

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 541 final
Brussels, 02.12.1994

FIFTEENTH ANNUAL REPORT
FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT
ON
THE IMPLEMENTATION OF FINANCIAL AND TECHNICAL ASSISTANCE
TO ASIAN AND LATIN AMERICAN DEVELOPING COUNTRIES
AT 31 DECEMBER 1991

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CHAPTER 1: INTRODUCTION

The origins, aims and methods of giving assistance to Asian and Latin American (ALA) developing countries; the structure of this report.

- 1.1. Community financial and technical cooperation with Asian and Latin American developing countries is funded from Chapter B⁷-3 of the General Budget of the European Communities. The overall aims of cooperation in this field are laid down in Council Regulation (EEC) No 443/92 of 25 February 1992¹, which establishes the overall framework and guiding principles for EEC operations in that regard. This regulation replaces Council Regulation (EEC) No 442/81 of 17 February 1981.
- 1.2. In November 1989, the Council drew up conclusions in the light of the information emerging from the report on the first thirteen years (1976-88) of ALA financial and technical cooperation. These conclusions stressed the need to adapt the aims and form of cooperation to the situations and levels of economic development of the countries in question, while continuing to concentrate on the most needy sections of the population and the most disadvantaged countries.
- 1.3. In May 1990, at the request of the Council and the Parliament, the Commission proposed new policy guidelines for cooperation with ALA developing countries during the coming decade.
- 1.4. On 4 February 1991, the Council adopted final conclusions on guidelines for cooperation with the ALA developing countries, covering in particular the priorities and sectors for consideration and the desirability of increasing the resources to be allocated to them and of enabling indicative medium-term programming for these resources to be undertaken.
- 1.5. The conclusions embodied in the new regulation were that policy on cooperation with the ALA developing countries should in future follow two main directions: development aid to assist the poorest people and countries and economic cooperation based on mutual interest for countries and regions with considerable potential for growth. The

¹The full text of this Council Regulation may be found at Annex 1.

environment would be a vital consideration in both cases.

- 1.6. The Commission has, in other words, devised a balanced set of instruments for use in cooperation with the ALA developing countries, consisting of financial and technical development aid and economic cooperation.
- 1.7. Funding for the planned aid covers an initial period of five years (1991-95). The volume of Community financing deemed necessary for the implementation of the aid is ECU 2 750 million, 10% of which will be allocated to the environment, especially the protection of tropical forests.
- 1.8. An amount of ECU 1 069.8 million has been earmarked for the period 1991-92 under the financial perspective for 1988 to 1992. For the period 1993-95, the amount will be included in whatever Community financial framework is then in force.
- 1.9. Financial and technical assistance is targeted on the following major areas:
 - (a) development of the rural sector and enhanced food security;
 - (b) protection of the environment and natural resources;
 - (c) the fight against drugs;
 - (d) regional cooperation.
- 1.10. Care must be taken that the human dimension of development is taken into account in all areas of action. Special attention will be given to women's participation in projects, child protection, ethnic minorities and demographic questions.
- 1.11. The Community's aid must favour operations which have an effect on the structural make-up of the economy, and on the development of sectoral policies and institutions.
- 1.12. Part of the aid (15% at the most) may be set aside for rehabilitation and reconstruction measures in the wake of all types of disasters and for operations that reduce the risk thereof.
- 1.13. Economic cooperation is particularly aimed at establishing a climate of confidence, by supporting countries which pursue macro-economic and structural

policies that are open to trade and investment and conducive to technology transfer, in particular by protecting intellectual property rights.

- 1.14. Economic cooperation covers three sectors in particular:
 - (a) improvement of scientific and technological potential and of the economic, social and cultural environment in general, by means of training schemes and the transfer of know-how;
 - (b) improvement of the institutional structure;
 - (c) support for undertakings: trade promotion, training, and technical assistance schemes, establishment of contacts between undertakings in order to facilitate cooperation between them.
- 1.15. The aid is provided in the form of grants and may be used to cover both the cost of imports and local costs. Wherever possible, indicative five-year programming is established, for each objective, country or, if appropriate, region. Projects can be financed by the Community on its own, or co-financed with its Member States or international bodies. Part of each project is usually financed by the country receiving the assistance (national contribution) taking into account its ability to do so and the specific nature of each operation.
- 1.16. The procedures stipulate that the Commission must provide the Council and Parliament with information on the administration of the programme. This report, the fifteenth of its kind, has been produced to comply with that requirement.
- 1.17. Regulation (EEC) No 443/92 also lays down procedures for the approval of development operations (projects and programmes).
- 1.18. The Commission adopts financing decisions for the projects after receiving the opinion of a financing committee consisting of representatives of the Member States and chaired by one of its own staff. The committee meets several times a year and therefore examines projects in batches as they are ready. In 1991, the committee devoted six meetings to ALA aid decisions.
- 1.19. EEC financial and technical cooperation with the ALA developing countries began in 1976, with appropriations

totalling 20 million units of account.² The sum devoted to such cooperation has increased steadily since, and was approximately ECU 357.24 million in 1991.

- 1.20. These funds were used to finance development operations and projects in 34 Asian, Latin American and African³ developing countries. Assistance was also given to fifteen regional institutions and organizations operated by or operating in the countries concerned, and to five international bodies engaged in agricultural research.
- 1.21. Chapter 2 describes the content of and procedures involved in financial and technical cooperation undertaken in 1991, breaking down the data by geographical area and field of investment. Chapter 3 describes and analyzes cooperation activities for the period 1976 to 1991. Chapter 4 gives a brief description of other forms of assistance to developing countries in Asia and Latin America.

²In this report, amounts are quoted in ecus.

³A number of African countries received this type of aid until they became part of the ACP group in 1984. Three countries or territories in the Middle East are in a similar situation.

CHAPTER 2 THE 1991 PROGRAMME OF FINANCIAL
AND TECHNICAL COOPERATION

FUNDS

- 2.1. The budgetary authorities approved the allocation of ECU 357.24 million to Chapters B7-3000 and B7-3010 of the budget for the 1991 programme of financial and technical cooperation for ALA developing countries.⁴ Table 1 provides a breakdown of this allocation by region, and the amounts committed by the end of 1991. In nominal terms, and discounting carryovers, the appropriations for 1991 are 28% higher than those for 1990 (ECU 279.6 million).

Table 1: Commitment appropriations and actual commitments for the 1991 financial year (ECU '000 000)				
	Latin America	Asia	TOTAL	%
1991 appropriations	134.29	222.95	357.24	
Actual commitments in 1991				
a) agricultural research	3.15	5.85	9.00	2.5%
b) projects and programmes of which, ordinary disaster relief	127.99 127.99 0.00	211.25 181.66 29.60	339.24 309.65 29.60	95.0% 86.7% 8.3%
S/TOTAL a) + b) (*)	131.14	217.10	348.24	
c) administration of the programme	3.15	5.85	9.00	2.5%
Total commitments for 1991	134.29 37.6%	222.95 62.4%	357.24 100.0%	100.0%
(*) : includes continuation of previous projs.	16.03	49.82	65.85	

- 2.2. The ECU 357.24 million of commitments for 1991 absorbed the year's entire budgetary allocation. Table 1 shows the actual levels of appropriations and commitments for 1991, broken down by region and broad category of expenditure. Agricultural research was allocated 2.5% of the actual 1991 commitments, and programme administration 2.5%.

The allocation for financial and technical cooperation was divided into a 37.6% share for Latin America and

⁴Not including ECU 13.0 million allocated to Iran as disaster relief for building hospitals.

a 62.4% share for Asia. Projects and programmes for disaster relief absorbed ECU 30 million, 8.3% of the total.

PROJECTS LAUNCHED

- 2.3. Forty-three projects were approved in 1991 (29 projects in the 1991 programme and 14 following on from previous projects), for which commitments (not including those for the administration of the programme) totalled ECU 357.24 million, as compared with 1990 figures of 31 projects and ECU 279.59 million commitments. Table 2 lists these projects, the amounts contributed to them by the Community, and their total cost.
- 2.4. Leaving aside disaster relief measures, the average Community contribution per project approved stayed at the same level as in 1990, i.e. ECU 8 million. The total Community commitment, ECU 357.24 million, was supplemented by local contributions from public and private sources amounting to ECU 143.33 million and co-financing from the Member States of ECU 35.28 million.

Table 2: Actual commitments by project and by recipient for the 1991 financial year (ECU '000 000)							
Number	Country	Title	Amount	Cofinan.		Local finan.	Total cost
				1.	2.		
1. Normal projects							
1.1. Asia							
ALA/83/27/NN/O	*BANGLADESH	IMPROVEMENT OF GRAIN STORAGE	0.36	-	-	-	0.36
ALA/84/7/NN/O	*NEPAL	NATIONAL ADMIN. STAFF COLLEGE	0.40	-	-	-	0.40
ALA/85/15/NN/O	*CHINA	RUR. WATER SUPPLY AND SEWERAGE	0.22	-	-	-	0.22
ALA/85/17/NN/O	*CHINA	GANSU SUGAR BEET DEVELOPMENT	0.20	-	-	-	0.20
ALA/86/31/NN/O	*CHINA	RUR. IRRIGATION PROJECT GANSU	0.58	-	-	-	0.58
ALA/88/5/NN/O	*THAILAND	JOINT SECRETARIAT OFFICE	0.03	-	-	-	0.03
ALA/90/13/NN/O	*BANGLADESH	NAT. MINOR IRR. DEV. (NHIDP)	38.36	-	-	-	38.36
ALA/90/19/NN/O	*INDONESIA	PUNGUR UTUARA IRRIGATION	9.30	-	-	-	9.30
ALA/91/3/NN/O	INDIA	HORTICULT./KERALA SUPPL. FERTIL.	28.70	-	0.17	7.89	36.76
ALA/91/7/NN/O	SRI LANKA	NATION. IRRIGAT. REHABILITATION	3.34	-	24.66	13.50	41.50
ALA/91/11/NN/O	INDIA	MINOR IRRIGATION KERALA	11.80	-	-	3.07	14.87
ALA/91/12/NN/O	BANGLADESH	POPULATON & HEALTH IV: UFIPP	18.75	-	1.25	-	20.00
ALA/91/13/NN/O	BANGLADESH	POPULATON & HEALTH IV: CSP	20.00	-	-	-	20.00
ALA/91/19/NN/O	INDONESIA	N. BALI IRR. & WATER SUPPLY	10.30	-	-	2.60	12.90
ALA/91/20/NN/O	CHINA	INTENSIF. CROP PROD./XIUJIANG	3.60	-	-	-	3.60
ALA/91/28/NN/O	ASEAN	REG. RADAR REMOTE SENSING (ERS 1)	3.90	-	-	1.70	5.60
ALA/91/35/NN/O	INDIA	SITMUKH & NOHAR IRRIGATION	31.83	-	3.30	16.70	51.83
TOTAL ASIA			181.66	-	29.38	45.46	256.50
1.2. Latin America							
1.2.1. Central America							
ALA/91/21/NN/O	GUATEMALA	DEVELOP. RURAL/HUEHUETENANGO	12.00	-	-	5.80	17.80
ALA/91/23/NN/O	REGION.	A.T. TELECOM. SECTOR	13.80	-	-	3.64	17.44
ALA/91/25/NN/O	REGION.	PROGR. MOTHER AND CHILD CARE	16.00	-	-	-	16.00
ALA/91/29/NN/O	EL SALVADOR	MICRO ENTERPRISES	7.00	-	-	-	7.00
ALA/91/33/NN/O	REGION.	TREATMENT HOSP. WASTE	4.90	-	-	3.70	8.60
ALA/91/36/NN/O	NICARAGUA	LAND REFORM AND I.R.D./ RIO BLANCO	7.06	-	-	2.56	9.62
ALA/91/37/NN/O	REGION.	PLANT AND ANIMAL HEALTH SUPPORT	6.40	-	0.84	2.56	9.80
S/TOTAL CENTRAL AMERICA			67.16	-	0.84	18.26	86.25
1.2.2. South America							
ALA/83/10/NN/O	*PERU	MAJES PILOT PROJECT	1.10	-	-	-	1.10
ALA/86/1/NN/O	*PERU	MICROPROJETS PAMPA/PUNO	3.20	-	-	-	3.20
ALA/86/17/NN/O	*BOLIVIA	PAC	0.73	-	-	-	0.73
ALA/87/21/NN/O	*PEC	FISHERIES COOPERATION	0.60	-	-	-	0.60
ALA/90/24/NN/O	*PARAGUAY	RURAL DEV. (SETTLING PEASANTS)	10.40	-	-	-	10.40
ALA/91/1/NN/O	IDB	SPEC. FUND SMALL PROJECTS	8.00	-	-	-	8.00
ALA/91/2/NN/O	IDB	SPEC. FUND TECHN. CONSULT.	2.00	-	-	-	2.00

* : Continuation of previous projects .

