

**ACP-EC CONVENTION OF LOMÉ**

**ANNUAL REPORT  
OF THE  
ACP-EC COUNCIL OF MINISTERS  
(1996)**

CONVENTION ACP-CE DE LOME

LE CONSEIL

LES SECRETAIRES

ACP-EC CONVENTION OF LOMÉ

THE COUNCIL

THE SECRETARIES

Brussels, 25 JUL. 1997

Lord Henry PLUMB  
H.E. Sir John KAPUTIN

Co-Chairmen of the ACP-EC  
Joint Assembly,

European Parliament,  
LUXEMBOURG

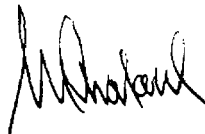
Sirs,

At its meetings in Luxembourg on 24 April 1997, the ACP-EC Council of Ministers examined the Annual Report which it has to publish pursuant to Article 342 paragraph 4 of the Fourth ACP-EC Convention and instructed the Committee of Ambassadors, in conjunction with the Secretaries of the Council of Ministers, to finalize this report and to forward it to the Joint Assembly.

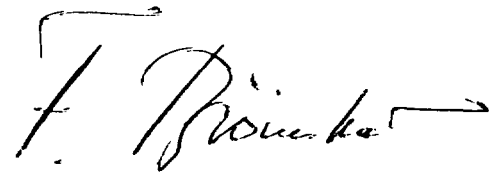
As this report has now been finally approved, we are pleased to communicate the text thereof to the Joint Assembly in order that it may be examined by that body in accordance with Article 350 of the Fourth ACP-EC Convention.

The necessary copies of this text will be made available to your services as soon as possible.

Yours sincerely,



Ng'andu Peter MAGANDE



Flemming BJØRNEKÆR

Enc: 1

A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>)

Cataloguing data can be found at the end of this publication

Luxembourg: Office for Official Publications of the European Communities, 1997

ISBN 92-824-1473-6

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## I. INTRODUCTION

Following the mid-term review of the Lomé Convention and the Mauritius Agreement amending the Convention signed on 4 November 1995, a number of provisions of the revised Convention entered into force on 1st January 1996, together with the Protocol of Accession of Austria, Finland and Sweden to the Convention. The revised Convention and the above mentioned Protocol will enter into force as soon as the process of ratification by all Member States of the Union and by a sufficient number of ACP States is completed.

The joint bodies of the Convention, in particular the ACP-EU Council of Ministers and the ACP-EU Joint Assembly, met to review the latest developments affecting ACP-EU relations, to discuss the situation in a number of ACP States and to take stock of the negotiations between the EU and the Republic of South Africa on a bilateral agreement and on the Protocol of Accession of South Africa to the Convention.

On the basis of a Green Paper presented by the Commission in November, the EU Council and the ACP Group engaged in a general reflection of the future relations of the Community with the ACP countries at the expiry of the present Convention in February 2000.

## II. OVERVIEW OF THE WORK OF THE ACP-EC INSTITUTIONS

### 1. COUNCIL OF MINISTERS

a) The ACP-EC Council of Ministers held its 21st ordinary meeting on 27 and 28 June in Apia, Western Samoa, under the chairmanship of Mr SYAMUJAYE, Minister for Trade of Zambia, replacing Mr DIABRE (Burkina Faso), President-in-Office of the ACP Council. The Community spokesman was Ms TOIA, State Secretary for Foreign Affairs of the Italian Republic and President-in-Office of the Council of the European Union. The Commission was represented by Steffen SMIDT, Director-General, and Philippe SOUBESTRE, Deputy Director-General.

(i) Under the "A" items the Council:

- instructed the ACP-EC Committee of Ambassadors to finalize the Decision of the ACP-EC Council of Ministers amending Protocol No 1 to the Fourth ACP-EC Convention to take account of changes to the Harmonized Commodity Description and Coding System and the adoption of rules of origin for petroleum products (ACP-CE 2121/96).
- adopted the Decision concerning the financing of STABEX transfers for the 1995 year of application (ACP-CE 2137/96). This Decision enables STABEX transfers to the ACP States to be made under the 1995 year of application in the form of advances from the 8th EDF which will not be available until the Mauritius Agreement amending the Fourth Lomé Convention, and hence the Second Financial Protocol to the Convention, has been ratified;

- instructed experts of the two Parties to adapt the Decision of the ACP-EC Council of Ministers on the amendment of the Rules of Procedure of the ACP-EC Committee of Ambassadors and of the ACP-EC Council of Ministers further to the amendments made to Lomé Conventions III and IV, and called upon the ACP-EC Committee of Ambassadors to submit to it the revised text of the Rules of Procedure;
  - delegated powers to the ACP-EC Committee of Ambassadors to approve the 1995 annual report, using the written procedure if necessary.
- (ii) During a discussion on the various aspects of ACP-EC cooperation, the Council addressed the following questions in particular:
- **Bananas:** in response to the ACP States' concern at the challenge within the WTO to the common organization of the market in bananas and certain Commission proposals for amending Council Regulation No 404/93, the Community reaffirmed that it would take into account the undertakings it gave in Protocol No 5 to the Convention with regard to any changes it might be necessary to make to the current provisions of the common organization of the banana market.

- **Chocolate:** the ACP side repeated its requests concerning the possible amendment of the current rules on the use by certain Member States of vegetable fats other than cocoa butter in the manufacture of chocolate. The Community pointed out that the Council had not yet begun examining the Commission's proposal for a Directive on the subject and said it would not ignore its obligations under the 1993 International Cocoa Agreement, in particular the provisions of Articles 32 and 33 concerning cocoa consumption and cocoa substitutes.
- **Somalia:** the Council adopted conclusions confirming Somalia's political adherence to the Convention even though the country had been unable to ratify the Fourth ACP-EC Convention or sign the Mauritius Agreement amending that Convention. The ACP-EC Committee of Ambassadors was instructed to adopt the necessary decisions to enable Somalia to benefit from the Convention's provisions through its mechanisms, including those concerning regional programmes.
- **South Africa:** the Council reviewed the progress of the negotiations for a trade and cooperation agreement between the Union and South Africa and a Protocol on the accession of South Africa to the Convention. It noted the ACP States' concern over the concept of ad hoc cumulation and the implication for South Africa's ACP neighbours of the agreement that was being negotiated. The ACP States made an urgent request to be regularly informed and consulted on the progress of the negotiations.
- **ACP-EU Joint Assembly:** the Council noted the resolutions adopted by the Joint Assembly at its meeting in Windhoek (Namibia) and emphasized the important role played by the Joint Assembly in discussions on the future of ACP-EU relations.



- **Ratification of the Mauritius Agreement** amending the Fourth Convention and of the Protocol of accession by Austria, Finland and Sweden to the Convention. The Council took note of the progress of the ratification procedures and appealed to all States signatory to the Convention to make the necessary arrangements to speed up the procedures and the deposit of their instruments of ratification so that the revised Convention could come into force as soon as possible <sup>(1)</sup>.
- (iii) Lastly, the Council held a brief general discussion on the subject of **ACP-EU relations beyond the year 2000**. It agreed to intensify its discussions on the basis of, among other things, the Commission's Green Paper <sup>(2)</sup>.

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<sup>(1)</sup> Without waiting for the revised Convention to be ratified, the ACP-EC Council of Ministers adopted:

- on 3 November 1995 a Decision on transitional measures to be applied from 1 March 1995 following the expiry of the financial protocol to the Seventh EDF (Decision No 3/95; see OJ No L 317, 30.12.1995);
- on 3 November 1995 a Decision concerning the provisional application of the Protocol to the Fourth ACP-EC Convention of Lomé consequent on the accession of the Republic of Austria, the Republic of Finland and the Kingdom of Sweden to the European Union (Decision No 4/95; see OJ No L 317, 30.12.1995);
- on 20 December 1995 a Decision on the transitional measures to be applied from 1 January 1996 (Decision No 6/95, see OJ No L 327, 30.12.1995).

<sup>(2)</sup> Green Paper on relations between the European Union and the ACP countries on the eve of the 21st century: Challenges and options for a new partnership (see ACP-CE 2183/96). This was submitted to the ACP Ambassadors on 21 November 1996 and the Union's Development Council on 22 November 1996.

