry of Works. Est. cost €7.4m. 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.** €0.43m. T.A. and training. Project in execution. 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. €16.7m. T.A., services. Date financing December 1998. EDF 8.

EDFD MAS/7005/000 - ABz

**Technology Development in Private Firms.** Resp. Auth.: Ministry of Industry and Commerce. €2.9m. T.A., monitoring and evaluation. Project in execution. EDF 7. EDF MAS/7013/000-AAb

**Anti-Erosion Programme in Rodrigues.** Est. cost €5.047m. EDF part €3.3m; Government of Mauritius €1.747m. Construction, T.A., supplies, training. . Financing date : November 1998. EDF 8.

EDF MAS/6003/002 - ACb.

**Support for Small and Medium-Sized Enterprises.** Est. cost €7m. Budgetary aid, T.A. incl. studies, training. Project on appraisal. EDF 8.

EDF MAS/7011/001 - AAb.

**Enhancing the competitiveness of Mauritius Freeport.** Total cost: €1.95m. Studies, T.A., equipment and evaluations. Date financing: October 1998. Project in execution. EDF 8.

EDF MAS/7015/000.-ABd

**Support for the Clothing Technology Centre.** Total cost: €1.365m. T.A., training; equipment, evaluation. Date financing: January 1999. Project in execution. EDF 8. EDF MAS/6002/001.-Adb,ADg

**Poverty alleviation; Micro-project Programme.** Total est cost: €2 m.

Construction/Infrastructure. T.A. including studies; supplies of equipment/Inputs. Training. Project on appraisal. EDF 8. EDF MAS/7016/000.-AAb.

**Rehabilitation of Sewerages in Housing Estates.** Total est cost: €4 m. Construction/ Infrastructure. T.A. including studies. Project on appraisal. EDF 8.

EDF MAS/7005/001.- AHc.

#### MOZAMBIQUE

**Socio-economic reintegration of young people.** Est. cost €1.95m. Supplies, T.A. and pilot actions. Project on appraisal. EDF 7.

EDF MOZ/7017 - AHb

**Rehabilitation of the rural health system.** €22m. 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.** €5.6m. 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. EDF MOZ/7255/06

Afz,Agz,AHz

**Support for the structural adjustment programme GIP II.** €15m. Project in execution. EDF 7

EDF MOZ 7200/001.-. AAc

**Support for the judicial system.** Est. cost €2m. 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. €1.995m. Supplies, T.A. Project in execution. EDF 6. EDF MOZ/7024 - AAz

**Private sector development.** Resp. Auth.: Mozambican Government, NAO. Est. cost €1.98m. Studies, training, TA. Project on appraisal. EDF 6,7,8.

EDF MOZ/7023/000 - AEe

**Support for municipal elections.** Resp. Auth.: National Electoral Commission. €9.5m. T.A., equipment and materials. Project in execution. EDF 7.

EDF MOZ/7027/001 - AAC

**GIP III - General Import Programme.** Resp. Auth.: Government of Mozambique. Est. cost €60.9m. Structural adjustment support. Project on appraisal. Date foreseen for financing: June 1998. EDF 8.

EDF MOZ/7200/002

**Nampula to Nacala road rehabilitation (Nampula Province).** Total est cost: €36.58 m Infrastructure/Construction. Works and supplies. Project on appraisal. Date foreseen for financing: September 1999. EDF 8.

EDF MOZ/7045/000.- ABd.

**EU-Mozambique Private Sector Development Programme.** Total

est cost: €4.8 m. Grant Fund; T.A..

Project on appraisal. Date foreseen for

financing: September 1999. EDF 8.

EDF MOZ/7044/000.-AAb, AAC, AAF.

#### NAMIBIA

**Namibia Integrated Health Programme.** Resp. Auth.: Ministry of Health and Social Services. €13.5m. 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. cost €5.7m. EDF €5m, local €0.7m. 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. €7.7m. 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. €1.88m. 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. €1.882m. 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., €3.75m. 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 in execution. 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, Protection of the East Caprivi and control of the Katima Mulilo Bovine Trypanosomiasis. Project in execution. EDF 7. EDF REG/5420/003- AGe

**Support for implementation of the Cross Border Initiative.** Resp. Auth.: Ministry of Trade and Industry. €5.37m. T.A., supplies and line of credit. Project in execution. Int. tender no. 4319 for supplies launched. Deadline for submission: 07.07.98. EDF 7.

EDF REG/70012/22 - AEd,e

**AIDS Programme.** Est. cost €1.5m. Reduction of sexual transmission of HIV/AIDS. Project on appraisal. EDF 8.

EDF NAM/(REG)/8000/003 - AGz

**Rural Development Phase II. Research Extension Management Programme.** Resp. Auth.: Ministry of Agriculture, Water & Rural Development. €7.45m. Support to the rural development programme. Infrastructures and equipment's supply. Management programme, T.A. Date financing: December 1998. EDF 8.

EDF NAM/7011/001 - ACa.

**Education programme.** Est. cost €12m. Construction, supplies, T.A., training. Project on appraisal. Financing decision foreseen in July 1998. EDF 8.

EDF NAM/7001/001 - AFa, AFb, AFd, AFI

**Seed production project.** To support the establishment of an efficient, sustainable staple crop seed production system. Est. cost €2m. Feasibility study to be carried out. Project on appraisal. EDF 8

EDF NAM/7011/002 - Aca

**Trade and Investment Development Programme (TIDP).** Total est cost : € 3.6 m. Reinforcement of the private and public sector capacities. Aid to SME. T.A. Date financing: June 1999.

EDF 8. EDF NAM/7024/000.-AAb, AAF.

**NIGER**

**Support for the Structural Adjustment Programme 1997-98.** €15.8m. Project in execution. EDF 7,8.

EDF NIR/7200/004 - AFe, AGE

**Institutional support for the NO.** Assistance to maximise the effectiveness of Community aid. Sectoral reforms and macro-economics. €1.3m. 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** €1.77m. Construction, training, equipment, T.A., evaluation. Project in execution. EDF 7.

EDF NIR/7011/000 - AFa

**Support to craftsman's trade - PROFORMAR II.** Resp. Auth. Ministère de l'Artisanat. €1.85m. T.A., supplies. Project in execution. EDF 7.

EDF NIR/7101/011-AFd

**Support for Structural Adjustment.** Est. cost €15.8m. Budgetary support, T.A. incl. studies. Project on appraisal. EDF 8. EDF NIR/7200/005.

AFz, AGz, AHz.