1. = Origin. 2. = Amount.

Table 2 (contd.): Actual commitments by project and by recipient for the 1991 financial year (ECU '000 000)							
Number	Country	Title	Amount	Cofinan.		Local finan.	Total cost
				1.	2.		
ALA/91/8/NN/0	BOLIVIA	POTOSI WATER SUPPLY	0.50	-	0.06	-	0.56
ALA/91/9/NN/0	BOLIVIA	POTOSI/QUINDA	6.10	-	-	1.00	7.10
ALA/91/15/NN/0	COLOMBIA	CREATING JOBS FOR URBAN YOUTH	6.30	-	-	0.85	7.15
ALA/91/26/NN/0	ECUADOR	FODERUMA PHASE II	8.70	-	-	0.50	9.20
ALA/91/27/NN/0	PERU	MICROENTERPRISES	13.20	-	-	2.26	15.46
S/TOTAL	SOUTH AMERICA		60.83	-	0.06	4.61	65.50
TOTAL	LATIN AMERICA		127.99	-	0.90	22.87	151.76
1. TOTAL	NORMAL PROJECTS (Asia and Latin America)		309.65	-	30.28	68.33	408.25
2. Disaster relief projects							
ALA/87/5/CN/0	*BANGLA DESH	CYCLONE PROTECTION	0.38	-	-	-	0.38
ALA/91/16/CN/0	BANGLA DESH	CYCL./SHELTERS-CUM-PRIM.SCHOOLS	10.00	G.	5.00	-	15.00
ALA/91/16/CN/A	BANGLA DESH	CYCL./SHELTERS-CUM-PRIM.SCHOOLS	0.72	-	-	-	0.72
ALA/91/17/CN/A	BANGLA DESH	SUPPORT RECONSTR. SUPPLY CEMENT	16.00	-	-	-	16.00
ALA/91/18/CN/A	BANGLA DESH	CYCL. PROTECT. PROJ II (PRIORITY)	2.50	-	-	75.00	77.50
2. TOTAL	DISASTERS		29.60	-	5.00	75.00	109.60
3. Agricultural research							
ALA/91/10/RR/0	CGIAR	CONTR.91 CIAT,CIMMYT,CIP,ISNAR	3.15	-	-	-	3.15
ALA/91/10/RR/0	CGIAR	CONTR.91 ICRISAT,IRRI,ISNAR	5.85	-	-	-	5.85
3. TOTAL	AGRICULTURAL RESEARCH		9.00	-	-	-	9.00
4. Administration of programme							
ALA/91/7/EX/0	EEC (Admin costs, outside experts)		5.85	-	-	-	5.85
ALA/91/9/EX/0	EEC (consultancy services)		3.15	-	-	-	3.15
4. TOTAL	PROGRAMME ADMINISTRATION		9.00	-	-	-	9.00
OVERALL TOTAL	1+2+3+4:		357.24	-	35.28	143.33	535.85

* : Continuation of previous projects. 1. = Origin. 2. = Amount.

Regional distribution of projects

- 2.5. Table 3 shows the distribution of 1991 commitments by region and subregion, and by type of programme (ordinary or disaster relief; appropriations for the administration of the programme are not included). Ordinary projects and disaster relief projects in Asia received a total of ECU 217 million (62% of the ECU 348 million made available) while those in Latin America received ECU 131 million (38%).
- 2.6. Appropriations for 1991 were used for ordinary projects in seven countries in Asia - four in southern Asia (accounting for 82% of commitments to Asia) and three in South-East Asia (13% of commitments). The remaining commitments (5%) were concerned with a regional project and a contribution to agricultural research.
- 2.7. Five countries and two regional institutions in Latin America received ordinary project funding. 39% of the total was used for South American and 51% for Central American projects. 42% of the commitments for this subregion were devoted to projects to assist regional institutions.

REGIONS	Normal projects and agricultural research				Disaster relief projects				TOTAL PROGRAMMES			
	1976 - 1990		1991		1976 - 1990		1991		1976 - 1990		1991	
	ECU million	%	ECU million	%	ECU million	%	ECU million	%	ECU million	%	ECU million	%
ASIA	1670.90	68.6%	187.51	58.8%	92.50	48.1%	29.60	100.0%	1763.40	67.1%	217.11	62.3%
1. REGIONAL (+AG. RSCH.)	78.77	3.2%	9.75	3.1%	-	-	-	-	78.77	3.0%	9.75	2.8%
2. SOUTH EAST	464.54	19.1%	24.23	7.6%	20.00	10.4%	-	-	464.54	17.7%	24.23	7.0%
3. SOUTHERN	1099.54	45.2%	153.53	48.2%	67.25	35.0%	29.60	100.0%	1166.79	44.4%	183.13	52.6%
4. OTHER	28.05	1.2%	-	-	5.25	2.7%	-	-	33.30	1.3%	-	-
LATIN AMERICA	695.77	28.6%	131.14	41.2%	91.31	47.5%	-	-	787.08	30.0%	131.14	37.7%
5. REGIONAL (+AG. RSCH.)	40.15	1.6%	13.15	4.1%	-	-	-	-	40.15	1.5%	13.15	3.8%
6. SOUTH AMERICA	-	-	-	-	-	-	-	-	-	-	-	-
6.1. AS A REGION	64.40	2.6%	0.60	0.2%	-	-	-	-	64.40	2.5%	0.60	0.2%
6.2. BY COUNTRY	176.55	7.3%	50.23	15.8%	48.23	52.8%	-	-	224.78	8.6%	50.23	14.4%
7. CENTR. AM.+ CARIB.	207.71	8.5%	41.10	12.9%	-	-	-	-	207.71	7.9%	41.10	11.8%
7.1. AS A REGION	206.96	8.5%	26.06	8.2%	43.08	47.2%	-	-	250.04	9.5%	26.06	7.5%
7.2. BY COUNTRY	-	-	-	-	-	-	-	-	-	-	-	-
AFRICA	67.62	2.8%	-	-	8.49	4.4%	-	-	76.11	2.9%	-	-
TOTAL :	2434.29	100.0%	318.65	100.0%	192.30	100.0%	29.60	100.0%	2626.59	100.0%	348.25	100.0%

Asia (Regional):	ASEAN, BAD, Mekong Committee
Asia (South East):	Indonesia, Philippines, Thailand,+ Vietnam, Laos, China
Asia (Southern)	Afghanistan, Bangladesh, Bhutan, Burma, India, Maldives, Nepal, Pakistan Sri Lanka
Other:	North Yemen, South Yemen, West Bank, Gaza Strip
Latin America (Regional)	CFAD, CIM, CIMMYT, IADB, OLADE
South America (Regional):	JUNAC, PEC
South American (Countries)	Bolivia, Colombia, Ecuador, Peru
Central America and Caribbean (Regional):	CABEI, CADESCA, CATIE, INCAP, IICA
" (Countries):	Costa Rica, Dominican Republic, Haiti, Honduras, Nicaragua, El Salvador, Guatemala, Panama
Africa:	Angola, Mozambique, Zimbabwe

Breakdown by type of project

- 2.6. There has been a constant shift in the type of project and programme financed by the Community over the years towards operations focused on the development of institutions, credit for agro-industrial activities, fisheries, support for economic restructuring, and rural microprojects, at the expense of the more traditional forms like funding for rural infrastructure, individual irrigation projects and integrated rural development. This change is a response to both the Community's policy of taking action in priority areas and the wishes of the project beneficiaries. Agricultural projects absorbed 45% of the 1991 commitments, compared with 75% between 1976 and 1987.

Table 4 shows the breakdown of projects by type in the 1991 programme, together with additions to earlier projects.

TABLE 4: 1991 COMMITMENTS BROKEN
DOWN BY PROJECT TYPE

Area	No of projects	ECU '000	% of commitments
I. 1991 Programme			
1. Agriculture	12	132 422	45.4%
A. strategic planning	-	-	-
B. agrarian reform	1	7 056	2.4%
C. infrastructure	-	-	-
D. prodn./marketing	3	38 400	13.2%
E. support services	-	-	-
F. agric. research	2	9 000	3.1%
G. microprojects and rural development	2	20 700	7.1%
H. irrigation	4	57 266	19.7%
2. Forestry/environment	-	-	-
3. Fisheries	-	-	-
4. Livestock	-	6 400	2.2%
5. Industry/crafts/ trades	4	34 500	11.8%
6. Social services	4	59 650	20.5%
7. General infrastructure	2	4 400	1.5%
8. Rebuilding/disasters	4	29 217	10.0%
9. Refugees	-	-	-
10. Tech. assistance for public institutions	2	15 800	5.4%
11. Economic restructuring and adjustment	-	-	-
12. Programme prepn., admin. and monitoring	2	9 000	3.1%
TOTAL 1991 PROGRAMME	31	291 389	100.0%
II. Additions to previous projects			
1. Agriculture	-	64 227	-
D. prodn./marketing	3	1 655	-
G. microprojects and rural development	3	14 334	-
H. irrigation	3	48 238	-
3. Fisheries	1	600	-
7. General infrastructure	1	220	-
8. Rebuilding/disasters	1	380	-
10. Tech. assistance for public institutions	2	428	-
TOTAL ADDITIONS	14	65 855	-
TOTAL 1991 FINANCIAL YEAR	45	357 244	-

CHAPTER 3: ASSISTANCE RECEIVED FROM 1976 TO 1991

- 3.1. Table 5 shows the commitments provided for and the sums actually committed and disbursed under Items 9300 and 9310 (financial and technical cooperation for ALA developing countries) of the general budget for the period 1976-91.

TABLE 5: COMMITMENT APPROPRIATIONS, SUMS ACTUALLY COMMITTED, AND DISBURSEMENTS, BY CALENDAR YEAR, PERIOD 1976-1991 (ECU '000 000)

Calendar year	Commitment appropriations	Actual commitments	Disbursements for year	as % of year's commitments
1976	20.00	21.00	21.0	100%
1977	45.00	43.70	42.2	97%
1978	70.00	29.70	29.2	98%
1979	110.00	117.60	115.7	98%
1980	138.50	132.50	125.1	94%
1981	150.00	153.50	137.4	90%
1982	243.00	134.70	126.7	94%
1983	212.20	227.40	213.0	94%
1984	218.00	249.30	215.7	87%
1985	264.00	149.70	108.8	73%
1986	248.20	268.60	199.5	74%
1987	172.81	342.90	123.4	36%
1988	247.75	264.00	69.0	26%
1989	283.00	283.00	67.0	24%
1990	279.60	279.59	55.0	20%
1991	357.24	357.24	11.3	3%
TOTAL	3 059.30	3 054.43	1 660.22	54%

Commitments and disbursements

- 3.2. Over the period 1976-91 as a whole, ECU 3 054 million was committed, accounting for almost all the appropriations in the budget. The total committed was allocated to four broad types of ALA aid operations: "ordinary" projects, disaster relief projects, agricultural research and programme administration.

The amount disbursed for the same period was ECU 1 660 million, i.e. 54% of the total committed.

The disbursement percentage drops as the years progress

because recent projects are still in their early stages. A typical agricultural project (a major irrigation project, say) lasts six to eight years.

Microprojects in rural areas, agricultural loan projects and some projects in industry last two to three years.

Some projects, such as those relating to aid in kind, disaster relief, and agricultural research are completed and financed within the year.