## **2. ACP-EC COMMITTEE OF AMBASSADORS**

The Committee of Ambassadors held its 43rd meeting on 31 May 1996 in Brussels to prepare for the proceedings of the above mentioned meeting of the Council of Ministers.

## **3. ACP-EU JOINT ASSEMBLY**

The ACP-EU Joint Assembly held its 22nd and 23rd sessions in, respectively, Windhoek, Namibia, (18 to 22 March 1996) and Luxembourg (23 to 26 September 1996). The Assembly's proceedings focused on the following topics in particular: the situation in certain ACP States (including Niger, Nigeria, Sudan, Somalia and the countries of the Great Lakes region); the progress of negotiations for a bilateral agreement with South Africa and a Protocol on that country's accession to the Convention; the cocoa content of chocolate following the submission by the Commission of a draft Directive seeking to amend the current rules; matters relating to the common organization of the market in bananas; the future of relations between the ACP States and the European Union when the current Convention expired.

The resolutions adopted by the Joint Assembly at these two sessions were sent to the Council of Ministers <sup>(3)</sup>.

## **4. CONSULTATION OF ECONOMIC AND SOCIAL INTEREST GROUPS**

The 20th meeting of representatives of ACP-EU Economic and Social Interest Groups, under the aegis of the Joint Assembly, was held in Brussels on 4, 5 and 6 November 1996 and discussed the "The future of ACP/EU relations and the position of the economic and social interest groups".

A joint declaration was adopted after these discussions. <sup>(4)</sup>

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<sup>(3)</sup> OJ No C 254, 2.9.1996, and OJ No C 62, 27.2.1997.

<sup>(4)</sup> See Annex I to this report.

### III. ACTIVITIES OF THE ACP-EC COUNCIL OF MINISTERS IN THE VARIOUS AREAS OF COOPERATION

#### 1. TRADE AND CUSTOMS COOPERATION

##### Bananas

In order to help traditional ACP banana suppliers maintain their position on the Community market, an EC Regulation introduced a special assistance system to accommodate changes arising from the new common organization of the banana market established in July 1993 <sup>(5)</sup> <sup>(6)</sup>. The Regulation made provision for two types of assistance: earnings support to supplement Stabex payments (calculated retrospectively), and technical and financial assistance for projects to improve quality and competitiveness.

On 28 November 1996 the EU Council adopted a Regulation amending the above mentioned Council Regulation <sup>(7)</sup>. The new Regulation extends the expiry date of the original Regulation from 28 February 1996 to 31 December 1996. The extension was necessary because the Regulation requires that income support be calculated using statistics which are only available in the second quarter of the year and to allow a reasonable length of time for projects submitted to be prepared and considered for approval by the EU Commission.

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<sup>(5)</sup> Council Regulation No 404/93 (see OJ No L 47, 13.2.1993).

<sup>(6)</sup> Council Regulation No 2686/94 (see OJ No L 286, 5.11.1994).

<sup>(7)</sup> Council Regulation No 2320/96 of 28 November 1996 (see OJ No L 316, 5.12.1996).

## 2. STABILIZATION OF EXPORT EARNINGS

The Commission's report to the ACP-EC Committee of Ambassadors on the 1995 application year <sup>(8)</sup> shows that the total amount of transfers decided by the Commission for the 1995 application years came to 76 MECU. The 1995 report goes on to indicate that 21 transfers were granted to 19 ACP States on the basis of this decision, with the largest going to Caribbean countries to offset loss or earnings on banana exports. It is recalled that the annual tranche for 1995, under Article 191 of the revised Lomé Convention and its second Financial Protocol, is 360 MECU, but it will not become available until the revised Convention comes into force and the Protocol in question has been ratified.

To ensure that transfer for the year 1995 can be paid and thus prevent a hiatus in the operation of Stabex, the ACP-EC Council of Ministers adopted the following decision:

- Decision No 2/96 of 28 June 1996 concerning STABEX transfers in 1995.

This decision enables the Commission to deduct temporarily funds unused under the First Financial Protocol to the Fourth Lomé Convention. It adds the accumulated interest on the Stabex account opened pursuant to Article 192 of the Convention, to pay in full or to a large extent for transfers to the ACP States for the 1995 implementing year. Should the second Financial Protocol not be ratified, the Community will guarantee the availability of the resources so deducted, by recourse to unallocated appropriations. Upon ratification of the second Financial Protocol, transfers thus deducted will be again made available to the ACP States by payment to the Stabex account referred to in Article 192 of the Lomé Convention.

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<sup>(8)</sup> ACP-CE 2108/97.

### 3. SUGAR

- (a) On 8 March 1996 the Commission adopted a proposal for a regulation to open import quotas in respect of special preferential raw cane sugar from the ACP States and India for supply to refineries in the period 1 July 1995 to 30 June 1996 (Regulation No 427/96/EC).
- (b) On 16 April 1996 the Commission adopted a regulation amending Regulation No 427/96/EC opening import quotas in respect of special preferential raw cane sugar from the ACP States and India for supply to refineries in the period 1 July 1995 to 30 June 1996 (Regulation No 681/96/EC).
- (c) On the 26th February 1996, the EU Council adopted a decision on the conclusion of agreements in the form of an exchange of letters between the European Union and, on the one hand, the ACP sugar suppliers and, on the other hand, India on the guaranteed prices for cane sugar for the 1995/96 delivery period (Decision 96/470/EC).
- (d) On 5 July 1996 the Commission adopted a regulation opening import quotas in respect of special preferential raw cane sugar from the ACP States and India for supply to refineries in the period 1 July 1996 to 28 February 1997 (Regulation No 1305/96/ EC).
- (e) Guaranteed prices were fixed until 30 June 1996 covering the 1995/1996 delivery period.

With a view to the establishment of future prices for sugar in a basically depressed market the ACP Secretariat, on behalf of the ACP States signatory to the Sugar Protocol, submitted a memorandum to the Commission outlining the economic factors within the ACP States which it proposed should be taken into account by the EC when setting the range within which ACP guaranteed prices for the 1996/1997 delivery period are to be negotiated.

- (f) The intervention prices for sugar for the 1996/1997 marketing year to which the guaranteed prices must be bound, have been adopted by the EU Council on 29 June 1996.

The guaranteed prices for the 1996/1997 delivery period were negotiated in such a way that, with effect from 1 July 1996, the ACP States and India receive prices for their deliveries to the Community of white or raw cane sugar which are comparable with the prices guaranteed to Community producers of sugar.

These negotiations on the guaranteed price for the 1996/1997 delivery period were concluded in October 1996.

#### **4. COOPERATION ON COMMODITIES**

The Committee on Commodities held its fifth meeting at ministerial level on the occasion of the 21st ACP-EC Council meeting on 27 June 1996 in Western Samoa to address the following items:

##### **(a) Use of vegetable fats other than cocoa butter in the manufacture of chocolate**

The Commission stated that the relevant reflection under way within the Commission led to the adoption, on 17 April 1996, of a proposal enabling the Member States of the European Union to use vegetable fats other than cocoa butter in the manufacture of chocolate up to a maximum of 5% of the total weight of the finished product, if they so desire. The regime proposed aims at harmonizing the principle of subsidiarity with the free movement of goods. The Commission further pointed out that the introduction of a clear and transparent regulation on labelling falls in line with the Conclusions of the ACP-EC Council meeting held in Mauritius in November 1995.

In considering the draft proposal which had not yet been communicated formally to the EU Council, the ACP Group stated that it had carefully examined it and that it deemed it necessary to reiterate its position inter alia:

- that the draft Directive should be adopted only after an internationally-recognized technical method of detection and quantification has been established;
- that if, exceptionally, the said method is found, a differentiation should be made between the designations "pure chocolate" and "chocolate with CBE";
- that the labelling system which is not satisfactory at the moment should be made more legible to enable the consumer to know the composition of all ingredients including vegetable fats other than cocoa butter in the finished product.