**Rehabilitation of the Niamey-Dosso road.** Total est cost: € 17.5 m. Trade improvement. Project on appraisal.

EDF 8. EDF NIR/7030/000.

AEe, ABc, ABd, Alb.

**NIGERIA**

**1998/99 Support for elections in Nigeria.** Total est. cost: €1.9m. Improvement of the capacities of INEC (Independent National Electoral Commission). T.A., organisation and financing of civic education, training and computer equipment. Date financing: December 1998. EDF 7.

EDF UNI/7019/000.-Aaz,AJz

**PAPUA NEW GUINEA**

**Human resources development programme, phase II (HRDP II).** €24m. Construction of and improvements to educational buildings. Scholarships, training and T.A. Project on appraisal. Date foreseen for financing: Dec 1998. EDF 8. EDF PNG/6008/002 - AFb

**Islands Region Environmental Programme.** €6m. Eco-forest environmental programme. Project on appraisal. EDF 8.

EDF PNG/7007/000-AHf.

**RWANDA**

**Return and social reintegration of students currently still in the central and east European states.** €0.996m. T.A. Project in execution. EDF 7

EDF RW/7012/002 - AAc

**The First Priority Programme for of Employment Creation (PPGE).** Est. cost 1.99m. Construction/ infrastructure, T.A. incl. studies, supplies. Financing date August 1998. EDF 7.

EDF RW/7012/003 - AHb

**Structural Adjustment Support Programme (SAF I).** Resp. Auth.: Government of Rwanda. Est. cost: €24.6m. Budgetary support. Project on appraisal. Date foreseen for financing: December 1998. EDF 6,8.

EDF RW/7200/000.-Aac,AAb

**SAINT KITTS AND**

**NEVIS**

**Modernisation des hôpitaux de Saint Kitts & Nevis:** offre de finances

supplémentaires. Coût total estimé: €3.116.672. Amélioration des soins médicaux. Construction/ Infrastructure; fourniture d'équipements/Inputs. A.T. y compris études. Projet à l'instruction. Date prévisible de présentation au financement: juillet 1999.

FED 6, 7, 8. FED SCN/7001/001.

AGz, AGa.

**SAO TOME AND PRINCIPE**

**Support for the Structural Adjustment Programme.** €0.9m. Project on appraisal. EDF 7.

EDF STP/7200/001 - Aac

**Modernisation of the Rio Contador Power Station (and access road).**

Total est cost: € m. Production and regular distribution of electricity.

Construction/Infrastructure; T.A. including studies. Project on appraisal.

EDF 7, 8. EDF STP/7002/000.

ABa, ABai.

**SENEGAL**

**St-Louis regional development programme.** €22.5m. Job creation, lines of credit, T.A. to the SME'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. cost €3m. T.A., works. Project on appraisal. Date foreseen for financing end of 1998. EDF 8.

EDF SE/7003/001 - AGz

**Direct Budgetary Support for Structural Adjustment.** Est. cost €27.9m. T.A., including studies, budgetary aid. Project on appraisal. Date foreseen for financing: June 1998. EDF 8.

EDF SE/7200/003 - AAb

**Rural Development in Podor. Transitory Phase 1998.** Est. cost €0.7m. Resp. Auth.: NAO. Formation, travaux, A.T. Project on appraisal. EDF 7.

EDF SE/6002/002 - ACa, Alb

**Support Programme to the Health sector.** Total estimated cost: €9m. Local authorities' support methodology implementation. Decentralization project. Infrastructures and equipment; working, training and studies. T.A. Date financing April 1999. EDF 8.

EDF SE/6002/003 - AGz, AGa, AGc, AHb, Age

**Project for the reinforcement of regional (CRFP) and departmental (CDFP) professional training centers.**

Total est cost: €1.5 m. Construction/ Infrastructure; training. T.A. including studies; supply of equipment/Inputs.

Date financing: June 1999. EDF 8.

EDF SE/5041/001.-AFd, AFz.



### Support project for the Sectoral Programme for Transport II.

Total est cost: €40 m. Investment project in the transport sector.

Budgetary aid. Construction/ Infrastructure; T.A. including studies.

Project on appraisal. Date foreseen for financing: July 1999. EDF 8.

EDF SE/5046/002.- ABc, ABd.

### Support Programme for Local Development Initiatives.

Total est cost: € 12 m.

Rural development Programme.

Operating lines; T.A. Project on appraisal. Date foreseen for financing: July 1999. EDF 8. EDF SE/7019/000.

ACa, AHb.

**Direct Budgetary Support for Structural Adjustment (PABDAS II - 1999/2000).** Total cost: €39.1 m.

T.A., including studies, budgetary aid.

Project on appraisal. Date foreseen for financing: September 1999. EDF 8.

EDF SE/7200/004.

### SEYCHELLES

**Victoria market rehabilitation.** Resp. Auth.: Ministry of Agriculture. Est. cost €1m. EDF €0.77m, local €0.23m. Works and improvements. Project in execution. EDF 7. EDF SEY/7011 - ACb

**Anse Royale landfill.** €2.85m. Construction of a fully-engineered landfill. Works, supplies, T.A. Project in execution. EDF 8.

EDF SEY6009/000 - AJz

**Niol water treatment plant extension.** €1.35m. Rehabilitation and extension of water treatment works. Works. T.A. Project in execution. EDF 8.

EDF SEY7012/000 - AFh

### SIERRA LEONE

**Improvement of Freetown - Conakry road link.** Est. cost €30m. Reconstruction of about 120 kms of road from Masiaka in Sierra Leone to Farnoreah in Guinea. Works and supervision. Project on appraisal. EDF 7. EDF SL/7004 - ABd

**Sierra Leone roads authority (SLRA) support programme.** Resp. Auth.: SLRA. €22.5m. 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 €1.98m. 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

**West North West Craftsman's Trade Fisheries and Community Development Phase II.** €1.98m. Technical cooperation in fisheries. T.A. and training. Financing date January 97. EDF 7. EDF SL/6004/001 - ACd.

**Urgency Procedure - 1998 Structural Adjustment Support Programme.** €8.5m.

Financial support plus T.A. Date financing: December 1998. EDF 8.-Aab,AAz  
EDF SL/7200/001.

### SOLOMON ISLANDS

**Guadalcanal road: Aola-Matau.** Resp. Auth. Ministry of Transport, Works and Utilities. Est. cost €6m. Works and supervision. Project on appraisal. Tender for a study expected to be issued in June 1998. EDF 7.