- 3.3. Most Community aid programmes are completed (actual disbursements reach 75%) during the fifth year following the date of the financing decision. Similarly, five years is the usual duration for which provision is made at the time of the decision. The pace at which financing for individual projects is disbursed varies widely from this rule and is difficult to predict.

There are a number of explanations for this.

Firstly, the appreciation in value in recent years of the ecu against the currencies in which suppliers are paid has made it possible to effect "savings" in the Community's contribution in the case of finished projects or to expand planned operations (e.g. irrigate larger areas) in the case of projects which are not yet complete.

Secondly, there has been an increase in the share of local expenses met from the Community contribution. "Savings" against the appropriations allocated by the Community have been increasing more in those countries which have had success in their stabilization policies. Some countries have brought domestic inflation under control with deflationary economic or monetary measures coupled with a devaluation of their currency.

Thirdly, international competition between suppliers of capital goods in recent years has kept many prices below those expected.

Commitments by recipient country

- 3.4. Table 6 shows actual commitments over the period 1976-91 for all the countries which have received technical and financial assistance from the Community.

Of the total commitments for ordinary projects over this period (ECU 2 665 million), 29.7% went to Latin America, 67.8% to Asia, and the remaining 2.5% to other areas. Latin America's share has, however, risen from 30% in 1987 to 33% in 1988, 35% in 1989, 39% in 1990 and 41% in 1991 (ECU 127.99 million out of ECU 309.65 million).

- 3.5. The main beneficiaries in Latin America have been those countries involved in some form of integration (Central America, Andean Pact), because of the special emphasis the Community places on this type of policy, or those countries with the lowest revenues in which programmes for the poor in rural areas conform with the Community aid guidelines (Haiti, Bolivia and Peru in some years). In the past, considerable sums have also been allocated directly to institutions in Latin America (e.g. the Inter-American Institute for Cooperation in Agriculture in Costa Rica).
- 3.6. The main beneficiaries of Community aid in Asia have been India (27.3% of total commitments for the period 1976-91), Bangladesh (9.9%), Thailand (6.8%), Indoneais (6.4%) and Pakistan (5.4%). Regional and international institutions recieved 1.3%.

Table 6: Actual commitments, by recipient, 1976-91, (ECU '000 000)						
	1976 - 1980	1981 - 1985	1986 - 1990	1991	TOTAL	%
1. ORDINARY PROJECTS						
CHINA	-	12.00	23.90	4.60	40.50	1.5%
INDONESIA	26.60	52.17	71.44	19.60	169.81	6.4%
LAOS	4.10	1.20	11.90	-	17.20	0.6%
PHILIPPINES	8.00	17.90	51.40	-	77.30	2.9%
THAILAND	20.46	93.74	67.33	0.03	181.56	6.8%
VIETNAM	2.40	0.00	-	-	2.40	0.1%
AFGHANISTAN	1.00	0.00	-	-	1.00	0.0%
BANGLADESH	32.70	82.96	70.79	77.46	263.91	9.9%
BHUTAN	-	9.00	7.40	-	16.40	0.6%
BURMA	5.90	8.00	3.95	-	17.85	0.7%
INDIA	86.40	206.50	363.42	72.33	728.65	27.3%
MALDIVES	0.50	1.70	-	-	2.20	0.1%
NEPAL	5.20	14.00	4.56	0.40	24.16	0.9%
PAKISTAN	24.30	23.80	96.96	-	145.06	5.4%
SRI LANKA	21.70	20.00	8.80	3.34	53.84	2.0%
WEST BANK AND GAZA	-	3.65	-	-	3.65	0.1%
NORTH YEMEN	2.00	11.00	8.66	-	21.66	0.8%
SOUTH YEMEN	-	2.74	0.00	-	2.74	0.1%
ADB	2.80	1.00	-	-	3.80	0.1%
ASEAN	0.90	14.63	12.42	3.90	31.85	1.2%
Mekong Committee	0.40	0.75	-	-	1.15	0.0%
SUBTOTAL FOR ASIA	245.36	576.74	802.93	181.66	1806.69	67.8%
BOLIVIA	8.70	30.88	43.87	7.33	90.78	3.4%
COLOMBIA	-	4.00	12.00	6.30	22.30	0.8%
ECUADOR	2.90	3.00	9.00	8.70	23.60	0.9%
PARAGUAY	-	-	-	10.40	10.40	0.4%
PERU	2.00	11.60	48.60	17.50	79.70	3.0%
COSTA RICA	-	27.95	4.95	-	32.90	1.2%
EL SALVADOR	-	-	6.00	7.00	13.00	0.5%
GUATEMALA	-	-	26.00	12.00	38.00	1.4%
HAITI	7.70	11.80	6.50	-	26.00	1.0%
HONDURAS	13.18	27.53	17.25	-	57.96	2.2%
NICARAGUA	2.80	24.16	14.14	7.06	48.16	1.8%
DOMINICAN REPUBLIC	-	12.00	1.00	-	13.00	0.5%
PANAMA	-	-	4.00	-	4.00	0.2%
CFAD	1.64	-	-	-	1.64	0.1%
CIM	-	1.40	-	-	1.40	0.1%
IDB	2.00	-	-	10.00	12.00	0.5%
OLADE	1.17	0.53	-	-	1.70	0.1%
ANDEAN PACT/JUNAC	8.58	26.02	23.80	-	58.40	2.2%
P.E.C.	-	-	6.00	0.60	6.60	0.2%
CENTRAL AMERICA	-	-	141.10	41.10	182.20	6.8%
CABIE	3.23	20.00	32.00	-	55.23	2.1%

... (contd.)

Table 6 (contd.): Actual commitments, by recipient, 1976-91, (ECU '000 000)						
	1976 - 1980	1981 - 1985	1986 - 1990	1991	TOTAL	%
CADESCA	-	4.82	0.92	-	5.74	0.2%
CATIE	1.87	0.26	-	-	2.13	0.1%
IICA	1.71	1.71	-	-	1.71	0.1%
INCAP	1.80	0.00	-	-	1.80	0.1%
SUBTOTAL FOR LATIN AMERICA	57.57	207.66	397.13	127.99	790.35	29.7%
ANGOLA	1.39	22.01	-	-	23.40	0.9%
MOZAMBIQUE	3.60	26.12	-	-	29.72	1.1%
ZIMBABWE	14.50	-	-	-	14.50	0.5%
SUBTOTAL FOR AFRICA	19.49	48.13	0.00	-	67.62	2.5%
TOTAL	322.42	832.53	1200.06	309.65	2664.66	100.0%
2. DISASTER RELIEF PROJECTS						
BANGLADESH	-	-	39.65	29.60	69.25	31.2%
INDIA	10.90	11.00	-	-	21.90	9.9%
PAKISTAN	-	2.70	-	-	2.70	1.2%
SRI LANKA	3.00	0.00	-	-	3.00	1.4%
PHILIPPINES	-	-	20.00	-	20.00	9.0%
NORTH YEMEN	-	2.75	-	-	2.75	1.2%
SOUTH YEMEN	-	2.50	-	-	2.50	1.1%
BOLIVIA	-	3.40	28.08	-	31.48	14.2%
COLOMBIA	-	3.90	-	-	3.90	1.8%
ECUADOR	-	2.85	3.50	-	6.35	2.9%
PERU	1.50	0.00	5.00	-	6.50	2.9%
COSTA RICA	-	3.60	-	-	3.60	1.6%
EL SALVADOR	-	-	15.30	-	15.30	6.9%
HONDURAS	-	1.10	-	-	1.10	0.5%
MEXICO	-	0.00	6.24	-	6.24	2.8%
NICARAGUA	2.49	-	-	-	2.49	1.1%
NICARAGUA/HONDURAS	-	3.20	-	-	3.20	1.4%
HAITI	-	-	4.85	-	4.85	2.2%
DOMINICAN REPUBLIC	4.80	-	-	-	4.80	2.2%
DOM. REP./HAITI	-	1.50	-	-	1.50	0.7%
MOZAMBIQUE	-	2.50	-	-	2.50	1.1%
ANGOLA	-	2.00	-	-	2.00	0.9%
ZIMBABWE	3.99	-	-	-	3.99	1.8%
2. TOTAL DISASTER RELIEF	26.68	43.00	122.62	29.60	221.90	100.0%

... (contd.)

Table 6 (contd.): Actual commitments by recipient, 1976-91, (ECU '000 000)					
	1976 - 1980	1981 - 1985	1986 - 1990	1991	TOTAL
3. AGRICULTURAL RESEARCH					
CIMMYT	-	2.00	-		2.00
CIAT	2.95	3.00	-		5.95
CIP	1.50	1.70	-		3.20
CGIAR	-	5.35	16.91	3.15	25.41
ADB	1.50	-	-		1.50
NORTH YEMEN	1.10	-	-		1.10
ICRISAT	5.52	2.50	-		8.02
IRRI	4.00	3.20	-		7.20
CGIAR	-	6.95	21.10	5.85	33.90
3. TOTAL AGRICULTURAL RESEARCH	16.57	24.70	38.01	9.00	88.28
4. ADMINISTRATION	6.00	21.50	21.81	9.00	58.31
TOTAL COMMITMENTS (1+2+3+4)	371.67	921.73	1382.50	357.24	3033.14

SUMMARY BY REGION (ECU '000 000)						
	1991			1976 - 1991		
	ASIA	LAT. AM.	TOTAL	ASIA	LAT. AM.	TOTAL
ORDINARY PROJECTS	181.66	127.99	309.65	1806.69	790.35	2597.04
DISASTER RELIEF	29.60	-	29.60	122.10	91.31	213.41
AGRIC. RESEARCH	5.85	3.15	9.00	51.72	36.56	88.28
TOTAL	217.11	131.14	348.25	1980.51	918.22	2898.73
	62.3%	37.7%	100.0%	68.3%	31.7%	100.0%

Utilization of payment appropriations

- 3.7. Payment appropriations and utilization rates for them for the period 1977-91 are summarized in Table 7 below and detailed in Annex IV.
- 3.8. Payment appropriations and actual disbursements have increased at an average rate of approximately 20% since 1977. Differences of over 100% between one year and the next have however been reported, especially during the early days of this cooperation programme.

The overall level of utilization of payment appropriations (1977-91) exceeds 80%. This fifteen-year period divides into three phases, each associated with a different system for handling payment appropriations.

Allocations in the first budgets were non-differentiated (payment appropriations were equal to commitment appropriations), an approach which proved unsuited to a technical assistance programme and which meant that implementation and expenditure could not keep pace with commitments.

From 1979 to 1986, allocations were differentiated and unused appropriations were almost invariably carried over from one year to the next. This enabled the Commission to use the carryover as a "buffer", for coping with unforeseen early or late payments. This approach proved successful, and only 4.5% of the appropriations allocated (ECU 40 million out of ECU 900 million) were lost through non-utilization.

Greater budgetary discipline was introduced in 1987 (with a formal amendment of the Financial Regulation in 1988) and by a return to the principle of administering appropriations on a year-by-year basis. Following some initial difficulties in 1987-88, the level of utilization has returned to a satisfactory level (93% in 1989 and 100% in 1990).

The explanations for the low rate of payment in 1991 are firstly, the changes in the Indian government's development policy which have slowed down the implementation rate of current projects, in particular the project to strengthen veterinary services for

cattle disease control (Project 89/4), and secondly, the new direction taken for the project to establish a regional payment system in Central America (Project 89/12), which has brought project operations to a halt.

- 3.9. Implementation of projects and the accompanying utilization of payments depend heavily on the beneficiaries' ability to absorb the funds, while the Commission has at its disposal only limited means of influencing events.

The pace can sometimes be given an immediate boost by supplying additional technical assistance using the annual programme allocation for outside experts or support assignments undertaken by Commission officials. This approach is limited to a small number of projects recognized as being held up by a specific and soluble problem, however.

The impact of changing the direction of the programme or its implementation procedures by agreement with the beneficiaries is gradual and is felt only after a year or more. An increase in project staff at Commission headquarters and in the delegations is vital if a substantial and lasting improvement in the speed of implementation is to be achieved.