The EU indicated that in examining the proposal it would bear in mind contractual obligations under the 1993 International Cocoa Agreement, in particular the provisions of Articles 32 and 33 concerning cocoa consumption and cocoa substitutes.

(b) Follow up to UNCTAD IX

The ACP Group requested that measures recommended in the area of commodities during the 9th session of UNCTAD, which was held from 27 April to 11 May 1996 in Midrand, South Africa, should be implemented as a matter of urgency, in particular,

- that the States participating in the African Development Bank should be called upon to contemplate paying a substantial contribution towards the 7th replenishment of the African Development Fund in order to support the efforts of diversification of the commodities sector of the African countries;
- that the Members of the Common Fund should consider paying the contributions to the Fund's account as soon as possible, and
- that the Common Fund should be encouraged to examine the effective means of using the resources of the first account for purposes of diversification.

The EU took note of this intervention and gave a brief outline of the work lying ahead for the Trade Development Board after the institutional reform of the UNCTAD.

Concerning the Common Fund for Commodities, the European Commission explained the latest developments in finding possible ways of using resources of the first account.

The two parties agreed:

- that all ways and means should be examined to utilize the resources of the said account as soon as possible, and
- to put emphasis on the work of UNCTAD in areas of particular interest to the least developed countries and to the ACP countries.

(c) **Recent developments concerning international commodity agreements**

The Committee took note of a brief presentation given by the Community on the following three agreements:

- The International Agreement on Cocoa of 1993 had now entered into full application and the producers and consumers had begun the realisation of its overall objective of creating a certain equilibrium between supply and demand in the long term.
- At the moment the International Coffee Agreement is only of an administrative nature. Even though a economic agreement would probably have been more useful, it was still hoped that a better cooperation between partners could develop.
- The International Tropical Timber Council Organisation at its present session in Manila discuss an agreement between producer and consumers countries concerning the mid-term review of the "Horizon 2000" which would hopefully create a solution for sustainable management of tropical forests.



## 5. DEVELOPMENT FINANCE COOPERATION

### (a) Implementation in 1996

1996 was comparable with 1995 in terms of both quantity and quality.

The financial results indicate a slowdown as regards decisions (ECU 948 million as against ECU 1 495 million in 1995), contracts (ECU 1 355 million as against ECU 1 583 million in 1995) and payments (ECU 1 295 million as against ECU 1 538 million in 1995).

This was a "predicted" slowdown, given that the 8th EDF had not yet come into force and the 7th EDF was the only one in operation.

Any assessment therefore requires some careful distinctions to be made. It is also necessary to take account of external factors such as the suspension of aid, the using up of the funds of the rapid-disbursement instruments, etc. and internal factors such as the absorptive capacity of ACP administrations and of the Commission itself, i.e. the factors that are always involved in the implementation of technical and financial cooperation.

The conditions and the timescale in which the programming process took place were satisfactory. For most of the ACP States the national indicative programmes have already been signed, but their implementation cannot start before completion of the ratification process for the Agreement amending the Fourth Lomé Convention which was signed in Mauritius on 4 November 1995.

### (b) ACP-EC Development Finance Committee

The Committee, established under the terms of Article 325 of the Convention, held its fifth meeting at ministerial level on 27 June 1996 in Apia (Western Samoa) in the margins of the ACP-EC Council of Ministers.

The Committee:

- (i) took note of the following points contained in the reports submitted:
- The performance of the Third and Fourth Convention in the various sectors of financial and technical cooperation.  
  
The 6th EDF had used 95% of its initial appropriations and the 7th EDF is on the downward phase of its life cycle, while awaiting the entry into force of the 8th EDF after the ratification of the revised Lomé IV Convention.
  - The progress of joint evaluations in the areas of urban development, mining sector and CTA operations and regional programmes as well as a work programme for 1996.
  - Information on least developed, landlocked and island ACP States following the joint declaration made on the occasion of the adoption of the decision updating the list of least developed ACP States in Article 330(1) of the Convention by the ACP-EC Council of Ministers in Reduit (Mauritius) in November 1995.
- (ii) adopted the reports submitted by the Committee on 1995 implementation of financial and technical cooperation, joint evaluation, least developed, landlocked and island ACP States together with the accompanying resolution (cf. doc. ACP-CE 2140/1/96 REV 1 COR 1, ACP/81/028/96 REV 1 COR 1;
- (iii) recommended that the ACP-EC Committee of Ambassadors be mandated by the Council to adopt the draft decision on the rules of procedure and on the membership of the Development Finance Cooperation Committee at the appropriate moment by written procedure.

(c) EIB activities in the ACP States

By the end of 1996 the Bank had completed its lending programme under the first protocol of Lomé IV, allocating virtually all of the funds available. Thus EIB operations under the protocol, including finance contracts signed and operations approved by the Bank's Board of Directors, total almost ECU 1,9 billion. Of this amount, almost ECU 1,2 billion represents loans from the Bank's own resources. In contrast to the previous two Conventions, the Bank has been able to use almost the entire envelope for lending from its own resources.

In addition, almost ECU 770 million has been lent in the form of risk capital, representing about 93% of the overall amount provided for under the protocol (825 million ecus). The 7% (55 million ecus) unallocated is largely explained by the guaranteed minimum amounts reserved for the least developed ACPs under Article 330.

In sectoral terms, nearly half of the Bank's financing has been in support of basic economic revenue generating infrastructure. Within this amount water treatment projects with their important health and environmental benefits account for some 10%.

The other half of the Bank's financing was allocated to the productive sector in support of mining, agro-industry and chemicals, as well as small and medium scale enterprises (SMEs). In this latter context the Bank, through its relations with an ever widening range of financial intermediaries in the ACP States, has lent almost ECU 460 million in support of SMEs. In doing so it has also helped to develop the financial sector which is essential for encouraging the growth of local private enterprise.

The Bank has already begun to finance investments in South Africa in the context of the Union's Co-operation Agreement. These activities together with the ACPs', in particular regional projects supported by the Bank in relation to transport, energy and telecommunications, can only benefit from South Africa's membership of the ACP group.

The Bank has been actively involved in preparing and appraising projects to be financed under the second financial protocol to Lomé IV, which will be implemented when the revised Convention enters into force.

## 6. INDUSTRIAL COOPERATION <sup>(9)</sup>

The ACP-EC Council of Ministers adopted the following Decisions in 1996:

- Decision No 1/96 of 28 June 1996 adopting special financial arrangements to ensure the continued operation of the CDI in 1996
- Decision No 3/96 of 20 December 1996 adopting special financial arrangements to ensure the continued operation of the CDI in 1997

The ACP-EC Committee on Industrial Cooperation adopted the following Decisions in 1996:

- Decision No 1/96 of 30 May 1996 concerning amendments to Internal Regulation No S21/S22/L.IV/93 applicable to staff of the Centre for the Development of Industry
- Decision No 2/96 of 30 May 1996 concerning amendments to Internal Regulation No S3/L.IV/93 applicable to staff of the Centre for the Development of Industry
- Decision No 3/96 of 26 July 1996 on the appointment of a member of the Executive Board of the Centre for the Development of Industry
- Decision No 4/96 of 18 December 1996 on the adjustment of the remuneration and the tax brackets laid down in the conditions of employment of the staff of the Centre for the Development of Industry
- Decision No 5/96 of 18 December 1996 approving the budget of the Centre for the Development of Industry (1997)

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<sup>(9)</sup> A review of the CDI's activities in 1996 will be found in Annex II to this report.

## 7. AGRICULTURAL AND RURAL COOPERATION <sup>(10)</sup>

The ACP-EC Committee of Ambassadors adopted the following Decisions in 1996:

- Decision No 1/96 of 17 October 1996 on the appointment of a member of the Advisory Committee of the Technical Centre for Agricultural and Rural Cooperation
- Decision No 2/96 of 19 December 1996 adopting the budget of the Technical Centre for Agricultural and Rural Cooperation (1997)

The ACP-EC Subcommittee for Cooperation on Agricultural and Rural Development adopted the following Decisions in 1996:

- Decision No 1/96 of 19 December 1996 concerning the adjustment of the remuneration and tax brackets laid down in the conditions of employment of the staff of the Technical Centre for Agricultural and Rural Cooperation
- Decision No 2/96 of 19 December 1996 giving a discharge to the Director of the Technical Centre for Agricultural and Rural Cooperation in respect of the implementation of the Centre's budget for the financial year 1994

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<sup>(10)</sup> A review of the TCA's activities in 1996 will be found in Annex III to this report.