EDF SOL/7001 - ABd

**Population Census 1997.** Resp. Auth.: Ministry of Finance. €1.885m. T.A. and training. Project in execution. EDF 7. EDF SOL/6001/000 - AAi.

**Programme Management Unit.** Resp. Auth.: Ministry of Development Planning. Est. cost €1.2m. Institutional support. Supplies, works, services, T.A. Project on appraisal. EDF 7. EDF SOL/6022/000 - Aaz

**Structural adjustment Support Programme.** Total est cost: €3.7 m.

T.A. including studies. Budgetary aid.

Project on appraisal. Date foreseen for financing: July 1999. EDF 8.

EDF SOL/7200/000.- AAc.

**Rural training Centres - Phase II.**

Total est cost: €1.5 m.

Decrease migration by rural youth.

Construction/Infrastructure. Training. Supplies of equipment; T.A..

Project on appraisal. EDF 7.

EDF SOL/6003/002.

AHh, AFci, AHa, AHb.

**Rural Fisheries Enterprises - Phase III.**

Total est cost: €1.5 m.

Increase income in rural areas.

Supplies of equipment; T.A., training.

Project on appraisal. EDF 7.

EDF SOL/6010/002.- ACz, ADd.

**Reconstruction of Ministry of Finance Building.** Total est cost: €1 m.

Increase of economic growth.

Construction/Infrastructure. T.A..

Date financing: June 1999. EDF 7.

EDF SOL/7008/000.- AAa.

### SOMALIA

**2nd rehabilitation programme.** €47m. 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 reforestation activities. Est. cost €3.5m. 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. cost €8.4m. Construction of 29.5 km road. Project on appraisal. EDF 6. EDF SUR/5602/001 - ABd

**Sysmin programme to upgrade and expand the electricity and telecommunications sectors.** Est. cost €20.72m. Works, supplies, T.A. Project on appraisal. Financing decision foreseen in June 1998. EDF 7.

EDF SUR/9999/000 - Abai, ABc

**Rehabilitation and extension of the Port of Paramaribo, the 'Nieuwe Haven Terminal'.**

Est. cost €20.5m; EDF part €13.5m. Construction/infrastructure; supplies of equipment/inputs; T.A., incl. studies. Project on appraisal. Financing decision foreseen in January 1999. EDF 7, 8.

EDF SUR/7013/000 - ABd.

**Environmental Management Programme.** €0.59m. Date financing: September 1998. EDF 7.

EDF SUR/7012/000 - AHf.

**Support to the Road Authority.**

Total est cost: €1.847 m.

Improvement of the road network quality. T.A., provision of equipment and supplies. Project on appraisal. EDF 7.

EDF SUR/7001/003.-ABz, ABc, ABd.

### SWAZILAND

**Maize Marketing and Storage.** Resp. Auth.: Ministry of Agriculture and Cooperatives. €1.555m. Rehabilitation and expansion works by acc. tender. Project in execution. EDF 7. EDF SW/5005/02 - ACa.

**Support for implementation of the Cross Border Initiative.** Resp. Auth.: Ministry of Commerce and Industry. €1.5m. 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 €16m. Construction, supplies, studies, T.A. Project on appraisal. EDF 8.

EDF SW/7007/001 - ACA

**Strengthen Government Capacity in Trade Policy Analysis, External Trade Relations and Trade Promotion.** Total estimated cost: €1.2m. T.A., supplies; training, Consulting Inputs. Date financing March 1999. EDF 8. EDF SW/7005/000 - AEz, AEe, AAb, AAF, AEd, AFj

### TANZANIA

**Mwanza-Nyangugue Road and Mwanza urban roads rehabilitation, and Nyangugue-Musoma overlay.** Resp. Auth.: Ministry of Transport and Communications. Est. cost €55m. Rehabilitation of 67 km of trunk roads (Nyangugue-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 €21m. Works, pumping equipment, studies and supervision. Project on appraisal. EDF 7.

EDF TA/5005(7) - ABb

**Iringa Water Supply.** Resp. Auth.: Ministry of Water, Energy and Minerals. Est. cost €22m. Pumping, treatment, storage and distribution. Works, equipment, design and supervision. Project on appraisal. EDF 7.

EDF TA/7009 - ABz

**Mwanza/Shinyanga-Nzega road rehabilitation.** Resp. Auth. Ministry of Works. Est. cost €70m. Project on appraisal. EDF 6, 7 and 8.

EDF TA/7012 - ABd

**Institutional strengthening for the education sector development programme.** Resp. Auth.: Ministry of Education and Culture. €1.91m. T.A. (short term), training and equipment. Project in execution. EDF 7. EDF TA/7023/000 - AFd



**Special programme for refugee-affected areas.** Resp. Auth.: Prime Minister's office. €22m. Rehabilitation of the Mwanza Airport runway, contribution to the Kagera road maintenance programme, improvement of the Kigoma-Nyakanasi gravel road (335 km). Project in execution. EDF 7.

EDF TA - ABd

**Institutional strengthening for improved water supply and sewerage services in four towns.** €1.985m. T.A., training, works and supplies. Project in execution. EDF 7  
EDF TA/7014/000 - ABb

**Support for the introduction of Value Added Tax.** Resp. Auth.: Government of Tanzania. €1.945m. TA (restr. tender), training, taxpayer education, publicity, testing of procedures. Project in execution. EDF 7.

EDF TA/7200/003 - AAz, AAb

**Rehabilitation of the Mwanza Sewerage System.** Est. cost €2.5m, EDF part €2m. Construction/infrastructure; supply of equipment/inputs; T.A., incl. studies; training. Project on appraisal.

EDF 7.

EDF TA/7014/001 - ABb.

**Emergency (El Nino) Road Repairs.** €7.5m. Construction/ infrastructure, T.A. incl. studies. Financing decision taken in June 1998. Project in execution. EDF 7.

EDF TA/7027/000 - ABd.

**Structural Adjustment - SAF IV.** Est. cost €61.9m. Budgetary aid, T.A. incl. studies. Project on appraisal. EDF 8.

EDF TA/7200/004 - AAc.

**Institutional strengthening for the Tourism sector.** Total cost: €1.75 m. Tourism development.

Long term expert, short-term consultants, workshops, and promotional activities.

Date financing: March 1999. EDF 7.

EDF TA/7013/000.-AEc, AEz.

## TOGO

**Aid for the voluntary reintegration of refugees from Togo.** Resp. Auth.: Min. Du Plan. Est. cost €0.43m. Project under the direction of CARE Togo. Socio-economic contribution for the reintegration of 17,000 Togo refugees in their place of origin. Project in execution. EDF 7.