Table 7: Payment appropriations and utilization thereof, by calendar year, period 1979-91. (ECU '000 000)									
Year	Payment appropriations			Disbursements			Utilization (%)		
	Current budget	Carryover	Total	Current budget	Carryover	Total	Current budget	Carry-over	Total
1977	45.0	-	45.0	6.5	-	6.5	14	-	14
1978	40.8	-	40.8	7.7	-	7.7	19	-	19
1979	55.6	37.70	93.3	18.6	0.0	18.6	33	-	20
1980	22.0	35.60	57.6	3.3	35.6	38.9	15	100	68
1981	67.5	34.20	101.7	53.4	34.2	87.6	79	100	86
1982	168.0	14.10	182.1	52.8	14.1	66.9	31	100	37
1983	112.5	115.20	227.7	28.6	100.1	128.7	25	87	57
1984	118.0	66.40	184.4	104.3	41.9	146.2	88	63	79
1985	134.5	14.70	149.2	133.7	14.7	148.4	99	100	99
1986	210.0	0.90	210.9	171.3	0.9	172.2	82	100	82
1987	248.8	38.70	287.5	154.3	0.0	154.3	62	-	54
1988	198.0	132.10	330.1	162.7	0.0	162.7	82	-	49
1989	183.2	0.00	183.2	169.6	-	169.6	93	-	93
1990	181.6	-	181.6	181.0	-	181.0	100	-	100
1991	249.7	-	249.7	170.9	-	170.9	68	-	68
TOTAL	2035.2	n/a	n/a	1418.0	241.5	1660.2	n/a	n/a	n/a

n/a : not applicable, as the amounts carried over could be counted twice into the figure given in the current budget for the previous year.

Effect of aid in kind on total payments

- 3.10 The figures for disbursements for each year (see above) include direct payments for ordinary projects and aid in kind. This form of aid has made possible a rapid transfer of resources for meeting local expenditure associated with projects in which the Community is involved. It can, however, only be of use in limited instances, those in which a country has a clear need for the goods in question and has the institutional structure necessary to handle the transfer of goods and resources from a material and financial point of view. An example of this is provided by India, which received an average of ECU 35 million per year in such aid (mainly fertilizer in bulk) between 1980 and 1989.

Aid in kind accounted for an average 27% per year of the payments made for financial and technical cooperation over the period, with a high of 42% in 1983, after which there was a steady fall, with the level in 1989 being 24%. The amounts allocated for such aid were reduced from 1988. The level of disbursements for ordinary projects has therefore actually been increasing.

CHAPTER 4: OTHER TYPES OF AID1991 commitments

4.1. The Community's commitments to Asian and Latin American developing countries for 1991 in areas other than financial and technical cooperation are shown in Table 8. Commitments can be divided into three categories: development aid, economic cooperation and humanitarian aid.

The figures in brackets are the total sums under the particular budget item, when countries other than the ALA developing countries are included.

Table 8: All types of aid to Asian and Latin American developing countries (in ECU '000 000)

Part 1 (of 3): Development aid

Chapter Article Item	Title	Total 1991 appropri- ations	as %
B7-3000 3010	<u>Financial and technical coop- eration</u> with Asian and Latin American developing countries	357.24	56.3%
B7-3030	<u>System for compensating for losses in export earnings</u> for non-ACP least developed countries	0.06 (0.07)	0.0%
B7-5010	Comm unity contribution to- wards schemes concerning developing countries carried out by <u>non-governmental org- anizations</u>	46.90 (104.28)	7.4%
B7-20	<u>Food aid</u>	120.25 (684.01)	18.9%
TOTAL Development aid		524.45 (1 145.59)	82.6%

Table 8: All types of aid to Asian and Latin American
developing countries (in ECU '000 000)

Part 2 (of 3): Economic cooperation

Chapter Article Item	Title	Total 1991 appropri- ations	as %
B4-1040	<u>Energy planning</u>	2.00 (9.41)	0.3%
B4-1041	<u>European Energy Charter and cooperation with third countries in the energy field</u>	1.36 (2.28)	0.2%
B7-3001 3011	<u>Economic cooperation with Asian and Latin American developing countries</u>	16.35	2.6%
B7-3002	<u>Measures to encourage region- al or subregional integrat- ion between Asian and Latin American developing countries</u>	3.22	0.5%
B7-3003 3013	<u>Cooperation with Asian and Latin American developing countries on energy</u>	9.60	1.5%
B7-3004 3013	<u>Training operations for nationals of Asian and Latin American developing countries</u>	12.35	1.9%
B7-3005 3015	<u>Operations to promote Commu- nity investment in Asian and Latin American developing countries in the context of economic and trade coop- eration agreements</u>	9.98	1.6%
B7-5020	<u>Commercial and economic cooperation agreements with third countries</u>	1.37 (8.41)	0.2%
TOTAL	Economic cooperation	56.23 (64.56)	8.9%

Table 8: All types of aid to Asian and Latin American
developing countries (ECU '000 000)

Part 3 (of 3): Humanitarian aid

Chapter Article Item	Title	Total 1991 appropri- ations	as %
B7-3020	Aid towards self-sufficiency for <u>refugees and displaced persons</u>	44.97 (46.02)	7.1%
B7-5045	Programme of North-South cooperation schemes in the context of the <u>campaign against drug abuse</u>	4.41 (9.34)	0.7%
B7-5000	Aid to disaster victims in developing and other third countries	3.64 (122.70)	0.6%
B7-5046	AIDS control in developing countries	1.04 (4.82)	0.2%
TOTAL	Humanitarian aid	54.06 (182.88)	8.5%
TOTAL	ALL TYPES OF AID	634.74 (1 393.03)	100.0%

4.2. Taking all types of aid together, the Community's 1991 commitments amounted to ECU 634.74 million, of which 82.6% (ECU 524.45 million) was allocated to development aid, 8.9% (ECU 56.23 million) to economic cooperation and 8.5% (ECU 54.06 million) to humanitarian aid.

Assistance received, 1976-91

4.4. Table 9 sets out by region and by country, for the period 1976-91, all the Community's aid to the ALA developing countries, via the various instruments. It again gives the breakdown of the aid into three categories: development aid, economic cooperation and humanitarian aid.

Out of the total, 86% (ECU 5 460 million) was allocated for development aid, 7% for economic cooperation (ECU 450 million) and 8% (ECU 483 million) for humanitarian aid.

Financial and technical assistance to the ALA developing countries accounted for 53% (ECU 2 899 million) of their development aid from the Community. Most of the remainder of the development aid was given via operations carried out by NGOs to assist the developing countries (Chapter B7-5010) and via food aid (Chapter B7-2000).

Table 9: All types of aid, broken down by region, period 1976-91 (ECU '000 000)					
	Development aid (1)	Economic cooperation (2)		Humanitarian aid (3)	
		of which: fin. and tech. assist. B7-3000/3010			
<u>South East Asia</u>					
CHINA	223.924	40.500	43.305	4.050	271.279
INDONESIA	198.103	169.810	9.351	1.000	208.454
LAOS	26.979	17.200	0.250	7.733	34.962
PHILIPPINES	129.010	97.300	9.811	8.377	147.198
THAILAND	206.359	181.560	15.312	22.512	244.183
VIETNAM	43.111	2.400	2.332	30.451	75.894
CAMBODIA	14.407	0.000	56.340	0.000	70.747
BRUNEI	0.000	0.000	0.100	0.000	0.100
HONG KONG	0.006	0.000	0.000	3.250	3.256
MALAYSIA	0.302	0.000	3.223	2.690	6.215
SINGAPORE	0.000	0.000	0.070	0.000	0.070
SOUTH KOREA	0.135	0.000	0.000	0.000	0.135
<u>Southern Asia</u>					
AFGHANISTAN	3.287	1.000	0.000	22.400	25.687
BANGLADESH	828.035	333.160	4.661	43.350	876.046
BHUTAN	17.331	16.400	0.060	17.391	34.782
BURMA	18.610	17.850	0.620	1.030	20.260
INDIA	1 338.560	750.550	28.983	47.603	1415.146
MALDIVES	3.130	2.200	1.680	0.000	4.810
NEPAL	33.460	24.160	1.410	1.407	36.277
PAKISTAN	380.862	147.760	5.936	39.940	426.738
SRI LANKA	137.968	56.840	5.121	2.370	145.459
<u>Other Asia</u>					
WEST BANK AND GAZA	27.050	3.650	0.000	0.000	27.050
NORTH YEMEN	43.804	25.510	0.000	0.750	44.554
SOUTH YEMEN	26.188	5.240	0.130	0.520	26.838
<u>Asia - Regional</u>					
ASEAN	31.850	31.850	30.065	2.055	63.970
MEKONG COMMITTEE	1.150	1.150	0.600	0.000	1.750
ASIA (REGIONAL)	20.520	20.520	30.982	4.597	56.099
ASIA (COUNTRIES)	0.000	0.000	1.057	0.000	1.057
ASIA (CGIAR)	33.900	33.900	0.000	0.000	33.900
REGIONAL	0.000	0.000	0.355	0.000	0.355

... (contd.)

Table 9 (contd.): All types of aid, broken down by region period 1976-91 (ECU'000 000)					
	Development aid (1)		Economic cooperation (2)	Humanitarian aid (3)	TOTAL (1)+(2)+(3)
	of which: fin. and tech. assist B7-3000/3010				
<u>South America (countries)</u>					
BOLIVIA	205.453	122.260	1.749	3.125	210.327
COLOMBIA	43.116	26.200	12.905	6.427	62.448
ECUADOR	54.325	29.950	9.186	3.080	66.591
PARAGUAY	21.117	10.400	1.806	1.740	24.663
PERU	183.965	86.200	11.176	5.122	200.263
VENEZUELA	2.280	0.000	3.172	0.500	5.952
BRAZIL	47.407	0.000	16.037	3.341	66.785
ARGENTINA	6.675	0.000	10.642	1.477	18.794
CHILE	66.109	0.000	15.106	4.239	85.454
URUGUAY	7.941	0.000	6.679	0.790	15.410
VARIOUS	0.000	0.000	0.150	0.000	0.150
<u>South America (regional)</u>					
JUNAC	65.000	65.000	13.597	78.597	157.194
SA REGIONAL	20.850	20.850	1.048	0.000	21.898
<u>Central America (countries)</u>					
COSTA RICA	38.406	36.500	3.370	2.552	44.328
EL SALVADOR	48.860	28.300	1.251	14.392	64.503
GUATEMALA	60.476	38.000	4.718	11.601	76.795
HAITI	87.528	30.850	0.430	2.076	90.034
HONDURAS	103.343	57.960	0.970	7.667	111.980
NICARAGUA	218.267	50.650	7.528	22.126	247.921
DOMINICAN REP.	27.838	19.300	0.898	29.966	58.702
PANAMA	4.776	4.000	0.738	5.654	11.168
MEXICO	14.919	6.240	21.208	12.480	48.607
CUBA	34.933	0.000	0.010	0.000	34.943
<u>Central America (regional)</u>					
CABIE	55.230	55.230	0.210	0.000	55.440
CA REGIONAL	182.200	182.200	10.321	1.200	193.721
CA COUNTRIES	14.580	14.580	2.688	0.000	17.268
<u>Latin America (regional)</u>					
LA REGIONAL	30.405	8.140	31.560	0.933	62.898
CGIAR	25.410	25.410			
LA COUNTRIES	0.544	0.000	8.598	0.148	9.290
OVERALL TOTAL	5 459.994	2 898.730	449.505	482.709	6 366.798
%	86%		7%	8%	100%
%	100%	53%			

ECIP

4.4. Industrialists and businessmen in the Community, the ALA developing countries and non-member Mediterranean countries have an additional instrument which they can make use of, called "European Community Investment Partners" (ECIP).

Firstly, ECIP offers assistance to initiatives generated by

the private sector for the purpose of looking into possibilities of setting up joint undertakings, and secondly, it contributes to the funding and development of human resources connected with such initiatives. In 1991, 117 applications were approved.

As a result of this programme's success, it has been decided to start preparing a Council regulation which would provide a solid and legal framework and which would enable the Commission to expand this instrument.