#### IV. RELATIONS WITH THE COUNTRIES OF SOUTHERN AFRICA

##### 1. SOUTH AFRICA

- (a) The EU Council decided in June 1995 to follow a two-track approach in negotiation with South Africa involving parallel discussions on qualified accession to the Lomé Convention and a bilateral agreement on trade and cooperation.

The EU Council agreed a mandate in March 1996 to begin negotiations on the trade aspects of the bilateral agreement which includes:

- The European Union and the Republic of South Africa agree to establish a free trade area over a transitional period lasting, in principle, a maximum of ten years starting from the entry into force of the Agreement, in accordance with the WHO rules and the provisions of the Agreement. Exceptionally, for specific products, the length of the transitional period may be extended to a period not exceeding twelve years.
- The free trade area covers the free movement of goods in all sectors, the liberalization of trade in services and the free movement of capital.
- At the end of the transitional period the free trade area will cover the bulk of trade between the parties, with a possible element of differentiation between them.

Technical discussions took place in June 1996 between experts of both sides. Limited progress was made on the Lomé track. Hardly any move was recorded on trade, because South Africa had not established its negotiating position yet.

At the September meeting of the ACP-EU Joint Assembly, the representative of South Africa stressed the importance its Government attaches to the impact of the negotiations on South Africa's neighbouring States and on the States linked to South Africa in the broader SADC and Subcontinental Regional Community. No indication was given concerning the date of the completion of this process and of the drawing up of the negotiating mandate by the South African Government.

(b) At its meeting on 22 November 1996, the EU Development Council adopted the regulation on development cooperation with South Africa. The regulation gives a legal base to the European Programme for Reconstruction and Development in South Africa.

## 2. EU/SADC

As a follow up to the Berlin Conference held in September 1994 it had been decided to create a Joint Committee of Senior Officials from the EU and SADC (JSCO) and a Joint Steering Committee (JSC) to implement the dialogue between the two regions. In 1996 the JSCO met in Brussels (July) and Windhoek (October), while the JSC met in Windhoek (April), Brussels (July), Pretoria (September) and Windhoek (October).

The second SADC/EU Ministerial Conference took place in Windhoek, Namibia on 14-15 October 1996, as proposed by the High Level Working Group held in Madrid on 18 – 19 December 1995.

The Conference endorsed the proposals adopted by the meeting of the High Level Group held in Madrid on 18 – 19 December 1995 in regard to a joint institutional framework to follow up the implementation of the Berlin Declaration, comprising:

- a Ministerial Conference, to be held when necessary to realise the objectives of the Berlin Declaration;
- an annual meeting of the Committee of Senior Officials; and
- a Joint Steering Committee, to be held at least once a year.

## V. FUTURE RELATIONS BETWEEN THE EU AND THE ACP COUNTRIES

The Green Paper was approved by the Commission on 20 November 1996. It was presented by Prof. PINHEIRO to the ACP Ambassadors on 21 November and to the EU Development Council on 22 November.

The Green Paper intends to open a wide-ranging public debate on the future of the EU relations with 70 African, Caribbean and Pacific developing countries. In presenting its Green Paper, the Commission intends to launch and stimulate a broad debate involving the national authorities, business and academic circles, NGOs and the public at large on the changes to be made to ACP-EU relations in the run-up to the 21st century drawing lessons from the past experience of ACP-EU cooperation and taking into account the changes which have been taking place in the international scene, in the ACP States and in the EU since the Lomé IV Convention was negotiated.

The Green Paper is divided into two parts:

- The first is an assessment of what has been achieved and of the major political, economic and social trends,
- the second outlining ideas and options for breathing fresh life into the ACP-EU partnership. The Commission particularly addresses the following:
  - geographical scope of the partnership;
  - trade arrangements to be offered to the ACP countries,
  - measures needed to develop the private sector,
  - increase competitiveness and strengthen the rule of law.

The Green Paper is not a communication of the Commission to the EU Council. It does not frame any formal proposals and the list of options put forward in no way predetermines the proposals that the Commission will table in Autumn 1997 for the negotiations of future arrangements with the ACP, scheduled to start in September 1998, at the expiry of the present Convention (February 2000).

The Green Paper will be discussed in a number of various fora throughout 1997.

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**20<sup>th</sup> ANNUAL MEETING OF THE REPRESENTATIVES OF  
ACP-EU ECONOMIC AND SOCIAL INTEREST GROUPS**

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**The future of ACP-EU relations and the position of the economic and social interest groups**

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**The representatives of the economic and social interest groups  
of the ACP States and of the European Union,  
meeting at the Economic and Social Committee, Brussels,  
on 5 and 6 November 1996,  
under the auspices of the ACP-EU Joint Assembly,  
adopted the following**

**FINAL DECLARATION**

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**ECONOMIC AND SOCIAL COMMITTEE OF THE EUROPEAN COMMUNITIES**

**Brussels, 6 November 1996**

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1. The representatives of ACP-EU economic and social interest groups, at their 20<sup>th</sup> annual meeting held on 5 and 6 November 1996 in Brussels, welcome the two introductory papers on the future of ACP-EU relations and the position of the economic and social interest groups (CES 913/96 fin and DI 61/96 fin).
2. The participants agree that development cooperation between EU and ACP countries must be adapted to meet the changes in the economic situation, and especially **globalisation**. The basis for this development cooperation should also be analysed in order to evaluate the reasons for differences in levels of development. This assessment and the future of ACP-EU relations should be the subject of wide-ranging, decentralised and tripartite consultations in 1997.
3. The participants therefore stress the importance of sketching out the basis and conditions of a **new, sustainable convention** based on the principles of equality, cooperation and partnership. A possible basis for such a convention could be a common interest in ensuring the general welfare of the population, steady economic growth and the prevention of crises causing political and social instability such as famine and migration. The convention would also have to take into consideration the effects of the Maastricht Treaty on European development policies, and of GATT/WTO and the Uruguay Round. In particular, the participants share the concern that the impact of the Uruguay Round and the need for WTO approval might further erode ACP trade preferences on the EU market.
4. The Lomé Convention could be adjusted or the treaty framework completely revamped, with a view to enabling a more **flexible and differentiated approach** to development cooperation.
5. The participants agree that such a convention should further economic, social and cultural development and should also promote **good governance, respect of human rights, democracy and the rule of law** in ACP countries. They also stress that the convention's mechanisms should encourage governments to implement reforms leading in this direction.
6. The participants stress the **important role of the economic and social interest groups** in promoting sustainable development in the ACP countries. Furthermore, strengthening the social partners contributes to decentralisation of power and thus supports a more broadly based democratising process within society. In addition, the participants express the hope that involving economic and social interest groups will enable more effective follow-up, assessment and information feedback systems to be set up for the projects concerned and will thus constitute an important step towards long-term goals in development policies. The participants therefore call for the speedy establishment of a "Special Programme for the Strengthening of Socio-Economic Interest Groups in the ACP Countries", as a partnership among national, regional and international organisations of socio-economic interest groups and the appropriate instances of the ACP and EU, within the framework and scope of the existing Convention, as a top priority.

7. The participants stress the need to ensure **active participation of economic and social interest groups** in development programmes. This participation should include involvement in planning, organising, establishing, implementing and monitoring development cooperation programmes. This involvement of groups that are close to the recipients of development aid could also make for a more transparent and efficient use of aid resources. In this context, the participants point to the importance of institutionalised multipartite consultation, for example through **national liaison committees** (and more precisely the national coordinating committees for the national indicative programmes), with a view to guaranteeing the role of civil society. These consultations would have to include representatives of all the main interest groups, such as farmers, trade unions and employers, as well as representatives of the government and the Commission delegation, in order to maintain effective contact between the Commission and the economic and social bodies as part of the development cooperation drive to make programmes more transparent. The Commission itself should adapt its own procedures and working practices to encourage such participation.