EDF TO/7006 - AHe

**Support for a group of producers in the Savanes region.** Est. cost €1.8m. Construction, supplies, T.A., training. Project in execution. EDF 7.

EDF TO/6003/001 - ACa

**Development of basic mining information.** €1.11m. Resp. Auth.: Ministère du Plan et de l'Aménagement du Territoire. Studies. Project in execution. EDF 7.

EDF SYSMIN/TO/9999 - ADa.

## TRINIDAD AND TOBAGO

**Training project for young farmers (AYTRAP).** Assistance for the young farmer to create rural enterprises. Est. cost €7.3m. EDF €5m. local €2.3m. Line of credit, T.A. and monitoring. Project in execution.

EDF TR/7002 - ACa

**Support for Caribbean Business Services Ltd. (CBSL).** Resp. Auth.: NAO. Est. cost €0.347m. 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 €3.5m. Construction, T.A., feasibility study. Project on appraisal. EDF 8.

EDF TR/5013/000 - ADc

## TUVALU

**Development Support Programme.** Total estimated cost: €1.9m. Contribution to human resource development and environmental protection. Construction/Infrastructure; supplies of equipment/Inputs; T.A. including studies. Project on appraisal. Date foreseen for financing April 1999 EDF 8.

EDF TV/7005/000 - AHZ, AFa, AFh, AHf

## UGANDA

**Water supply in Hoima, Masindi and Mubende.** Resp. Auth.: Ministry of Natural Resources. Est. cost €12m. 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. €51.06m. T.A. Project in execution. EDF 7,8.

EDF UG/7200/002-AAc

**Uganda Blood Transfusion Service. Phase 3.** Est. cost €2.5m. Supplies, T.A. incl. studies, training. Project on appraisal. Date foreseen for financing Sept 1999 EDF 8.

EDF UG/6012/004 - AGz.

**Human Resources for Health.** Est. cost €12m. Construction/infrastructure, T.A. incl. studies, supplies, training. Project on appraisal. EDF 8.

EDF UG/6012/002 - AGz.

**Improving sexual and reproductive health.** €8m. Grants to NGOs and costs of Project Implementation Unit. Date financing: December 1998. EDF 8.

EDF UG/6012/003 - AGz.

**Northern Corridor Road Project (Kampala-Katuna section).** Total estimated cost: €54m. Sustainable improvement in transport services. Construction/ infrastructure; T.A. including studies. Project on appraisal. EDF 7, 8.

EDF UG/7004/001 - ABc, ABd, AlB

## VANUATU

**Education development programme.** Est. cost €7.5m. 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.

**Rural Tourism Development Programme.** Total cost: €0.75m. Education/training sessions in tourism management; T.A., establishment of a website. Date financing: November 1998. EDF 8.

EDF VA/6012/000.AEc,AEz

## WESTERN SAMOA

**Rural water supply programme.**

Resp. Auth.: Ministry of Finance.

Est cost: €16.7 m .

Preparatory study, works, supplies, project management. Project on appraisal.

EDF 7, 8. EDF 7002/000 -ABb.

## ZAMBIA

**Forestry Support Programme.** Resp. Auth.: Ministry of Environment. Est. cost €1.6m. Training supply of equipment, studies and T.A. Project on appraisal. EDF 8.

EDF ZA/7009 - ACc

**Rehabilitation of the Kabwe-Kapiri Mposhi and Chisamba Road.** Resp. Auth.: Ministry of Works and Supply. Est. cost €26m. Works and supervision. Date financing June 1999. EDF 8.

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. €1.15m. T.A., supplies and training. Project in execution. EDF 6.

EDF ZA/7020/000 - AEh

**Technical assistance to the Roads Department.** Resp. Auth.: Dept. of Roads. €1.9m. 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 in execution. EDF 8.

EDF ZA/7022/000 - ABd

**Educational capacity-building programme.** To plan and deliver effective and relevant education and training. €10m. Feasibility study, T.A., construction, budgetary aid and training. Project in execution. EDF 8.

EDF ZA/7003/003 - AFz, AFh, AFi

**Urban Market Development.** €1.95m. Construction, T.A. including studies. Project in execution. EDF 8.

EDF ZA/7011/000 - ACf

**Private sector development programme.** Trade and enterprise support facility/micro-credit project. €8m. Project in execution. 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 €6m. 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 €10m. Feasibility study. Project on appraisal. EDF 8.

EDF ZA/7002/001 - AEc

**Agricultural sector support.** Est. cost €0.5m. 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 €4m. 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 €37.5m. Construction, T.A. Date financing: December 1998. EDF 8.

EDF REG/7323/001 - ABd

**Strengthening of the Zambian Safe Blood Transfusion Programme.** Resp. Auth.: Ministry of Health. Est. cost €3.735m. T.A., equipment, training. Project in execution. EDF 8.

EDF ZA/7003/002 - AGd

**Drugs Master Plan Implementation.** Est. cost €1.1m. Supplies of equipment, T.A., miscellaneous. Financing decision taken in June 1998. Project in execution. EDF 8.

EDF ZA/7019/000 - AGz



**Structural Adjustment Facility (SAF IV).** €53.69m. Financing decision taken in July 1998. EDF 8.

EDF ZA/7200/005 - AAc.

**Health sector support Programme.** Est. cost: €4m. Resp. Auth.: Central Sanitary Council of the Ministry of Health. Reinforcement of districts and communities for the management of health services plus T.A. and training on communication strategies. Date financing: December 1998. EDF 8.

EDF ZA/7024/000 - AGe.

**Public Welfare Assistance Scheme.**

Total cost: €1.16 m. Providing useful assistance to the most needy.

T.A. and training including workshops; equipment. Date financing: April 1999.

EDF 8. EDF ZA/7026/000.- AHZ, AGZ.

## ZIMBABWE

**Minefield clearance in N.E. Zimbabwe.**

€10m. Rural development, clearance of landmines. Minefields survey. Works, supervision. Project in execution. EDF 7.

EDF ZIM/7004 - ACa

**Trade development programme - import/export.** Est. cost €9m. Project on appraisal. EDF 8.

EDF ZIM/6001/002 - AEd, AEe

**Health Sector Support Programme.** Total cost: €24.5m. Project on appraisal. Date foreseen for financing April 1999. EDF 8.

EDF ZIM/7002/000 - AGe.

**Education sector support programme.** Improvement of education system. Est. cost €14m. Project on appraisal. EDF 8.

EDF ZIM/7009/000 - AFa, AFe

**Agricultural services and management project (ASMP).** €12.7m. Works, supplies, T.A. Financing date October 1998. EDF 8.