(Acts whose publication is obligatory)

**COUNCIL REGULATION (EEC) No 443/92
of 23 February 1992**

on financial and technical assistance to, and economic cooperation with, the developing countries in Asia and Latin America

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposals from the Commission (1),

Having regard to the opinion of the European Parliament (2),

Whereas the Community has been pursuing a policy of financial and technical cooperation with the Asian and Latin American (ALA) developing countries since 1976 and has, more recently, also embarked on economic cooperation with those countries; whereas these forms of cooperation are part of an overall policy of cooperation with the developing countries as a whole, which includes expansion of their trade by integration into the multilateral trading system, by appropriate measures to be taken within the relevant international organizations and by specific measures such as the Community system of generalized preferences;

Whereas the current process of European construction and the growing influence of the Community in the developing countries worldwide justify the continuation, with due regard for the complementary nature of Community action, of mutually advantageous economic cooperation with, and Community development aid to, the Asian and Latin American developing countries, the extension of cooperation to other countries or sectors in the two regions, increased financing for such policies and efforts to ensure that they are better adapted to national and local needs within each region;

Whereas the European Council has on a number of occasions confirmed the Community's political will to reinforce its cooperation with regions of the world where the

level of development is still inadequate and to do so via an increased, coordinated and multi-faceted effort on the part of the Community and its Member States;

Whereas the European Council, meeting in Luxembourg on 28 and 29 June 1991, asked the Community and its Member States, through Community cooperation policy and by including clauses on human rights in economic and cooperation agreements with third countries, actively to promote human rights and the participation, without discrimination, of all individuals or groups in the life of society, bearing in mind particularly the role of women;

Whereas the European Parliament has examined the matter in detail on a number of occasions and has called for reinforced cooperation and for a revision of present legislation in order to ensure that aid is more efficient and more transparent;

Whereas, on 4 February 1991, the Council adopted final conclusions on guidelines for cooperation with the Asian and Latin American developing countries, covering in particular the priorities and sectors for consideration and the desirability of increasing the resources to be allocated to them and of enabling indicative medium-term programming for those resources to be undertaken;

Whereas both the European Parliament and the Council, while confirming traditional fields of action, have identified new priorities relating, in particular, to the environment, the human dimension of development and the need for economic cooperation to take place in the mutual interest of the Community and its partner countries;

Whereas provision should be made for funding the aid referred to in this Regulation and other aid to the Asian and Latin American developing countries;

Whereas an amount of ECU 2 750 million is deemed necessary for the implementation of the aid covered by this Regulation and of other aid to the Asian and Latin American developing countries for an initial five-year period (1991-1995);

(1) OJ No C 119, 4. 5. 1991, p. 6 and OJ No C 284, 31. 10. 1991, p. 4.
(2) OJ No C 267, 14. 10. 1991, p. 35.

Whereas the amount deemed necessary for the funding period 1991-1992, under the present financial perspective, is ECU 1 069,8 million;

Whereas the amounts to be committed for funding the aid during the period 1993 to 1995 should be included in the existing Community financial framework and whereas the Asian and Latin American developing countries should be given the same priority in the budget for 1993 to 1995 as they were in the period 1991 to 1992;

Whereas the volume of Community aid for the period after 1995 should be determined in accordance with existing procedures;

Whereas the rules governing the administration of financial and technical assistance to, and economic cooperation with, the Asian and Latin American developing countries should be established;

Whereas it is necessary to repeal Council Regulation (EEC) No 442/81 of 17 February 1981 on financial and technical aid to non-associated developing countries (3);

Whereas the Treaty does not provide specific powers of action for the adoption of this Regulation, other than those contained in Article 235,

HAS ADOPTED THIS REGULATION:

Article 1

The Community shall continue and broaden Community cooperation with the Asian and Latin American developing countries, hereinafter referred to as 'the ALA developing countries', which are not signatories to the Lomé Convention and do not benefit from the Community's cooperation policy with Mediterranean third countries. This cooperation, which shall be in addition to assistance from the Member States, shall involve financial and technical development assistance and economic cooperation. In this connection, the Community shall attach the utmost importance to the promotion of human rights, support for the process of democratization, good governance, environmental protection, trade liberalization and strengthening the cultural dimension, by means of an increasing dialogue on political, economic and social issues conducted in the mutual interest.

Article 2

The aim of Community development and cooperation policies shall be human development.

Aware that respect for, and the exercise of, human rights and fundamental freedoms and democratic principles are preconditions for real and lasting economic and social development, the Community shall give increased support to the countries most committed to those princi-

(3) OJ No L 48, 21. 2. 1981, p. 8.

ples, particularly for positive initiatives to put them into practice.

In the case of fundamental and persistent violations of human rights and democratic principles, the Community could amend or even suspend, the implementation of cooperation with the States concerned by confining cooperation to activities of direct benefit to those sections of the population in need.

Article 3

All ALA developing countries shall be eligible for financial and technical assistance and economic cooperation. The recipients of aid and partners in cooperation may include not only States and regions but decentralized authorities, regional organizations, public agencies, local or traditional communities, private institutes and operators, including cooperatives and non-governmental organizations. The needs and priorities of each country and each region shall be taken into account when granting the aid covered by this Regulation.

Financial and technical assistance

Article 4

Financial and technical assistance shall be targeted primarily on the poorest sections of the population and the poorest countries in the two regions, through the implementation of programmes and projects in whatever sector. Community aid is likely to play an important role. In particular, measures shall be implemented in areas where domestic, economic and human resources are difficult to mobilize, but which are of strategic importance either for the development of the countries concerned or for the international community as a whole.

Article 5

Financial and technical assistance shall give priority to developing the rural sector and improving the level of food security. In this regard, integrating food aid into other development instruments may help this form of aid to fulfil its specific role and objectives. Community support for the rural sector must also include measures in small towns serving rural areas, in order to promote employment. The improvement of the economic, legal and social environment for the private sector, including small and medium-sized undertakings, must also be taken into account.

Protection of the environment and natural resources, and sustainable development, shall be long-term priorities. 10 % of the weighted average of the necessary financial resources of the aid, for the period 1991 to 1995, shall be set aside for projects specifically aimed at protecting the environment, in particular tropical forests.

Furthermore, consideration shall be given in all operations to protecting the environment and natural resources.

Special attention must be given to measures to combat drugs. Community cooperation with the ALA developing countries to promote the fight against drugs shall be stepped up on the basis of a dialogue within the more general context of the economic development of the producer countries and their cooperation with the European Community. This cooperation shall cover measures involving both humanitarian and development aid.

The human dimension of development shall be present in all areas of action, given the objective of this form of cooperation.

The cultural dimension of development must remain a constant objective in all activities and programmes with which the Community is associated.

Aid should accordingly be allocated, *inter alia*, to specific projects for the spread of democracy, good governance and human rights.

Furthermore, care should be taken to ensure not only that the changes brought in by the projects and programmes do not have any detrimental effects on the position and role of women, but that, on the contrary, specific measures, or even projects, are adopted in order to increase their active participation, on an equal footing, in the productive process and its results, and in social activities and decision making.

Special attention shall also be given to child protection.

Ethnic minorities warrant special attention through measures designed to improve their living conditions while respecting their cultural identity.

Special attention shall be given to demographic questions, in particular those relating to population growth.

Community aid for development projects and programmes must take account of macro-economic and sectoral problems and favour operations which have an effect on the structural make-up of the economy, on the development of sectoral policies and on the development of institutions. In order to increase their effectiveness and obtain greater synergy, dialogue and cooperation with the relevant international institutions and bilateral financiers should be sought.

Support for the national institutions of the developing countries, so as to strengthen their capacity to manage development policies and projects, represents an area of action likely to assume a strategic role in the development process.

Maintaining a suitable dialogue between the developing countries and the Community is an important element in this context.

Regional cooperation between developing countries shall be considered a priority area for financial and technical assistance, particularly in the following fields:

- cooperation on the environment,
- the development of intra-regional trade,
- the strengthening of regional institutions,
- support for regional integration and the establishment of joint policies and activities among developing countries,
- regional communications, particularly as regards standards, networks and services, including telecommunications,
- research,
- training,
- rural development and food security,
- cooperation in the sphere of energy.

Part of the aid may be used for rehabilitation and reconstruction following disasters of all kinds and for disaster-prevention measures.

Article 6

Financial and technical assistance, shall be extended to the relatively more advanced ALA developing countries, in particular in the following specific fields and cases:

- the spread of democracy and human rights,
- prevention of natural disasters and reconstruction in their wake,
- the fight against drugs,
- the environment and natural resources,
- strengthening institutions, especially public authorities,
- pilot schemes to help particularly under privileged strata of the population especially in large conurbations,
- regional cooperation and integration, with special attention being paid to regional cooperation and integration schemes allowing partnerships to be formed between poor and relatively advanced countries.

Economic cooperation

Article 7

Economic cooperation, devised to serve the mutual interests of the Community and its partner countries, shall contribute to the development of the ALA developing countries by helping them build up their institutional capacity so as to create an environment more favourable to investment and development and make the most of the prospects opened up by the growth of international trade, including the European single market, and by enhancing the role of businessmen, technology and know-how from all the Member States, particularly in the private sector and in small and medium-sized undertakings.

Economic cooperation shall be aimed in particular at establishing a climate of confidence by supporting countries which pursue macro-economic and structural policies that are open to trade and investment and conducive to technology transfer, in particular by protecting intellectual property rights.

Article 8

Economic cooperation shall include three sectors:

1. Improvement of scientific and technological potential and of the economic, social and cultural environment in general by means of training schemes and the transfer of know-how. Scientific and technological cooperation, including such cooperation in the field of high technology programmes, may derive benefit also from the implementation of the multiannual framework research programme and from the provisions of Article 130N of the Treaty. Economic cooperation shall be directed chiefly at executives, economic decision-makers and instructors and shall cover all economic, technical and scientific fields, in particular energy, industrial and urban ecology and services technology. It should promote links between institutes and research centres on both sides and take account of their capacity for the rapid acquisition of know-how and modern technology which can then be disseminated in the recipient country;
2. Improvement of the institutional structure, which must go hand in hand with a closer dialogue with partners, in order to make the economic, legislative, administrative and social climate more conducive to development;
3. Support for undertakings, for example by means of trade promotion, training and technical assistance schemes, by establishing contacts between undertakings and by schemes to facilitate cooperation between them.

Regional cooperation must be regarded as an important sector for economic cooperation, in particular with respect to:

- cooperation on industrial ecology,
- intra-regional trade,
- regional institutions for economic integration,
- regional policies,
- communications, including telecommunications,
- research and training,
- cooperation in the sphere of energy,
- industrial cooperation.

Implementing procedures

Article 9

Financial and technical assistance and expenditure on economic cooperation shall be provided mainly in the

form of grants financed from the general budget of the European Communities.

Wherever possible, indicative five-year programming shall be established for each objective, country or, if appropriate, region.

Co-financing with the Member States or other donors shall be sought through greater coordination. The Community nature of the aid must be maintained.

Article 10

1. Community funding of the aid referred to in Article 9 shall cover an initial five-year period (1991-1995).

2. The amount of Community funding deemed necessary for the implementation of the aid shall be ECU 2 750 million, 10 % of which shall be allocated to the environment, especially the protection of tropical forests. An amount of ECU 1 069,8 million shall be earmarked for the period 1991-1992 under the financial perspective for 1988-1992.

For the period 1993-1995, the amount shall be included in the Community financial framework then in force.

3. The budget authority shall determine the appropriations available for each financial year, account being taken of the principles of sound financial management referred to in Article 2 of the Financial Regulation applicable to the general budget of the European Communities.

4. For the subsequent period covered by this Regulation, the amount of aid shall be determined in accordance with the procedures then in force.

Article 11

Financial and technical assistance may cover all foreign currency costs and local costs for carrying out projects and programmes, including, whenever necessary, integrated programmes and sectoral projects.

Maintenance and operating expenses for economic cooperation operations, training and research programmes and development projects and programmes may, in particular, be covered. However, except for training and research programmes, such expenses may be covered only at the launching stage and in gradually decreasing amounts.

Systematic efforts must be made to seek contributions, particularly in financial form, from partners (countries, local communities, undertakings, individual recipients) within the limits of their possibilities and according to the nature of each operation.

The payment of taxes, duties and charges, and the purchase of land, shall be excluded from Community financing.