8. The participants stress the need for **decentralised cooperation** rather than exclusive relations between governments. Decentralised cooperation has the advantage of encouraging a wider range of partners and increasing the effectiveness of aid. The participants request that a budget line be created for decentralised cooperation.

9. Recalling previous Final Declarations, the participants urge the European Commission to instruct and equip its delegations appropriately in order to **facilitate the effective implementation of decentralised cooperation**. To foster the development and mobilisation of initiatives by all those working in the field, the mechanisms for access to decentralised cooperation must be sufficiently straightforward and clear-cut to allow ACP economic and social players to have access to funds and to implement their projects in a pragmatic fashion, tailored to their needs.

10. Decentralised cooperation also means greater involvement of the private sector, especially at local level. Appropriate government action is necessary to ensure flexibility and non-bureaucratic forms of aid, especially with regard to the growing importance of economic and social interest groups. However, the participants would recall the essential role played by national governments. Unregulated privatisation is as misguided as the previous tendencies to focus on centralist government. Therefore the participants consider it necessary to retain a form of cooperation based on the idea of partnership.

11. The participants press for a more **differentiated approach** which reflects the different levels of social and economic development between countries.

12. In order to strengthen the impact of the private sector on the development process, the participants underline the necessity to build up structures giving enterprises access to **local sources of finance**, thereby reducing capital flows out of the developing countries. The private sector

is thus seen as one of the mainstays of sustainable development and ACP economic diversification. The participants further agree on the need to back up investments and venture capital financing, in order to promote the role of the private sector and encourage it to be competitive. Efforts to strengthen the importance of the private sector should furthermore include programmes for **capacity building** and upgrading human resources, in order to ensure continuity in development. Closer integration of ACP countries in the world economy is essential for the development of human resources (particularly the promotion of women) and for achieving significant improvements in living and working conditions in urban and rural sectors.

13. As far as EU policies are concerned, the participants share the opinion that **consistency and coordination of EU policies** concerning ACP countries are crucial for a balanced partnership. On the part of the EU this requires coordination by the Member States of their national development policies, also with regard to common development policies. In addition it requires coordination of the EU policies likely to affect development, as specified in Article 130v of the Maastricht Treaty.

14. The provisions of the ACP-EU agreement should be reviewed so as to take greater account of the agricultural interests of the ACP countries. Therefore the participants stress the need for a **balanced development contract in the agricultural sector**, which, with the assistance of the European Union, would enable the ACP countries to build up a sustainable food supply and provide a framework for tackling the thorny problems of agricultural development, rising import needs as a result of weak domestic politics and capacities, the lack of a political and institutional framework conducive to increasing local food production and competition from subsidised foreign products. It is necessary to determine how ACP and EU agricultural interests can be reconciled while ensuring progressive expansion of production in the ACP countries.

15. Lastly, the participants would point to the links between **development, peace, social justice and transparency**, particularly the elimination of corruption and fraud; hence the need on the part of the ACP states to guarantee responsible and transparent government through public participation, respect for human rights and the promotion of sexual equality and rights of association in the framework of international conventions.

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THE PARTICIPANTS AT THE 20<sup>th</sup> ANNUAL MEETING OF THE REPRESENTATIVES OF ACP-EU ECONOMIC AND SOCIAL INTEREST GROUPS AGREE THAT THE PRESENT FINAL DECLARATION SHOULD BE SENT, FOR APPROPRIATE ACTION, TO THE ACP-EU JOINT ASSEMBLY, TO THE EUROPEAN PARLIAMENT, TO THE ACP AND EU COUNCILS, TO THE EUROPEAN COMMISSION AND TO THE DELEGATES OF THE COMMISSION IN THE ACP STATES.

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## **CENTRE FOR THE DEVELOPMENT OF INDUSTRY (CDI)**

### **THE YEAR 1996 IN BRIEF**

1996 was a very successful year for the CDI. Although the total budget increased little compared to 1995, the key indicators of activity showed marked improvements :

:

- requests : up by 26 %
- companies assisted : up by 64 %
- interventions : up by 64 %.

This commendable performance was carried out with no increase in the number of staff and reflects the Centre operating at close to its full capacity. A reduced budget has been provided for 1997 (18 % less for interventions) but every effort will be made to maintain momentum while ensuring that the quality and impact of operations are maintained.

#### **The Budget**

The total annual budget for 1996 was ECU 17.216 million, a small increase over 1995, and was the largest to date. As a result of the high number of interventions, the commitment level overall was at a correspondingly high figure of 98.9 % of the budget.

It was possible to meet more of the increased demands on the Centre thanks to an exceptional transfer of funds within the budget. Due to savings on administrative costs, ECU 550,000 were transferred from the administrative to the operational budget (Title III), resulting in a commitment level of 106 % of target.

This had a beneficial effect on the ratio between operating costs and expenditure on projects. Historically, the Centre has 40-50 % of the budget available for direct interventions but this rose to 55 % in 1996.

The Centre continued to attract co-financing for its interventions from European institutions. In 1996, this reached its highest level (ECU 2.716 million) representing 16 % of the total budget. Every effort will be made to extend this important contribution to the CDI's operations.

## The Networks

The Centre has less than 60 permanent staff in total, of which half are at expert level. In order to operate in the field, an extensive network of contacts has been developed in Europe and the ACP States. This requires constant maintenance and expansion.

### **a) The ACP Network**

During 1996, there were 17 country officers including seconded experts. The main core of the network, the antennae, was reduced slightly from 59 to 56 while the number of correspondents remained at 25.

Special efforts are being made with both antennae and correspondents to improve and standardise the quality of the requests they submit on behalf of clients. By using a standard framework based on internal project proposals, the workload at the Centre is being reduced and the response time for clients is being improved.

The two main efforts by the CDI to decentralise its actions are being closely monitored.

Caribbean Business Services Ltd. (CBSL) in Trinidad was in its second year of operation and undertook a creditable 31 interventions in 1996. It is expected that the European Commission will take over the funding of the company during 1997.

*Appui et Service aux Entreprises* (ASE) in Côte d'Ivoire had its first full year of operation and built up a portfolio of 20 interventions of which 4 were completed in 1996.

The relatively high cost of these structures in terms of management, particularly at start-up, means that new initiatives will be lighter. Some of the existing key antennae are being strengthened by funding well defined expertise and the Centre is working more closely with local institutions funded by the European Commission. For example, plans to place a CDI expert in Madagascar were finalised during the year and recruitment is under way.

### **b) The European Network**

The European network comprises both an institutional and a technical component.

The institutional component is based on cooperation agreements with 40 national and regional institutions. These not only co-finance CDI interventions in favour of

ACP enterprises and programmes (ECU 2,716 million in 1996 compared to ECU 2,614 million in 1995), they also channel to the CDI requests for assistance from their country's entrepreneurs who have a joint venture project in an ACP country. In addition, they provide an insight into the industrial fabric of the respective country or region they serve.

The technical component is based mainly on the specialised institutions and consultants retained and utilised by the CDI's sectoral coordinating staff. These form the Centre's "sectoral network". The main sub-sectors of industry which represent the bulk of the requests for assistance from the ACP countries are covered by consultants highly specialised in their specific sub-sector.

The EU network is one of the CDI's main assets as the unique organisation acting as an intermediary between the needs of ACP enterprises and tailor-made assistance from EU enterprises and expertise. In 1996, of the 603 interventions in favour of ACP companies, 272 were carried out by EU experts and 95 by EU industrial partners.

### **The Centre's main actions**

#### **Requests**

In order to reach its clients, the Centre uses a variety of means to obtain sound requests. The ACP network is a vital part but CDI missions and Industrial Partnership Meetings are also important to identify new projects and promote the Centre.

One indication of success is the number of requests received by the Centre.

This has been increasing each year from 575 in 1994, 1,248 in 1995 to 1,570 requests in 1996. An increasing proportion of these requests are arising from direct actions by the CDI. For example, Industrial Partnership Meetings specifically target sectors and key companies from within these sectors. The quality of these companies and the impact of interventions is much higher for this group.