EDF ZIM/7011/000

**Decentralised cooperation programme.** Est. cost €6m. Project on appraisal. Date foreseen for financing: April 1999. EDF 8.

EDF ZIM/7013/000

**Support Services Framework Contract.** Est. cost €1.2m. T.A., incl. studies. Improved effectiveness of NAO's office. Financing decision taken in June 1998. Project in execution. EDF 8.

EDF ZIM/7016/000 - Aac

## SOUTH AFRICA

**Community Projects Fund (CPF).**

**Support Programme in the Free State.**

Resp. Auth.: Dept. of Agriculture of the Free State Province. € 17 m.

Support for productive investments in small-scale farming as well as small-scale and micro-enterprises.

T.A., studies, training, evaluation.

Project in execution. B7-3200.

SA/7001/000. - ACa, ADe.

**Human Resources Development**

**Programme.** Resp. Auth.: Ministry of Labour. € 44.7 m. Supplies, T.A., training. Project in execution.

B7-3200. SA/7002/000. - AHd.

**Integrated Community Sports Programme to Strengthen the**

**Development of Disadvantaged Communities' Social Activities.**

€7.4 m. Construction, supplies of equipment, T.A., training. Project in execution. B7-3200. SA/7003/000.

AHe.

**Basic Primary Health Care Programme in the Western Cape.**

€8 m. Project in execution.

B7-3200. SA/7005/000. - AGe.

**Support for the Fight Against Corruption.**

To raise awareness and promote ways and means to fight corruption in national and international business transaction in South Africa,

through the setting up of a specialized NGO (Transparency Intl.). €0.3 m.

Supplies of equipment. Project in execution. B7-3200. SA/7006/000.

AAc.

**Soul City II and III.**

To improve health and living conditions in South Africa and other Sub-Saharan African countries. € 3 m. T.A.

Project in execution. B7-3200.

SA/7007/000. AGe, AHe.

**Strengthening Local Governments in Mpumalanga and Northern Province.** € 17.9 m.

Construction, supplies, T.A., training. Project in execution. B7-3200. SA/7008/000.

AAc, AHZ.

**Conference, Workshop and Cultural Initiatives (CWCI) Fund.** Resp. Auth.: Dept. of Finance, EC Delegation.

€ 1.9 m. T.A., supplies. Project in execution.

EDF 7.

EDF SA/7012/000.-AFZ, AFJ.

**Technology Support for SMMEs.**

Total est cost: 5.4 m. Supplies, T.A. incl. studies, training. Project on appraisal. B7-3200.-AAb.

**Support to the Community-Based Public Works Programme.**

Total est cost: €4.9 m. T.A. incl. studies, training. Project on appraisal.

B7-3200.SA/8011/000.- AAc.

**Support for the SADC Finance and Investment Protocol.** Resp. Auth.: Finance and Investment Sector Coordinating Unit (FISCU).

Total est cost: € 1.93 m. Capacity building activities, T.A., training.

Project on appraisal. B7-3200.

SA/8009/000.-AAb.

**Closing the Gap Between Policy-Making and Implementation.**

Resp. Auth.: Centre for Policy Studies (CPS). €1.6 m. T.A., supplies.

Project in execution. B7-3200.

SA/8005/000.-AAc.

**Support to the Institute for Security Studies (ISS) in Security Policy-Advising.** Resp. Auth.: Institute for Security Studies (ISS). Total est cost: €1.95 m. T.A., services, equipment.

Project on appraisal. B7-3200.

SA/8006/000.- AAc.

**Reinforcing the Participation of South Africa in Maize and**

**Wheat Improvement Research Network (MWIRNET).**

Resp. Auth.: International Maize and Wheat Improvement Centre (CIMMYT).

Total cost: €0.55 m. Works, supplies, T.A. Project in execution. B7-3200.

SA/8008/000.- ACa.

**SADC Regional Monitoring, Control and Surveillance (MSC) of Fishing Activities Programme.** Resp. Auth.: Department of Finance.

Total est. cost: €1.21 m. Charters, travel, operations; T.A..

Date financing: June 1999. B7-3200.

SA/8018/000.- AAC.

**Contribution to growth and employment in the Wild Coast.**

Total est cost: € 12.7 m. Dynamisation of local tourism; Construction/ Infrastructure, supplies of equipment/Inputs, T.A. including studies, training. Project on appraisal.

EDF 8. EDF SA/9019/000.-AEZ.

# OVERSEAS COUNTRIES AND TERRITORIES

## BRITISH VIRGIN ISLANDS

**Beef Island airport terminal.** Est. cost €16.84m. 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. EDF 7.

7 OCT VII/005/6 - Afb

## FRENCH POLYNESIA

**Management of land and hydraulics to install young farmers.** €1.234m. Study. Project in execution. EDF 6.

EDF POF/6010/000 - Acg

**Preservation of environment in the Punaauia community (Outumaoro region).** Total est cost: € 9.3 m.

Preservation of environment.

Construction/Infrastructure; T.A. including studies. Works by acc. Procedure. Project on appraisal. Date foreseen for financing: September 1999.

EDF 6, 7. EDF POF/7001/000.-AHc.

## NETHERLANDS ANTILLES - ARUBA

**Tourism development programme.**

€5m. 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. €1.3m. T.A. supplies. Project in execution. EDF 7.

EDF NEA/7012/000

**Netherlands Antilles social action**

**programme.** Est. cost €13.2m. Project on appraisal. EDF 7,8

EDF NEA/7011/000

**Small Enterprises Stimulation Programme in the Netherlands Antilles (SESNA).**

€7.488m. Financing decision taken in July 1998. Project in execution. EDF 7.

EDF NEA/7009/000 - AAb.



## NEW CALEDONIA

**New aquarium.** To increase the capacity and improve the infrastructure of the aquarium. Est. cost €4m. 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. cost €1.743m. To increase the safety and efficiency of Jamestown Port by upgrading wharf facilities for passenger and cargo handling. Works, supplies. Project on appraisal. Financing decision foreseen at the end of 1998. EDF 7.  
EDF SH/7001 - ABd

## TURKS AND CAICOS ISLANDS

**Water and sewerage in Providenciales.** Resp. Auth.: Ministry of Works, €3.7m. 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. cost. €0.11m. 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).** €0.9m. 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 €12m. 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). €5m. 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 €1.86m. Training, T.A. Project on appraisal. EDF 7.  
EDF REG/6900/002 - AEe

**Business Assistance Scheme for Exports (BASE)** Est. cost €30m. 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.** €20m. T.A., studies, supplies, equipment, training. Date financing: October 1998. EDF 8.