Study costs and the short- and long-term use of experts to assist the recipients and the Commission in devising general policies, identifying and preparing operations and monitoring and evaluating them shall normally be covered by Community funds, either as part of the financing for individual operations or separately.

Article 12

1. Part of the financial and technical assistance and of the economic cooperation shall be set aside for measures to deal with exceptional circumstances, in particular projects to promote reconstruction in the wake of disasters, and to meet unforeseen priorities, particularly in countries in which the human rights situation or other political conditions did not previously allow Community aid to be given. An amount of, at most, 15 % shall be provided for to this end when the budgetary authority adopts the annual appropriations.

2. Any unallocated amount equivalent to the 15 % portion of the annual appropriations shall be released on 31 July of the same year to be allocated in some other way.

Article 13

Participation in invitations to tender and purchasing and other contracts shall be open on equal terms to all natural or legal persons of the Member States.

With regard to financial and technical assistance, such participation shall usually be extended to the recipient State and may also be extended, case by case, to other developing countries.

In exceptional cases which are duly justified, other countries of origin may be allowed for specific components.

Article 14

Aid projects and programmes for which Community funding exceeds ECU 1 million, and any substantial modifications and possible overruns of approved projects and programmes which exceed 20 % of the amount initially agreed, shall be adopted according to the procedure laid down in Article 15 (3).

The same procedure shall be followed for adopting the acts required to establish:

- the indicative multiannual guidelines that apply to the main partner countries,
- the areas of cooperation according to subject or sector.

Article 15

1. The Commission shall administer the financial and technical assistance and the economic cooperation.

2. The Commission shall be assisted by a committee composed of the representatives of the Member States and chaired by the representative of the Commission.

3. The representative of the Commission shall submit to the committee a draft of the measures to be taken. The committee shall deliver its opinion on the draft within a time limit which the chairman may lay down according to the urgency of the matter. The opinion shall be delivered by the majority laid down in Article 148 (2) of the Treaty in the case of Decisions which the Council is required to adopt on a proposal from the Commission. The votes of the representatives of the Member States within the committee shall be weighted in the manner set out in that Article. The chairman shall not vote.

The Commission shall adopt the measures envisaged if they are in accordance with the opinion of the committee.

If the measures envisaged are not in accordance with the opinion of the committee, or if no opinion is delivered, the Commission shall, without delay, submit to the Council a proposal relating to the measures to be taken. The Council shall act by a qualified majority.

If, on the expiry of a period of one month, the Council has not acted, the proposed measures shall be adopted by the Commission.

4. On a regular basis, at least once a year, the Commission shall send the Member States whatever information it has on known sectors, projects and operations which could be supported under this Regulation.

5. In addition, coordination between Community cooperation schemes and bilateral schemes undertaken by Member States shall be carried out in this committee, through an exchange of information.

Article 16

The Commission shall submit to the European Parliament and the Council an annual report on the implementation of this Regulation. The report shall set out the results of implementation of the budget as regards commitments and payments and presenting the projects

and programmes financed during the year. The report shall contain, as far as possible, information on the funds committed at national level during the same financial year. It shall also contain specific, detailed information (undertakings, nationality, etc.) on the contracts awarded for the implementation of the projects and programmes.

In addition, at the end of each five-year period the Commission shall submit a comprehensive report giving the results of the regular evaluation undertaken to show not only how the projects and programmes have been

implemented but also the advisability of maintaining or amending the aid guidelines.

Article 17

1. Regulation (EEC) No 442/81 is hereby repealed.
2. Any reference to the repealed Regulation shall be deemed to be a reference to this Regulation.

Article 18

This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 25 February 1992.

For the Council
The President
Vitor MARTINS

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ANNEX II

ALA developing countries

1991 Programme

Descriptive summaries

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Recipient: Inter-American Development Bank (countries
of Latin America)
No: ALA/91/01
Title: Special fund for the financing of small
productive projects
EEC contribution: ECU 8 000 000

The project is to set up within the Inter-American Development Bank a special fund for the financing of small productive projects which will benefit the poorest sections of the population.

The fund's resources will be made available to these population groups via private institutions such as foundations, cooperatives, and associations, to finance productive projects (agricultural, craft industries, services, etc.) or marketing ventures, with a view to generating extra income and/or creating jobs.

The IDB will contribute up to USD 500 000 to such organizations which they will then pass on to their members or recipients, essentially in the form of loan programmes on conditions close to those of commercial credit in the country concerned, to which the recipients of this programme would not normally have access.

The twin objectives of the project are to improve the living conditions of the poorest, marginalized population section, or of particular groups (indigenous people, women, the handicapped) and to strengthen grassroots organizations representing such groups.

38

Recipient: Inter-American Development Bank
No: ALA/91/02
Title: Special fund for financing technical consultancy services
EEC contribution: ECU 2 000 000

The aim of the project is to set up a special fund within the Inter-American Bank to pay for the short-term services of consultants who are Community nationals.

They will be recruited to carry out studies, provide specific technical assistance and conduct training schemes. In general, such consultancy services will be performed in direct conjunction with the Bank's operational activities, to support projects financed or to be financed by the Bank.

The Bank's technical capacity will be increased with the addition of European consultants. The fact that the recipient countries are provided with European consultants with specialist knowledge of particular areas should improve local capacity to absorb funds and the preparation and follow-up of development projects.

The project is designed to step up the transfer of know-how and the exchange of experiences between Europe and Latin America, which should lead to a stronger European presence in the area and, in the medium or long term, should encourage joint activities.

Annex II

Recipient: Bolivia
No: ALA/91/08
Title: Water supply for the city of Potosi
EEC contribution: ECU 500 000

Type of project within the meaning of Article 3 of the Regulation - Reserves for disaster.

The various types of infrastructure work covered by the project will make it possible, in the short/medium term, to solve the problem of water supplies for the city of Potosi (population 120 000) which, at the end of the dry season, experiences an acute water shortage. The situation is made worse by the drought from which the region has been suffering for the last two years, with dire consequences for its inhabitants.

The project will, under normal conditions, supply Potosi with a daily average of 70 litres of water per person - 40 litres per person in times of drought.

One of the benefits of the project will be to improve water quality, for at present, the supply is untreated and since it is obtained from lakes is subject to all kinds of contamination.

Since the project concerns such a vital matter, it will have considerable impact on the health of the population as a whole and of women and children in particular.

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Recipient: Bolivia
No: ALA/91/09
Title: "Quinoa/Potosi"
EEC contribution: ECU 6 100 000
(Type of project within the meaning of Article 3 of the Regulation - Rural development)

Quinoa - the traditional Andean cereal adapted to the climate of the Bolivian high plateau (altiplano) - is for some Andean people, especially the peasants living in the south of Potosi department, the only important staple food crop, thanks to its high nutritional value. Any initiative to assist these population groups must include the development of quinoa.

The programme, which is to run for four years, is intended to promote the cultivation of quinoa by coordinating activities such as production, research, improvement of minor infrastructure, loans for peasants and marketing initiatives.

The programme will enable the 4 300 families living in the area (a total of 21 000 people from among the country's poorest and most marginalized groups) to improve both their diet and their economic situation, by increasing supplies of their basic food and generating income from the sale of surplus quinoa and livestock.

Under the programme a number of initiatives, studies, research projects and the adaptation of methods currently used, whether or not mechanized, will be undertaken, with the aim of protecting soil and reclaiming land already laid waste, mainly because of over-intensive and unsuitable farming methods.

In addition, the combination of growing quinoa along with livestock farming will be studied, organized and promoted, in an effort to increase productivity and ensure a minimum income when a harvest is poor, and to set up a scheme to provide loans and assistance for peasants and producer groups, for the marketing of quinoa.

At a social level, the programme is in line with the priorities set by the government, aimed at helping the population on the altiplano, in particular those living in the parts worst affected by the crisis in the mining sector, with a view to ensuring their food self-sufficiency and preventing their moving away to coca-growing areas.

From an economic standpoint, the expected increase in yield and the more profitable methods of quinoa cultivation should result in higher family incomes, thus encouraging peasants in other areas of the high plateau to switch to this tradition.

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Recipient: Colombia
No: ALA/91/15
Title: Creating jobs for urban youth
EEC contribution: ECU 6 300 000

Against the background of poverty in which the population of Colombia's deprived urban areas live, the aim of the programme is to provide young people with an economic opportunity conducive to harmonious economic, social and technical development, thus constituting one of the best indirect weapons in the fight against illegal drug-related activities.

These young people experience the highest level of under-employment and unemployment, suffer from a lack of technical training and have no access to normal lending to enable them to start a legal economic activity which will provide an income. This situation is particularly serious for single mothers.

This programme will therefore seek to promote young people's entrepreneurial capabilities with sections relating to credit and to technical assistance aimed at improving productivity and business and credit management. Also planned are training and technical development sections.

The programme will fall under the responsibility of the National Planning Department, in conjunction with the Consejeria para la Juventud, Mujer y Familia. The main course of action will be to promote financial assistance for the target group, plus technical assistance for management, in order to enable the recipients to achieve a better level of income and output by giving them access to the new technology and commercial techniques forming part of the programme.

The programme will be implemented over four years and will cost a total of ECU 7.15 million - ECU 6.3 million from the Community and ECU 0.85 million from Colombia.

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Recipient: Guatemala
No: ALA/91/21
Title: Rural Development Programme in the Department of Huehuetenango
EEC contribution: ECU 12 million

The aim of the programme is to lay the foundations of self-sustaining development, based on agriculture and small craft industries producing non-luxury goods, in an area covering 15 municipal authorities in the north of the Department of Huehuetenango.

Socio-economic indicators show the programme area to be one of the country's most depressed (GNP less than USD 100/year). Its 400 000 or so inhabitants are indigenous, non-Spanish speaking ethnic groups. The region is geographically isolated, mountainous and seriously underprovided with social and production facilities; it also gets little attention from the authorities. The situation, serious enough in itself, may become disastrous with the return of refugees who left the country earlier; another EEC-funded project in the Department is now near completion and cannot cope with the problem.

The programme is urgent, in other words. It will be carried out by the most rapid means available over three years, and will take three main directions: (a) providing basic social infrastructure (e.g. drinking water, health, access roads); (b) giving support to the production of basic foodstuffs and for small crafts; and (c) technical and social work training and community development.

Under the authority of the Ministry for Development (MINDES), the programme will be completely decentralized in the field (with its headquarters at Huehuetenango), and will be technically and financially autonomous in its implementation. The latter will be supervised by a team of expatriates (six technical experts and a co-director).

The resources provided will be rapidly distributed by a method based on the active and voluntary participation of the beneficiaries or their local communities, from the identification phase through to implementation and management of the operations being funded.

This participation, supported by the project's training staff, will consist mainly of providing labour for the construction works.

The total cost of the programme is estimated at ECU 17 800 000 - ECU 12 000 000 to be provided by the EEC, ECU 4 500 000 by the beneficiaries and ECU 1 300 000 by the Guatemalan government.

Recipient: Countries of Central America: Costa Rica,
El Salvador, Guatemala, Honduras,
Nicaragua, Panama

No: ALA/91/23

Title: Regional programme for technical assistance
and the development of the telecommunications
sector in Central America

EEC contribution: ECU 13 800 000

The programme aims to increase regional and national capacity in the telecommunications sector by concentrating on their organization and management and, as a trial, on the actual infrastructure.

The Community's special effort in this sector - which is clearly identified in the Special Plan for Central America (PEC) - is justified by virtue of the low level of penetration of telecommunications services in the region, by the importance of improvements in this sector for the general process of development (opening up communications in certain areas, the introduction of new services, etc.) and of regional integration and, finally, by virtue of European expertise in this area.

The operation consists of two complementary items: (a) a set of technical assistance measures to help the Technical Commission on Regional Telecommunications in Central America (COMTELCA) and the national operators, which mainly involves harmonizing national regulations, standardizing and aligning equipment, and drawing up a plan for using human resources and for specific training and consultation measures; (b) a set of specific projects in various Central American countries aimed primarily at developing rural telephone networks and stepping up transmission potential.