#### **Number of companies assisted**

The increased demands for assistance were partly met by transferring funds from the administrative budget.

As a result of this and improvements in project control, a record number of companies (468) received assistance in 1996 compared to 192 in 1994 and 286 in 1995.



The characteristics of the companies changed little during the period and 38 % had a turnover below ECU 500,000/annum, the main target group. Partnership with European companies remained a strong interest for the ACP companies and various forms of partnership were involved with 42 % of the enterprises.

The main EU countries providing partners were Portugal, France, Belgium and the United Kingdom.

### **Number of interventions**

The number of active interventions involving various forms of assistance provided by the CDI increased significantly in 1996 to reach the figure of 603, compared to 229 in 1994 and 367 in 1995.

This was related to the increase in demand and the transfers of funds within the budget that enabled more of the requests to be met. The average CDI contribution to interventions was ECU 13,287 (46 % of the full cost).

This compares to contributions by the ACP promoters (27.5 %), EU partners (10.6 %) and EU institutions (15.9 %).

The majority of interventions (45 %) were direct assistance to ACP companies. The second group (38 %) related to preparatory work for existing projects (diagnostic), feasibility studies for new projects, and financial advice. An increasing number of contracts are being undertaken by ACP experts or given to ACP promoters (231) representing 38 % of the total contracts.

### **Other activities**

#### **Industrial Partnership Meetings**

One of the highly effective means of promoting ACP-EU industrial cooperation is the Industrial Partnership Meeting.

For a specific sector identified by the CDI as having potential for expansion, usually in export markets, the CDI identifies a group of 20-25 key companies in an ACP country or region together with a similar number of EU companies interested in cooperation. In many cases, export marketing is the key interest. In the CDI's experience, rapid commercial links develop not only between European and ACP participants but also between the ACP companies themselves. The CDI monitors these contacts and provides technical and marketing assistance as appropriate.

From the three meetings each year initially, the number increased to 9 in 1995 and 12 in 1996. This represents the CDI's capacity for this type of activity.

One of the main spin-offs from these meetings is the growth of the CDI's technical publications, such as "Marble and Granite in ACP Countries" or "Compressed Earth Blocks". The contents are based on the meetings and are both up-to-date and practical.

### **Major improvements in 1996**

The main indicators of performance for the Centre all showed a marked improvement. More companies received more interventions than at any time in the Centre's history. This has been the result of hard work by the staff and continuous, incremental improvements in the way in which the Centre operates.

The project information system (PIMS) is a stable, accurate means of obtaining data rapidly and easily by the experts themselves and the management. This allows rapid identification of problems and accurate targeting of efforts.

During 1996, particular emphasis was placed on improving customer service by improving the networks' ability to provide well documented requests. This included dissemination of a new requests guide and a short brochure setting out CDI facilities. As a result, the average time cycle between receiving a request and providing assistance has improved.

During 1997, the CDI intends to focus on the impact of its interventions. With limited funds, the Centre cannot reach all the companies that could benefit from its assistance. Emphasis will be placed therefore on selecting those companies that can benefit most.

This implies that the impact of the CDI's interventions must be closely monitored. An internal evaluation unit was set up in 1996 to review current operations with the aim of not only proposing improvements to the existing system for intervention evaluation, but also of undertaking evaluation of a sample of interventions.

**Evolution of the main indicators**

	Total 1993	Total 1994	Total 1995	Total 1996
<b>Interventions</b>	612	575	1248	1570
<b>Interventions</b>				
- Interventions carried over (situation end of previous year)	100	86	83	140
- Interventions started during the year	90	143	284	463
- <b>Total of Interventions processed</b>	<b>190</b>	<b>229</b>	<b>367</b>	<b>603</b>
- Active interventions (situation at the end of the period)	86	83	140	239
- Interventions finished within the year/period	104	146	227	364
- <b>Total of interventions processed</b>	<b>190</b>	<b>229</b>	<b>367</b>	<b>603</b>
- Average value of CDI's contribution for the interventions processed during the period	17430	16572	15848	13287
- Idem on budgetary art. for the year only	14168	16338	14394	10671
- Average contribution to the interventions				
CDI	49%	43%	44.5%	46.0%
Inst.	23%	18%	18.8%	15.9%
EU part	11%	15%	14.1%	10.6%
ACP part	17%	24%	22.6%	27.5%
<b>Projects</b>				
- Projects having received a first assistance in the year	NC	84	165	279
- <b>Total of projects processed in the year</b>	<b>154</b>	<b>192</b>	<b>286</b>	<b>468</b>
- New and pilot projects	40%	34%	32.8%	31.6%
- existing enterprises (expansion or diversification)	27.3%	34%	36.5%	30.4%
- existing enterprises (rehabilitation and consolidation)	32.5%	31%	30.7%	38.0%
- Percentage of fully private projects	83.8%	85%	82.9%	85.0%
- Percentage of projects with EU partnership	64.9%	50%	50.2%	42.3%
<b>Distribution by sectors (number of projects)</b>				
Agro-industry	36%	34%	41.8%	39.3%
Construction, Wood, Metal	34%	31%	33.4%	35.7%
Others	30%	35%	24.8%	25.0%
<b>Geographical distribution (number of projects)</b>				
West Africa	24%	23%	28.2%	22.4%
Southern Africa	20%	21%	20.9%	24.1%
East Africa	18%	24%	19.9%	19.4%
Caribbean	18%	18%	16.7%	11.8%
Central Africa	14%	7%	8.4%	13.7%
Pacific	6%	6%	5.9%	8.5%

**SUMMARY REPORT OF CTA ACTIVITIES IN 1996**  
(FOR INCLUSION IN THE ACP-EU COUNCIL OF MINISTERS ANNUAL REPORT)

**Introduction**

The introduction to CTA's 1995 Annual Report noted that the principal preoccupation for CTA in 1996 would be the need to re-examine programme priorities in order to respond both to changing horizons and to the recommendation made by the joint ACP-EU evaluation of CTA that the Centre should move from its current annual planning process to a mid-term, strategic planning process. This evaluation, which strongly supported CTA's continuing remit, warmly applauded the Centre's principal activities and programmes.

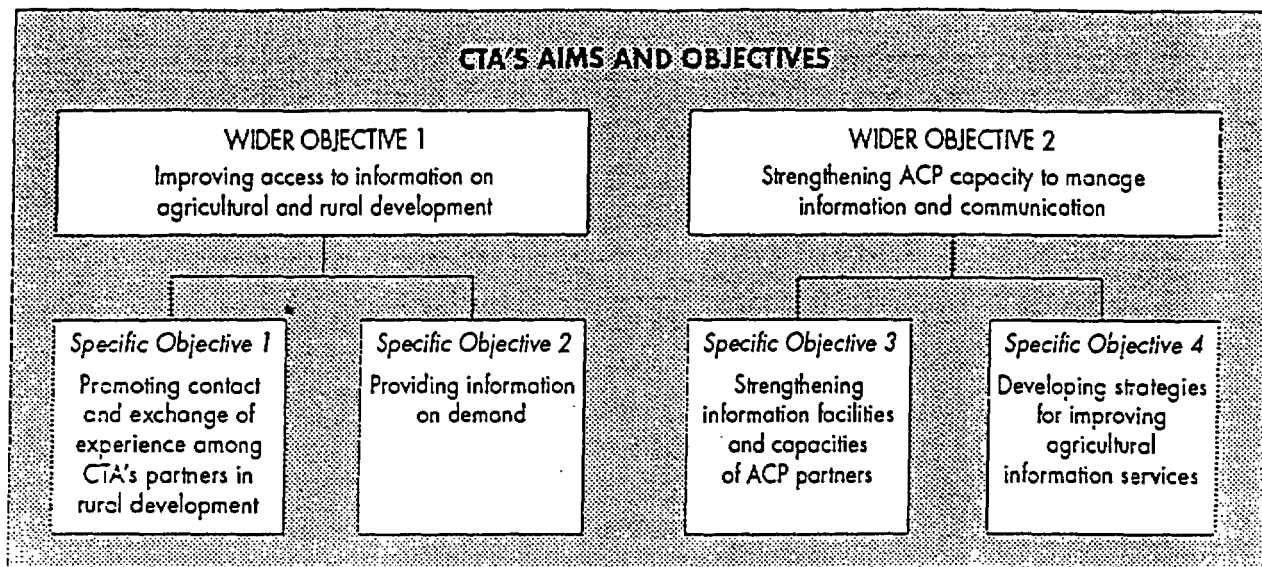
The move to a longer time frame for programme planning is intended to increase the impact of CTA's activities in response to the needs of its ACP partners. The objectives of this mid-term planning process are, first, to ensure that CTA programmes reflect and respond to the changing needs of ACP partners in the agricultural and rural development sectors; and, second, to react to ACP priorities in order to optimise the impact of CTA's programmes and hence maintain the Centre's identity and effectiveness. Associated objectives are to strengthen links with ACP and EU partner organisations and to ensure that the efficiency and quality of CTA's work are progressively improved.