EDF REG/8000/004 - AGz, AGc, AGE  
**Interuniversity support programme - Level 3 - in French-speaking sub-Saharan countries.** Est. cost €1.976m. Training, equipment and educational material. Project in execution. EDF 7.

EDF REG/7004/014 - AFb

**Support for Regional Economic Integration.** Est. cost €1.75m. T.A. incl studies, training. Project on appraisal. EDF 7.  
EDF REG/6929/003 - Alb.

**Installation of the African Virtual University (AVU).** Est. cost €1.1m. Institutional capacity building, training. Project on appraisal. EDF 8.  
EDF REG/70012/35 - AFb.

**Surveillance on HIV/AIDS in developing countries.** €2,994,942. Perform an in-depth assessment of the current situation about HIV/AIDS/STD and RISK data. Studies on public health surveillance. T.A., financial support. Project on appraisal. Date foreseen for financing: December 1998.  
B7.6211 - SURV 98/1.

**ACP - countries; financing for the visit of the ACP sec. in Geneva.** €1.1m. Supplies of equipment, T.A. including studies. Project on appraisal. EDF 7.  
EDF REG/7007/002.

**IMF/EU Seminar Programme for Macroeconomic Management.** €1.9m. Training seminars. T.A. including studies. Date financing: December 1998. EDF 7, 8.  
EDF REG/7004/015.

**Analysis and Information System for Fisheries (AISF).** €3m. Project on appraisal. Date financing: February 1999. EDF 7.  
EDF/REG/7104/000.

**Pan-African Rinderpest Campaign (PARC).** Total estimated cost: €72m. Improvement of animal productivity in order to struggle against poverty in cattle rearing sector. Date financing May 1999 EDF 7, 8.  
EDF REG/5007/005 - ACz, ACa, ACb, AEa, AHf.

**Organisation of ACP's regional seminars about the World Trade Organisation.** Total cost: €1.69m. Preparation of ACP States for the new multilateral trade negotiations; distribution to ACP States of a better information about the WTO. T.A. including studies; supplies of equipment/inputs. Date financing May 1999. EDF 7.

EDF REG/7004/016 - AAe, AFj, AEe

**Support to the Collaborative Masters Programme in Economics for Anglophone Africa (AERC) - Phase II.** Total estimated cost: €17.655m. EDF part: €5.725m; others (ACBF, The Netherlands, Norway, SIDA/SAREC, USAID, Mac Arthur Foundation): €11.93m. Increase of the number of qualified economists in Sub-Saharan Africa; improvement of the capacities of departments of economics in local public universities. Training; T.A. including studies; supplies of equipment/inputs. Project on appraisal. EDF 7, 8.

EDF REG/7004/011 - AFe, AFb, AFd, AFh.

**Support to ACP's cultural events in the Member States of the European Union.**

Total estimated cost: €3m. Improvement of diffusion of products in the sectors of Edition, Discs, Video, Movies. Date finan. April 1999. EDF 8.

EDF REG/7005/043 - AFj, AEc, ADd, AEg, AEi, Aib

**Participation of ACP's states to meetings organized by the Paritary Assembly or by the ACP-EU Council of Ministers.**

Total est cost: € 3.6 m.T.A..

Date financing: April 1999.  
EDF 8. EDF REG/6005/003.  
AFj, Ajz.

**Support to the integration of the ACP countries in the world commercial system.** Total est cost:

€10 m. Better knowledge of the WTO rules. T.A. including studies; training. Supply of equipment/Inputs. Project on appraisal. Date foreseen for financing: July 1999. EDF 7. EDF REG/7004/017. See also REG/7004/016.- AJz.

## CARIBBEAN REGION

### Caribbean Postal Union.

Resp. Auth.: S.G. Cariforum. €0.5m. T.A. and other action necessary for the creation of the Caribbean Postal Union. Project in execution. EDF 7.  
EDF REG/7605 - ABc

### Caribbean Telecommunications Union.

Resp. Auth.: S.G. Cariforum. €0.5m. T.A. for the accomplishment of the C.T.U. and the harmonisation of legislation on telecommunications within the Cariforum member states. Project in execution. EDF 7.  
EDF REG/7605/001 - ABc

**Education policy and dialogue.** Resp. Auth.: Cariforum S.G. €0.45m. 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

**Cultural Centres.** Resp. Auth.: S.G. Cariforum. Est. cost €1.965m. Promote cultural identity and foster mutual knowledge of the rich cultural panorama. Restoration of buildings, supply of equipment, T.A. in artistic fields and management. Project in execution. EDF 7.  
EDF REG 7610 - AHi.

**Tertiary level programme.** Est. cost €5.946m. 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. Total. cost €9.14m. 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

### Programming Unit Cariforum Secretariat.

€0.725m. Equipment, office supplies, T.A. Project in execution. EDF 7.

EDF REG 7615 - AAc.

EDF REG/7615/001 - AAb

### Caribbean News Agency Development Programme.

Resp. Auth.: Regional Authorising Officer. €4.179m. 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 in execution. EDF 7.

EDF REG/7605/003 - Abc

#### CARIFORUM STATES

Caribbean Regional Trade Development Programme (CRTDP).

Resp. Auth.: CARIFORUM.

Total est cost: €11.2 m.

T.A., information services.

Date financing: June 1999.

EDF 8. EDF REG/7601/004.

AJz, AEz.

#### CARIFORUM STATES

**Strategic Planning in Public Services.**

Total cost: €1.3 m. Institutional support.

Training. Management and co-ordination.

T.A.; equipment and communications. Date

financing: June 1999. FED 8.

FED REG/70012/036.-AAc.

#### COUNTRIES PARTICIPATING IN THE CBI

**Standardisation and quality assurance.**

Resp. Auth.: COMESA (Common Market for

Eastern and Southern Africa. Est. cost

€2.543m. TA and training. Project on

appraisal. EDF 7.

EDF REG/7321 - AEe

**Regional Integration in Eastern and Southern Africa.** Assistance to COMESA

Secretariat. €1.95m. Training, supply of

equipment, evaluation and services. T.A.

short-term. Project on appraisal. EDF 7.

EDF REG/7316 - AAC

**Regional Telematics Network Services**

(RTNS). Trade development. Est. cost

€1.93m. T.A. short-term by restr. tender.

Publicity for the project, network

implementation, maintenance and evaluation.