The programme, which will be carried out under COMTELCA's responsibility, will be technically and financially independent in its implementation. The latter will be supervised by expatriate technical assistance (100 man/months).

The total cost of the programme is estimated at ECU 17 640 000 - ECU 13 800 000 to be financed by the EEC and ECU 3 840 000 by the region.

In addition to covering technical assistance and training, Community funding will mainly be used to procure equipment and installations.

44

Recipient: Honduras
No: ALA/91/24
Title: Programme of credit and technical assistance
for rural microenterprises (PROCATMER)
EEC contribution: ECU 9 600 000

The programme is part of the Honduran Government's efforts to offset the adverse social effects of its structural adjustment programme, through measures to relaunch the economy and provide social relief. These measures are coordinated by a new organization, the FHIS (Honduran Fund for Social Investment).

The proposed investment is aimed at promoting the development of informal rural microenterprises, which represent considerable economic potential once they can overcome their principal weaknesses - difficulties in obtaining loans and lack of management skills.

The programme will therefore help to set up a revolving loan fund for rural microenterprises, which will be channelled through existing local financial institutions in Honduras, first and foremost via the OPD (Private Development Organizations).

Technical support and training operations will also be provided for these intermediary institutions, to strengthen their capacity to operate in the field by covering the cost of additional agents and funding individual technical assistance operations.

While falling within the objectives and courses of action of the FHIS, the programme will be completely independent in its decision-making and its resources, under the control of two co-directors, one a Honduran and the other a European expatriate, head of the technical assistance team.

The programme will cover a period of four years. Its total cost is ECU 10.9 million, to which the EEC will contribute ECU 9.6 million. Of the EEC contribution, ECU 5.5 million will go towards the revolving loan fund (to be funded also by the Honduran Government), with most of the remainder being used to support the agencies which will be operating the fund.

This assistance should make a contribution to the integration of rural microenterprises in the economic process and thus ensure the continuity of the operation.

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Recipient: Central American countries: Costa Rica,
El Salvador, Guatemala, Honduras,
Nicaragua, Panama
No: ALA/91/25
Title: Mother and child health programme
EEC contribution: ECU 16 000 000

This project is a follow-up to the "child survival" project implemented in Central America from 1986 to 1991 with the financial support of the European Community and Italy.

That project was aimed at redirecting mother-and-child health care policies in order to reduce the high mortality rate in the region. It involved seeking out high-risk groups and altering methods of care.

The project was successful in promoting the practical implementation of new strategies: extension of health cover and a focusing of efforts on high-risk groups; decentralization and strengthening of grassroots structures; promotion of preventive methods and community involvement, including the training of local community health workers; introduction or development of the concept of integrated mother-and-child care as part of a primary health care strategy, the establishment of appropriate technical, cultural and financial methods (low-cost approaches).

The project was successful on all these fronts. Now these policies need to be extended in the field, broadened, consolidated and improved. But as well as extending them, they must be targeted more accurately, since they have favoured some areas and groups more than others. They must be consolidated over the time scale since sometimes they have only borne fruit at the end of the project. And they must be improved wherever they can be made more effective through better monitoring or a strengthening of local management capacity. These are the project's aims, the purpose being to build on the process already embarked on in the earlier project in order to encourage a more widespread "take-off" on the local level: this is the chief goal of the present phase of the assistance.

The project also aims at continuing to strengthen dialogue and foster cooperation on the Central American level in all areas affecting policies and the mother-child situation. In this way, policy conducted at national level can draw on this source for reinforcement and greater effectiveness. A further goal will be lending support to efforts to bring the countries in the subregion closer together.

The programme is designed to last for five years and will cost an estimated ECU 16 000 000. It contains an item on regional operations, managed jointly by the group of countries, and another item on activities to be developed on the national level, in each country. The money for the latter will be mainly (90%) channelled towards health services on the periphery (areas, districts, provinces and the local level, e.g. health posts and centres).

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Recipient: Ecuador
No: ALA/91/26
Title: Rural development in the area of Bolivar
(FODERUMA, Phase II)
EEC contribution: ECU 8 700 000

This four-year programme has been devised to prolong, supplement and improve the operations which FODERUMA, with Community aid, has been carrying out in the Bolivar province since 1984 (Rural microprojects - FODERUMA: NA/81/09).

FODERUMA is a state organization for rural development, created by the Government of Ecuador Central Bank to aid the development of neglected rural communities through specific operations aimed at improving their incomes and living conditions. Community aid under this programme is specifically directed to the 60 000 or so members of the poorest and most destitute social levels of indigenous Indians in this depressed province, from which the rate of emigration is the highest in the country.

The programme proposes: operations to identify needs and prepare plans, development of arable and pastoral yields through training advisory services and the making available of credit, promotion of small-scale industries and handicrafts, a programme for rehabilitating the access roads and tracks, another for health, and specific reforestation operations.

Through the programme, the 12 000 or so families will be able to achieve an improvement in their living standards: they will profit from the help needed to get the best of the few existing natural resources by judicious use of the credit system (farming, livestock raising and micro-industry), to improve their diet and strengthen their ability to run their own affairs and participate in group development projects; in addition, an adequate basic infrastructure will enable them to enjoy the benefits of easier transport and marketing facilities for their produce, and improved health and education.

The programme coincides completely with the Ecuadorian Government's social policy. In its programme to fight poverty (Programa de atencion a la pobreza extrema), it gives priority to indigenous Andean communities which have traditionally been pushed to the fringes of society and suffered from a lack of economic and social organization. The objective of government policy is to raise peasants' income, reduce emigration, encourage a return to the country and to set up a basic productive infrastructure.

Recipient: Peru
No: ALA/91/27
Title: Microenterprises/Informal sector
EEC contribution: ECU 13 200 000

The current social and economic situation in Peru is very precarious, with extremely high levels of poverty and unemployment. This particularly the case in the towns, where 70% of Peruvians live and where the "black economy" is the only means of survival for most people.

The Peruvian government has recently made enormous efforts to get the country back into the international financial community by means of a structural adjustment programme begun on 8 August 1990, which takes account of the IMF recommendations, and negotiations with the Club of Paris to reschedule the foreign debt. All these measures, which are clearly necessary, will however have a direct, major impact in the short and medium term on the circumstances in which the neediest sections of the population live.

The situation is exacerbated by the fact that the Peruvian people are becoming submerged in the climate of violence and drug-related problems.

Because of this, the Peruvian government is giving priority to measures which can relieve existing levels of poverty and above all improve the disastrous situation of those dependent on the "black economy".

These measures aim to consolidate and create jobs by setting up microenterprises and providing training and technical assistance geared to specific situations. The proposed programme's main objective is to help the informal sector so that it can contribute fully to job consolidation and creation. Loans from the credit programme plus a training and technical assistance programme, based on the know-how of Peruvian and other Latin American bodies, can substantially improve the lives of this population group.

The programme will also involve the distribution of essential commodities, this item to be financed from the counterpart funds.

The five-year programme will be conducted in four towns (Lima, Callao, Arequipa and Chiclayo) affected by under-employment. By the end of the programme it is hoped to support some 26 000 microenterprises and improve the income and standard of living of the people directly or indirectly dependent on them.

In addition to the above quantitative objectives, the programme will have a considerable impact on methods, by showing that support measures tailored to the specific situation of microenterprises can strengthen the sector.

The local banking sector will have to be convinced that the proposed solutions are valid. If so, it may consider granting loans geared to the prevalent conditions of the "black economy".

Annex II

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(Project ALA/91/27 continued)

The total cost of the programme has been estimated at ECU 15 460 000, of which ECU 13 200 000 will be financed by the EEC and the rest by the recipient country.

Recipient: Colombia
No: ALA/91/31
Title: Development of silk production
EEC contribution: ECU 8 000 000

The object of the project is to develop the silk industry by establishing a complete silk production cycle, which includes egg production, plant production, the rearing of silkworms, the industrial production of high-quality silk yarn and the promotion and organization of craft weaving.

The project will directly assist 1 000 farming families from the economically depressed north Cauca area (Caloto, Corinto, Miranda, Padilla, Puerto Tejada and Santander de Quilichao), which enjoys ideal climatic and topographical conditions for the development of sericulture.

The project allows for the active participation by women at craft level (craft yarns), agricultural level (production of basic foodstuffs) and industrial level (rearing of silkworms). The development of silk production will help to start a process in Colombia of export diversification and diminishing dependence on coffee exports.

The operations carried out during the project will come under the supervision of the Secretariat for the People's Integration (SIP), the coordinating body of the National Rehabilitation Plan, responsible for the area's economic development.

The main strategy will be to promote an association of silk producers, establish an industrial structure and organize craft workshops.

On this basis it is hoped to produce an exportable surplus of silk yarn and to raise productivity of basic foodstuffs, which will lead to an increase in income and employment for the direct beneficiaries of the project. In the medium term, it will provide a focus of development at regional level and in the long term, Colombia's inclusion as a silk producer on the world market.

The project, which is in line with the Special Cooperation Plan for Colombia, will take place over a period of six years at a total cost of ECU 12.1 million, of which the EEC will finance ECU 8 million and Colombia the remaining ECU 4.1 million.

Recipient: Costa Rica, El Salvador, Guatemala, Honduras,
Nicaragua, Panama
No: ALA/91/33
Title: Regional programme of collection and treatment
of hospital waste
EEC contribn. ECU 5 000 000

Out of a total 45 000 hospital beds available in the countries of the Central American isthmus about 20 000, almost 45%, are located in the capital cities. The volume of solid waste that is generated is consequently considerable: PAHO's estimate puts it at 20 000 t a year for the six capitals. A high proportion of this tonnage is heavily-laden with germs and constitutes a potential source of grave infections. As such, to obviate all danger, it needs to be handled by trained personnel and subjected to appropriate treatment before destruction by incineration.

While aware of the problem, the hospital authorities do not, except in rare cases, have available the necessary means to deal properly with this disease-ridden waste, which, instead, is taken in its untreated state to the public tips. So the water running off or percolating through the tips, not to mention the animals and human beings frequenting them, come into close contact with the infected materials, becoming in their turn carriers of the germs and potential sources of serious epidemics. There is also the very worrying possibility that the aquifers from which the cities draw their water may become polluted, thus adding to the rapid spread of the cholera epidemic already hitting the region.

For this reason, it is vital to recognize the urgent nature of the proposed programme.

The latter consists of two items:

Firstly, at the national level, it will organize, in each of the capitals, a system for handling, collecting and treating dangerous waste, capable of serving all the hospitals which at present have no such system. Particular care will be taken over the operating methods adopted and the system of payments for the service, in order to ensure that the programme is sustainable. At the same time, training and extension work operations will be mounted for all the agents who will be involved.

Secondly, the programme will establish machinery by which the various public authorities can work together to define a common legal basis applicable to the treatment of hospital waste, to regularly exchange experiences on the subject and to provide further training for senior staff from time to time.

The programme, which will be technically and financially independent, will be carried out, over four years, with technical support from the PAHO. Its total cost is estimated at ECU 8 600 000, of which ECU 4 900 000 is financed by the EEC and the remaining ECU 3 700 000 by the recipient countries.



Recipient: Nicaragua
No: ALA/91/36
Title: Land reform and integrated rural development
in the Rio Blanco area
EEC contribution: ECU 13 500 000

In this central area of the country inhabited by poor peasants, the economy, traditionally based on marginal family holdings which are rendered even more precarious by their doubtful ecological viability, has been hard hit by the war. In addition, a number of demobilized fighters have recently settled there. The project has the following aims, therefore:

- (a) to ensure the rehabilitation and improve the economic situation of the inhabitants, by increasing the profitability of their holdings (crops, livestock), while encouraging methods designed to guarantee that the improvement is sustainable in the long term and while providing the area with better means of communication so as to open it up to the outside world;
- (b) to improve the quality of life of peasant communities, not only through boosting individual incomes, but also by improving the public infrastructure and social services (drinking water, schools, health service);
- (c) to respond to the problem of the precarity of land tenure, by enabling peasants to acquire the land which they work and to encourage types of organization which would foster private ownership of holdings and larger production surpluses throughout the region.