The work needed to put this planning process in place occupied considerable CTA staff time for much of 1996; it involved the CTA working groups mentioned in last year's report and was linked to external studies and the Centre's continuing dialogues, seminars and workshops with ACP partners. In order to accommodate the new emphases, changes were implemented in CTA's structure and management.

The analysis of the evolving needs of ACP partners carried out during the year indicated that CTA should emphasise further its efforts directed at strengthening ACP capacities in information and communication management. In the mid-term, these institutional development activities will include an enhanced emphasis on promoting the use of more effective mechanisms for information and communication management. Specific concerns are the need to strengthen the constituent organisations of the National Agricultural Systems (NAS), a term which refers to the sum of the centres, institutions, associations and individuals involved in technology generation, adaptation and implementation. This can be achieved by strengthening their capacity for networking and increasing the effectiveness of their dissemination outputs, especially ACP publication programmes in all types of media.

The programme balance envisaged can be expressed most simply in terms of the proportions of the operational budget devoted to CTA's two wider objectives. On current trends, the proportion of the budget allocations for Wider Objective 1 (improving access to information on agricultural and rural development) compared with Wider Objective 2 (strengthening ACP capacity to manage information and communication) would gradually decline. The combined effect of the planned changes is that, by the year 2000, Wider Objective 1 should have declined from the

1996 position of 66% of the operational budget to about 50%, and Wider Objective 2 should have increased from 34% in 1996 to about 50%. These figures are driven by the changes planned in the Specific Objectives described below and will be reassessed at each annual update of the plan and discussed with CTA's Advisory Committee.



The Mid-Term Plan reconsideration of Wider Objective 1 has attempted to focus CTA's services which improve access to information more closely on ACP needs. This has involved analysis of the information priorities based on a regional assessment of ACP needs; this analysis was refined at a seminar on "Priority information themes for ACP agriculture" held in Wageningen in September–October 1996. To ameliorate food security and promote rural development in ACP countries, the current view is that increased emphasis is needed on three thematic areas: conquering markets and promoting market-led development of agricultural production and product utilisation; production intensification and optimisation; and environmental protection and natural resource management. The increasing volume of information activities concerned with institutional development (the remaining two thematic areas of strengthening NAS and mobilising the civil society) relate mainly to CTA's Wider Objective 2.

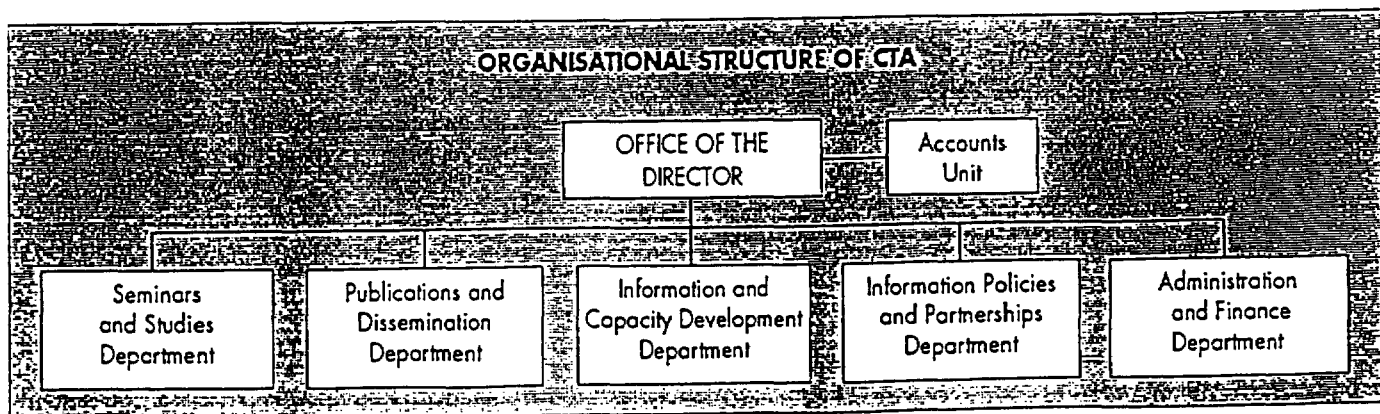
The seminars and studies activities, which promote contact and exchange of experience among CTA's partners, will in future be designed to reflect these information priorities, as will the publications programme and associated activities which provide information on demand. An increasing emphasis will also be given to promoting ACP publication outputs through joint activities. The proportion of studies and associated workshops relative to the number of large seminars will also be re-examined.

Turning to Wider Objective 2 and the activities which strengthen the capacities and facilities of ACP partners (Specific Objective 3), most are planned to increase, particularly training and activities such as the use of mass media which are intended to improve NAS information and communication management with their partners,

users of technologies and decision takers. This objective will also include new activities associated with the use of more modern information and communication technologies. These activities include a stronger role for CTA at the level of policy and institutional development (including the establishment of a technology foresight or observatory group) and at the level of acceptance/application of modern technologies (for example, the maintenance of an effective World Wide Web site as an important channel of dissemination). The analysis of the programme relating to the development of strategies for improving agricultural information services (Specific Objective 4) emphasised, first, the need to accommodate new partnership modes, reflecting the increasing role for the different categories of the independent sector (farmers' associations, private enterprises and agricultural NGOs); second, the need for further work on regional and national information policies; and, third, the need to devote more attention to impact assessment regarding institutional strengthening.

### **Changes to CTA's structure and management**

During this re-examination of its operational programme CTA has revisited its project management procedures, its information technology (IT) strategy and support requirements and its personnel management through the activities of three internal management working groups. The work on defining new procedures highlighted the need for a CTA operational structure which would enhance the transparency and clarity of staff responsibilities in the context of the Centre's aims and objectives. A new structure was put in place in October. CTA has also redefined its project management procedures, which now use a logical framework approach to cover the identification of new activities with partners and the definition and selection of appropriate inputs, as well as the implementation, monitoring and evaluation stages. In parallel, the requirement for CTA's information management system has been reviewed and the user requirement redefined. External consultancies are enabling appropriate relational databases covering accounting and finance, project management systems and bibliographic and contact data to be put in place. These will be followed by the phased installation of the proposed software and by pilot testing.



### **Promoting the exchange of information**

One of CTA's strategies for promoting agricultural and rural development in ACP countries is to facilitate the exchange of information among the various parties involved. To this end, the Centre organises and co-finances seminars, sponsors ACP

nationals to take part in meetings arranged by other institutions, organises study visits and conducts subject-specific studies.

In 1996 the Centre organised a major seminar on "Priority information themes for ACP agriculture" as part of the review of changing ACP needs. With the emergence of the independent and non-governmental sector (highlighted in the 1995 seminar on the role of information in the rural development), the spectrum of interests involved in information dissemination is broad. The seminar brought together representatives from the regions, countries and agencies involved in ACP agricultural and rural development.

Other CTA seminars and workshops during the year covered a wide range of subjects, including: livestock development policies in the humid and subhumid regions of Africa; the marketability of minor fruits grown in the Caribbean; biometry and statistics in the agricultural sciences; post-harvest handling of fruits and vegetables for export; and applying agricultural research results in West and Central Africa.