Project in execution. EDF 7.

EDF REG/RPR 517 - AAC.

**Regional Integration Programme. Phase II.**

Total est cost: €5 m. T.A., supplies.

Project on appraisal. Date foreseen for

financing: September 1999. EDF 8.

EDF REG/7316/001.-Alb.

#### CENTRAL AFRICA

**CIESPAC, Public Health Education Centre**

**in Central Africa.** €1.98m. Student

accommodation, equipment, scholarships.

T.A. Project on appraisal. EDF 7.

EDF REG/7205 - AFb

**ECOFAC II, Forest ecosystems.** Resp.

Auth.: Ministère du Plan. Rep. of Congo. Est.

cost €16m. 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

**PROCULTURE - Central Africa regional**

**cultural Programme.**

Total est cost: €1.98 m.

Cultural policy implementation support.

T.A. including studies; supply of

equipment/Inputs. Project on appraisal. Date

foreseen for financing: end April 1999. EDF 8.

EDF REG/6079/002.-Alb, AHl.

#### 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 m. Project on appraisal.

EDF 6. EDF REG/CM-CA/7002/001.

ABd.

#### CHAD-CAMEROON-CENTRAL AFRICAN REPUBLIC

**Ngaoundéré-Toubo-ro-Moundou Road .**

€102m. Construction. T.A. Financing date

October 1998. EDF 8.

EDF REG/7203/001 - ABd.

#### CAMEROON-GABON-EQUATORIAL GUINEA

**Project 3F - Fitting out of the three borders region.** Est cost: €13 m.

Regional economic integration. T.A. including studies; construction/infrastructure.

Project on appraisal. Date foreseen for

financing: end April 1999. EDF 8.

EDF REG/7210/000.-Alb, ABd.

#### EAST AFRICAN COUNTRIES

**Statistical training centre for Eastern Africa**

**in Tanzania.** Resp. Auth.: Secretariat of the

centre. €5m. Widening of capacity.

Construction of class-rooms, offices and

housing. Project in execution. EDF 5.

EDF REG/5311(7) - AFb

**Combating the tse tse fly in East Africa**

**(Ethiopia, Kenya, Uganda).** €20m.

Evaluation, training and research. T.A.,

equipment. Project in execution. EDF 7.

EDF REG/736 -ACa, ACe

**Lake Victoria Fisheries Research Project**

**(Phase II).** Project headquarters in Jinja,

Uganda at FIRI-Fisheries Research Institute.

EDF part €8.4m. 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.** €20m. 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

€35m. T.A. works. Project on appraisal. EDF

7.8.

EDF REG/6304/001 - ABd

**Support for economic integration .** €2m.

T.A., incl. studies; training. Financing date

August 1998. EDF 7.

EDF REG/7162/000 - AAb.

#### COMESA

**Regional Harmonisation of Customs and**

**Trade Statistics Systems.** Est cost: €12.6 m.

T.A.; long/short term experts. Date financing:

June 1999. EDF 8. EDF REG/7332/000.- AEz,

AJz.

#### 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. cost €22.5m. EDF €3.8m. 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.

cost €5.1m. Elaboration of training

programmes and national plans. Date

foreseen for financing Dec.1996. EDF 7.

EDF REG/7135 - AGz

**Second ECOWAS Commercial Fair.** Total

estimated cost: €0.95m. Support for

ECOWAS Member State participation (16

States). Advertising, promotion. T.A. Project

on appraisal. Date financing: February 1999.

EDF 8.

EDF REG/7121/001.

**ECOWAS's mechanism for conflict prevention, conflict solving; peace keeping and maintenance of security.**

Total cost: €1.99 m. Implementation of 4

observer units and a regional juridical

instrument. Implementation of a

regional instant alert observatory.

T.A. including studies; seminars.

Date financing: June 1999.

EDF 8. EDF/REG/7166/000.

Alb, AHe, AJz.

**EU-Western Africa agro-industrial Forum (AGRO-IND '2000).**

Total est cost: €1.95 m.

Improvement for joint-venture development.

T.A. including studies; training. Supply of

equipment/Inputs. Project on appraisal.

EDF 8. EDF REG/7129/001.-ACz, ADz.

#### MEMBER COUNTRIES OF IGAD

**IGAD Household Energy Programme.**

Resp. Auth.: IGAD Executive Secretary. Est.

cost €1.9m. 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 on appraisal. 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. cost €7.8m. Project on appraisal. EDF 7.

EDF REG/7314/000 - ACd, AFd

**Grain marketing training programme.**

Resp. Auth. IGADD Executive Secretary.

€1.99m. 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

**Integrated Regional Programme for Trade**

**Development (PRIDE).** Resp. Auth.: I.O.C.

Secretariat. EDF €9.3m. T.A. training,

management. Project in execution. EDF 7.

EDF REG 7503 - AEz.

**Indian Ocean University.** Resp. Auth.: IOC.

Est. cost €1.925m. Training. Project on

appraisal. EDF 7.

EDF REG/7506/000 - AFd



**Technical Unit for the Management and Coordination of Community Aid in the Indian Ocean Region.** €1.3m. Financing decision taken in June 1998. Project in execution. EDF 8.

EDF REG/7509/000 - AAz.

**Technical co-operation framework Programme.** Est cost:€ 1.95 m.

Improvement of the IOC capacities in planning and managing economic, social and cultural regional activities. T.A. Project on appraisal. EDF 8. EDF REG/7501/001.- Alb.

#### PACIFIC ACP STATES

**Pacific regional agricultural programme.**

**Phase II.** Resp. Auth.: Forum Secretariat - Fiji. €9.265m. Improvement and dissemination of selected crops, agricultural information and techniques to farmers. T.A. and supply of equipment. Project on appraisal. EDF 7.

EDF REG 6704/001 - ACa

**Pacific regional civil aviation. Phase II.**

Resp. Auth.: Forum Secretariat. Fiji. €4.9m. Supply of security, air traffic control, navigation and meteorology, and training equipment. T.A. Date foreseen for financing May 96. EDF 6 and 7. EDF REG/7704 - ABc,d

**Pacific Regional Waste Awareness and Education Programme.** Resp. Auth.: Forum Secretariat. €0.6m. T.A. EDF 7.

EDF REG/7714 - AHf

**Air communications - upgrading of Fua'amotu Airport in Tonga.** Resp Auth.: Ministry of Works. Est. cost €0.34m.

Construction, supplies of equipment. Project in execution. EDF 7.

EDF REG/7704/001 - Abc

#### Pitcairn Islands

**Road Rehabilitation Project.**

Est cost: €0.8 m. Construction/Infrastructure.