The Centre was also involved in organising the 9th conference of the International Soil Conservation Organisation (ISCO) and the 3rd meeting of the Cassava Biotechnology Network (CBN), partly to increase ACP participation in these high-profile international gatherings. In response to the greatly increased demand for CTA sponsorship of participants to attend such meetings, the Centre's selection criteria included potential impact of the meeting on participants' professional capabilities and on their respective organisations. The number of participants sponsored rose by 39% from the 1995 level.

CTA organised a study visit to Côte d'Ivoire focusing on agroforestry in humid and subhumid regions, with the aim of giving the participants on-site experience of technical innovations. In preparation for a CTA seminar planned for 1997, a study was conducted on the role of agricultural mechanisation in rural development.

#### **Providing information on demand**

CTA allocates a substantial proportion of its resources to the services which enable it to provide information on demand to ACP countries. These services comprise publishing and co-publishing, distribution, the Question-and-Answer Service (QAS) and the Selective Dissemination of Information (SDI) Service.

Publishing remains one of CTA's high-profile activities and the bulletins *Spore* and *Esporo* have continued to serve as the Centre's flagships. During the year steps were taken to bring the production and content of *Esporo* more in line with its English and French counterparts, thus improving the quality of the service provided to Portuguese-speaking Africa.

As part of a drive to adopt a more pro-active role in its publishing activities, CTA developed two new style-guides. These are intended to help expedite the production of publications which represent the outputs of CTA seminars and studies, and to improve the quality of such publications.

Further attention was given increasing the proportion of co-publications which focus on CTA's priority information themes, and minimising the undue bias brought about by the preferences of publishing houses and authors in industrialised countries. Emphasis was given to promoting ACP outputs through joint activities with such organisations as APNET, CODE and the Bellagio Publishing Network. On-going studies on the low priority given to publishing in most ACP countries, and the consequent low production capacity, will assist in further promoting ACP outputs.

The Publications Distribution Service, which had to cope with a 40% increase in demand, was the subject of an exhaustive evaluation completed in 1996; a similar evaluation of the closely linked QAS was initiated. Changes to the SDI Service, resulting from an earlier evaluation, were implemented during the year. A major change was the emphasis on meeting the needs of NARS programmes rather than those of individual scientists; this will lead the SDI Service away from the provision of information on demand and towards enhancing the capacity of ACP organisations.

#### **Strengthening ACP information and communication management**

Training courses and workshops organised to promote the importance of communication and the use of new information technologies, and support for documentation centres and rural radio stations are the main areas in which CTA works to strengthen the information and communication capacities of ACP countries.

The training programme in 1996 concentrated mainly on the management of information services. Courses held in Africa and the Pacific region were designed to improve the management skills of those responsible for agricultural information services and to encourage them to promote their services and ensure that the information disseminated meets users' needs. As a follow-up to the training of trainers course in 1995, two further courses were organised, focusing on creating and managing databases and improving documentary management techniques. Training was also provided for CD-ROM site managers in the Caribbean.

The need to improve the technical writing skills of researchers and extension workers in ACP countries has become an important issue. Three workshops held during the year were designed to improve these skills, focusing particularly on writing reports and extension materials and preparing papers for submission to scientific journals. The focus of a workshop in Italy, supported by CTA, was on the need to coordinate efforts to increase the numbers of adequately trained personnel in scientific publishing in Africa. In line with CTA's efforts to facilitate communication between ACP countries, the Centre also supported workshops in Mali and Senegal where the emphasis was on establishing or strengthening inter-regional information dissemination.

Support for documentation centres continued through the CD-ROM project and the Dissemination of Reference Books on Agriculture (DORA) programme. A survey was conducted to assess the use of the 35 CD-ROM sites now supported by CTA. Under the DORA programme, over 3000 books were supplied to secondary and higher agricultural training institutions. An inventory of ACP institutions eligible for assistance under this programme is being drawn up in order to match supply more



closely with demand. Future CTA support activities for rural radio in ACP countries were determined at a consultation meeting with partner organisations.

### **Developing strategies for information management in ACP countries**

The CTA activities aimed at developing information management strategies in ACP countries can be divided into two groups: those dealing with policy and strategy development, and those which focus on programme monitoring and evaluation. These activities involve collaboration between CTA and the stakeholders in regional and national agricultural systems – planners and decision makers, the research community, trainers, extension workers, producers, information managers, and personnel in NGOs and other private organisations.

Activities in policy and strategy development in 1996 were directed mainly at helping regional ACP partners to formulate proposals for strengthening the effectiveness of regional collaboration. The proposals for integrated agricultural information programmes for East and West Africa were finalised and submitted to donors for financial support. The draft proposals for the Southern and Central African regions were reviewed and are expected to be submitted to donors in 1997. In the Caribbean region, CTA supported a survey of agricultural information needs, the results of which will form the basis of a regional proposal to be formulated in 1997.

The Centre also initiated policy studies and workshops on facilitating the publication of agricultural research work, improving agricultural extension performance and strengthening small-scale food processing enterprises. These activities were conducted in collaboration with international organisations, the Caribbean and Pacific Regional Branch Offices and CTA's main regional partners in Africa (ASARECA, SACCAR, CORAF and UDEAC). Participation in workshops and seminars organised by various ACP and EU organisations enabled the Centre to acquaint itself with the activities of potential partners, especially farmer associations and international NGOs.

With regard to programme monitoring and evaluation activities, studies on CTA's Publications Distribution Service and on the programme for training librarians and documentalists were completed in 1996. The results of the evaluations will enable CTA to make improvements to these services and hence increase their efficiency and impact.

### **CTA Advisory Committee**

At the 1996 meeting of the Advisory Committee (4–7 June) the Committee adopted the report of its 10th meeting and examined reports of the Restricted Group meetings held on 19–20 October 1995 and 17–18 April 1996. It also reviewed the draft programme for 1997 and the 1995 Annual Report, especially welcoming the change in presentation to reflect CTA's four Specific Objectives.

The meeting devoted a full day to examining the Director's draft document on CTA's Mid-Term Plan. The document represented an overview of the Centre's response to the external evaluation, its response to related issues arising from the "Montpellier II" seminar, an update from the working groups on the targeting and effectiveness of

CTA's programmes and on the efficiency of its management procedures, and the targeting and balance of CTA's programme of activities.

The Committee expressed its appreciation of the presentation and quality of the Mid-Term Plan and recommended that CTA finalised the document, taking account of Committee members' comments, the recommendations of the "Wageningen 2" seminar on CTA's thematic priorities and the working group reports. The plan was discussed and finalised at the meeting of the Restricted Group in October, and will be reviewed and updated annually.

In July the draft report of the Advisory Committee meeting, together with the draft programme and budget for 1997, were submitted to the ACP-EU Committee of Ambassadors for approval.

**Table 1: Income and budget allocation, 1996 ('000 ECU)**

	Amount	%
<b>Income</b>		
EDF contributions	10 430	98.4
Interest and other income	165	1.6
<b>Total</b>	<b>10 595</b>	<b>100.0</b>
<b>Budget allocation</b>		
Staff	3 436	32.5
Operating expenses	799	7.5
Core activities	6 360	60.0
<b>Total</b>	<b>10 595</b>	<b>100.0</b>

**Table 2: Expenditure on core activities, 1996 ('000 ECU)**

	Amount	%
Seminars and technical meetings	730	21.3
Studies	288	8.4
Publications	1374	40.2
Documentation centres	506	14.8
Question-and-answer service	160	4.7
Branch offices	362	10.6
<b>Total</b>	<b>3420</b>	<b>100.0</b>

### Acronyms and Abbreviations

APNET	African Publishers Network
ASARECA	Association for Strengthening Agricultural Research in Eastern and Central Africa
CODE	Canadian Organisation for Development through Education
CORAF	Conférence des responsables de recherche agronomique africain
SACCAR	Southern African Centre for Cooperation in Agricultural Research
UDEAC	Union douanière et économique de l'Afrique centrale

**Annual report of the ACP-EC Council of Ministers (1996)**

Luxembourg: Office for Official Publications of the European Communities

1997 — 44 pp. — 21 x 29.7 cm

ISBN 92-824-1473-6

Price (excluding VAT) in Luxembourg: ECU 7