Project on appraisal. EDF 8.

EDF TIP/7869/000.-ABc, ABd.

#### MEMBER COUNTRIES OF PTA

**Regional integration in East and Southern Africa.** Assistance to PTA Secretariat. (Preferential Trade Area). Short and long-term. T.A., studies, training. Est. cost €1.5m. Project on appraisal. EDF 7.

EDF REG/7316 - AAAb.

#### SADC

**SADC Intra-regional Skills Development Programme.** Est. cost €12.5m. Training. Skills development through specialised courses. Project on appraisal. Financing decision foreseen in May 1999. EDF 8.

EDF REG/7435/000 - AFb, AFd.

**SADC Water and Land Management.** Est. cost €4m. Training, T.A. Project on appraisal. Financing decision foreseen early 1999. EDF 8. EDF REG/6415/001 - AFci.

**SADC Regional Vegetation Project.** Est. cost €1.8m. T.A., supplies, training. Project on appraisal. EDF 8. EDF REG/7410/000 - ACb.

**SADC - ANGOLA, MOZAMBIQUE, NAMIBIA, SOUTH AFRICA AND TANZANIA SADC Regional MCS of Fishing Activities.** Resp. Auth.: SADC - Sector Coordinator for Marine Fisheries. €13.34m. To improve national and regional management capacity of

marine fishery resources. Feasibility study, T.A., supplies. Date financing: Nov 1998.

EDF 8. EDF REG/6406/000 - ACd.

#### SADC - ECOWAS - ECOCAS

**Pilot project for sectoral industrial Forums:**

EU - SADC. Mining Forum - MAT-CONSTRUCT-AGRO-IND. Admin. Resp.: CDI, Brussels. Monitoring and follow-up. €0.5m. EDF 7.

EDF REG/7428 - ADb.

**Regional Programme for Livestock Disease Control in the SADC Region.**

Regional Tsetse and Trypanosomiasis Programme/SADC Animal Disease Control Programme. €10m. Project on appraisal. EDF 8. EDF REG/5406/003.

**SADC Regional Food Security Training Programme -** Total est cost €4.15 Training; T.A. including studies. Project on appraisal. EDF 8. EDF REG/6420/001.

**Statistical Training in the SADC Region.**

€5m. Training; T.A. including studies. Project on appraisal. Date foreseen for financing June 1999. EDF 8. EDF REG/6446/000.

**SADC Regional Drug Control Programme (SRDCP).** €3m. Training; T.A. including studies. Project on appraisal. EDF 8.

EDF REG/7423/001.

**EU-SADC Investment Promotion**

**Programme.** €15m. Training; T.A. including studies. Project on appraisal. EDF 8.

EDF REG/7426/000.

**Implementation of SADC Plan of Action**

**for HIV/AIDS.** €3m. Project on appraisal. EDF 8. EDF REG/7432/001.

**SADC-EU Mining Investment Forum**

**(MINES '99).** Total estimated cost: €1.9m. Launch of partnership with foreign investors. T.A. including studies; training. Supplies of equipment/Inputs. June 1999. EDF 7.

EDF REG/9999/000 - AAAb, AAf, ABa, ADA

#### SAHEL COUNTRIES

**Support to strengthen vaccine independence in Sahel Africa.** €9.5m.

Project on appraisal. EDF 7.

EDF REG/7012 - ACa

#### 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. cost €50m. Prequalification for services. Project on appraisal. EDF 6.

EDF REG/CM/CA/7002/001 - ABd

##### MALI-GUINEA

**Flood forecast and control, hydrological simulation for the Niger upper basin.** Est. cost €6m. EDF €5.175m. France (foreseen) €0.375m. Denmark (foreseen) €0.15m. Mali-Guinea (foreseen) €0.3m. Flood forecast system, hydrological model of local simulation with parametric regionalisation. arming system via telecommunication and satellite teletransmission. Statistical studies. Project on appraisal. EDF 7.

EDF REG. 6181 - AHf, AHg.

##### BURKINA FASO, CAPE VERDE, GAMBIA, MALI, MAURITANIA, NIGER, SENEGAL, CHAD

**Regional environmental training and information programme.** Resp. Auth.: Institut de Sahel in Bamako. €16m. 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. €12m. Project in execution. EDF 7.

EDF REG/7106/02 - AAf

**Support for the ENAREF.** €0.9m. T.A., training, equipment. Project in execution. EDF 7. EDF REG/7106/003 - AAa, 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. €1.995m. T.A. studies, evaluation. Project on appraisal. EDF 7.

EDF REG/7138 - ACa

##### GUINEA, GUINEA BISSAU, SENEGAL, MALI

Support for the Rational Management of the Natural Resources of the Niger and Gambia Basins. Est. cost €23m. T.A. incl. studies, construction/ infrastructure, supplies, training. Project on appraisal. EDF 8.

EDF REG/6137/001 - AHf.

##### ETHIOPIA, KENYA, TANZANIA, UGANDA, BURKINA FASO, CENTRAL AFRICAN REPUBLIC, CHAD, DEMOCRATIC REPUBLIC OF CONGO

**African Wildlife Veterinary Project.** Resp. Auth.: OAU - Inter-African Bureau of Animal Resources. €1.6m. T.A., training, evaluation, contingencies. Financing decision taken in June 1998. Project in execution. EDF 7.

EDF REG/5007/004 - AHf.

##### WESTERN AND CENTRAL AFRICAN COUNTRIES

**ASECNA's Regional Training Programme.** Total estimated cost: €14.2m. Improvement of the know-how of the flight control authorities of the ASECNA's member countries. Construction/Infrastructures; supplies of equipment/Inputs; training. Project on appraisal. EDF 8.

EDF REG/5004/001 - ABd, AAa.





Thomas Sappe

A Himba boy born after independence, deep in Kaokoland. The Himba are a semi-nomadic people, and his parents are shepherds who live between the desert and the Skeleton Coast, moving from one camp to another, seeking pasture and water for their animals. The Himbas of Namibia have always been admired for their independence and self-sufficiency, but they are nevertheless losing little by little their ancient way of life. War and the droughts of the 1980s have decimated their herds of cattle, which will never be as they were. The difficult conditions have forced many Himba to set up shanty towns around Opuwo, the administrative centre of Kaokoland.

But hope remains for the tribe, who are also called The Ochre People because of the mixture of ochre powder, aromatic herbs and animal fat with which they anoint their bodies. They have adapted to modern life without losing contact with their roots.