The object of the project is to provide a local response to a problem which is widespread in post-war Nicaragua, but more acute in the agricultural frontier zones which constituted the theatre of the war and furnished the protagonists in the conflict. Its aim is to relaunch the peasant economy using methods which are more independent, less destructive of the environment and a better guarantee of food security. It will also tackle the problem of land ownership and access and encourage methods of organization in the peasant world which are better adapted to the reality of the situation. Finally, it will foster the re-integration of ex-fighters into the national economy in a way that will lay the foundations for genuine national reconciliation.

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Recipient: Central American countries: Costa Rica,
El Salvador, Guatemala, Honduras, Nicaragua,
Panama
No: ALA/91/37
Title: Regional programme of support for plant and
animal health measures in Central America
EEC contribution: ECU 6 400 000

The general objective of the programme is to strengthen and promote plant and animal health services in Central America in order to minimize the losses caused by pests and diseases, which are estimated at some ECU 1 200 million a year (20% of the agricultural GDP, which is ECU 6 000 million).

The programme provides for activities in two key areas: animal quarantine and control of the main pests and diseases.

1. In the first area, the facilities and infrastructure for quarantine will be strengthened to prevent the invasion of diseases not present in the region and the system of preliminary inspection of exports will be improved in order to reduce the risk of goods being rejected by the importing countries.
2. The second subprogramme is designed to strengthen the control of existing diseases which are of greater importance to small and medium-sized producers: brucellosis and rinderpest, swine fever, and mango fruit fly.

The programme will be carried out in collaboration with OIRSA (the Inter-Regional Organization for Animal Health), whose headquarters are in San Salvador, and with national health authorities.

The programme will, however, be provided with an independent unit for implementation. This will be composed of Central American experts and two long-term European experts. It is planned to include the private sector (Producers' Associations, Chambers of Commerce) to guarantee actual implementation and financing in the long term.



Recipient: India
No: ALA/91/03
Title: Kerala Horticulture Development Programme
EEC contribution: ECU 28 700 000

The overall aim of the programme is to improve the income of farmers in Kerala State by increasing the production of high-value horticultural crops and improving the marketing of horticultural produce through the development of modern processing and through a better access to the agricultural market.

This will be achieved by financing pilot activities to be duplicated in other suitable parts of Kerala. The local population will be fully involved in programme implementation and at least 30 000 farmers are expected to benefit directly from the operation.

It is estimated that the six-year programme will cost ECU 36 760 000, of which ECU 28 700 000 will be financed by the European Community.

Programme management will be carried out by the Directors' office, supported by technical assistance experts. The programme corresponds to one of the Indian Government's priorities and, with an economic IRR of 32%, is considered highly likely to be sustainable.

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Recipient: Sri Lanka
No: ALA/91/07
Title: National Irrigation Rehabilitation Programme
EEC contribution: ECU 3 340 000

The project's main objectives are to stabilize and increase agricultural production and income in farming communities, through rehabilitation and improvements in operations and maintenance in existing small- and medium-scale irrigation schemes. The project, to be co-financed with the World Bank and the government of Sri Lanka and implemented over seven years, will be nationwide in scope and include: (a) rehabilitation and improvements to about 1 000 minor and 60 medium-scale/major irrigation schemes covering about 37 500 ha; (b) establishment of farmers' organizations, support units and introduction of improved operating and management practices; (c) training for staff and farmers; (d) environmental protection works; and (e) studies and technical assistance.

The total cost of the project is estimated at ECU 41 500 000, of which the Community will finance ECU 3 340 000 under financial and technical cooperation (Chapter B7-3000), to cover foreign training costs, farmer support units, environmental measures, technical assistance and studies. In addition, ECU 7 590 000 will be made available from Community food aid counterpart funds in Sri Lanka, to finance the local costs of the same items.

The primary benefits of the project are stabilized and increased annual agricultural production of 120 000 t of paddy valued at about ECU 12 500 000. The project will directly benefit over 100 000 farming families in its area. The economic IRR of the project is calculated as 31%.



Recipient: India
No: ALA/91/11
Title: Kerala minor irrigation project
EEC contribution: ECU 11 800 000

The overall aim of the project is to increase rural income, employment opportunities and self-sufficiency, providing irrigation facilities which will contribute to a rise in agricultural productivity over an area of 20 200 ha, benefiting 70 000 farmers and their families.

It is estimated that project implementation will take five years and that the total cost will be ECU 14 870 000, of which the European Community will provide ECU 11 800 000.

The project will be managed by a project management unit supported by technical assistance. It corresponds to one of the Indian Government's priorities, and with an economic IRR of 44% , is highly likely to be viable.

56

Recipient: Bangladesh
No: ALA/91/12
Title: Population and Health IV: Upazila Functional Improvement Pilot Project (UFIPP)
EEC contribution: ECU 18 750 000

This Community project is one out of over 50 projects in the health and population sector which will be implemented between 1992 and 1997 as part of the Fourth Population and Health Project (FPHP).

Twelve donors, including the European Community and four Member States (B, G, NL and UK) will provide over ECU 500 000 000 under the FPHP in order to assist the government in: (i) reducing fertility; (ii) lowering morbidity and mortality in children under five; (iii) improving maternity care and reducing maternal mortality; (iv) reducing disability, morbidity and mortality from poverty-related diseases such as tuberculosis, leprosy and goitre; (v) enhancing the nutritional situation of women and children, and (vi) improving the effectiveness and efficiency of family planning, maternal and child health and other health services.

In addition, and complementary to this project, the Community also intends to support a major contraceptive supply project in the FPHP. The two projects (at a total cost of ECU 48 750 000) would make the EEC together with Germany, the second largest donors in the FPHP (after IDA, which is to contribute USD 180 000 000).

This project is a pilot scheme which together with seven other projects in the FPHP will aim at strengthening health and family welfare service delivery. More particularly, the Community project will aim at increasing the demand for and the use of health and family welfare services, especially among women, children, and low income groups in 50 of the country's subdistricts (Upazilas).

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Recipient: Bangladesh
No: ALA/91/13
Title: Population and Health IV: Contraceptive
Supply Project (CSP)
EEC contribution: ECU 20 000 000

This project constitutes a vital input in the FPHP's component known as "Strengthening Family Planning (FP) Services Delivery". It will help to ensure a supply and the uninterrupted availability of contraceptives through the public, NGO and private non-profit sectors, aimed at sustaining a targeted increase in the Contraceptive Prevalance Rate (CPR) from approximately 33% at the start of the FPHP to approximately 50% by the end of the project.

The Community project will finance the procurement of about 840 million condoms in the period between January 1993 and December 1996. The use of condoms is one of the five temporary methods of family planning available to couples in Bangladesh. Condoms, and the other types of contraceptive provided by other sources, are available free-of-charge in Bangladesh. The project is first and foremost a supplies project. It includes the appointment of a supplies agent in the Community who will be responsible for issuing the tender, purchase, inspection, transport and monitoring of arrivals of the goods in Bangladesh. The agent will also be responsible for managing financial transactions concerning international currency for the purchase and transport. Customs clearance and distribution in Bangladesh will be carried out by the Family Welfare Directorate and by the Social Marketing Company.

The cost of the project is estimated at ECU 20 000 000.

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Recipient: Indonesia
No: ALA/91/19
Title: North Bali: Irrigation and Water Supply
EEC contribution: ECU 10 300 000

The project objective is to improve farmers' income in a backward area on the North Bali coast, through the resumption of citrus cultivation. This crop was grown extensively in the past, but the orchards had to be destroyed for health reasons. The project will provide irrigation facilities for about 1 575 ha, benefiting some 7 000 families. Drinking water will also be provided under the project. It is hoped that the income of a farming family will increase by 200% as a result of the project. The economic IRR is 44%. The estimated cost of the five-year project is ECU 12 900 000, to which the EEC will contribute ECU 10 300 000.

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Annex II

Recipient: China
No: ALA/91/20
Title: Intensification of crop production
in Xinjiang province
EEC contribution: ECU 3 600 000

This project, located in Xinjiang province in North China, aims at assisting the Chinese authorities to develop the production of wheat, maize and sunflower as well as certain other crops, as a means of providing medium and long-term food security and incomes. It comprises support for two agricultural trial stations, the strengthening of extension and demonstration programmes, and assistance to other existing agricultural support services.

The total cost of the project is estimated at ECU 5 100 000. The EEC contribution will be ECU 3 600 000. It will cover the foreign exchange costs of technical assistance, agricultural equipment and inputs, overseas training and so on.

The benefits will be derived in the form of higher and more stable yields and an increase in the area under cultivation, made possible by better water management. The project area to be directly affected is about 16 000 ha, cultivated by some 6 800 farmers.

Recipient: ASEAN
No: ALA/91/28
Title: EC-ASEAN Radar Remote Sensing, ERS-1 Project
EEC contribution: ECU 3 900 000

The project aims at enhancing EC-ASEAN cooperation and a transfer of Community know-how in the remote sensing domain, particularly as regards radar satellite technologies developed by the European Space Agency. Through the upgrading of Bangkok receiving station, and installation of connected data workstations in Indonesia, Malaysia and the Philippines, the project will make available ERS-1 satellite radar data. It will also promote ASEAN's capability to make use of and apply ERS-1 technologies to meet its development and environmental needs, through training and demonstrative applications conducted with the assistance of EC experts.

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Recipient: India
No: ALA/91/35
Title: Sidmukh and Nohar Irrigation Project
EEC contribution: ECU 31 830 000

The proposed project may be classified as an integrated rural development project, based on the investment of ECU 65 000 000 in an extensive irrigation network covering a Cultivable Command Area of 84 170 ha. This investment in irrigation and associated agroforestry and livestock activities will lead to an increase in farm incomes from Rs 5 700 (ECU 190) to Rs 35 700 (ECU 1 190), as well as to a diversification of the source of such income (diversification of cropping patterns and development of livestock activity).

It is estimated that project implementation will take seven years and that the total cost will be ECU 65 000 000. The Community's contribution to this total is ECU 45 000 000, of which ECU 38 000 000 will be made available as counterpart funds in the form of fast disbursed emergency aid (commodities).

The project will be managed by a project management unit, supported by technical assistance. The project is among the Government of India's priorities under its structural adjustment programme, and its economic IRR has been calculated as 13%.

(62)

Recipient: Bangladesh
No: ALA/91/16
Title: Cyclone protection and primary schools project
EEC contribution: ECU 10.72 million

The project should be seen against a general consensus which has emerged among the Government and the donors in Bangladesh, following the April 1991 cyclone, to the effect that there is an urgent need for a major investment programme for cyclone protection in the country's high-risk coastal areas and islands. Provisional estimates put the number of shelters required at 3 000, with 1 500 of these in the high-risk areas. While the government and the major financing agencies (e.g. the World Bank) prepare this investment programme, some donors (the European Community and Saudi Arabia in the main) are commencing work on part of the protection considered as vital in the high-risk areas selected, and combining this with repairing the social infrastructure damaged by the cyclone.

The project will build and equip about 150 shelters and primary schools which will provide protection for at least 150 000 people in the Cox's Bazaar district of Bangladesh. The project will significantly improve cyclone protection in one of the areas most exposed to the hazard, and at the same time rebuild and improve the primary school infrastructure, after the damage cause by the April 1991 cyclone. In order to ensure that the shelters are put to optimum use and that local communities are brought into the early warning and evacuation scheme, the project will also include assistance to NGOs like the Red Crescent. This assistance will cover, among other items, the supply of radio communication equipment. The project will be implemented by a project management unit under the responsibility of the Ministry of Education, and supported by technical assistance. It will last for three and a half years (January 1992 to June 1995). Local costs are estimated at a total of ECU 15 716 000. The Community's contribution to this will be ECU 10 716 000, which includes ECU 716 000 transferred by Greece to a special account in the Commission budget for post-cyclone assistance to Bangladesh, following the Council decision of 14 May 1991 on Special Post-Cyclone Aid from the EC to Bangladesh amounting to ECU 60 000 000.

The remaining cost of the project (ECU 5 000 000) will be financed by Germany, via the Kreditanstalt für Wiederaufbau (KfW).

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Recipient: Bangladesh
No: ALA/91/17
Title: Contribution to the post-disaster reconstruction effort: supply of cement
EEC contribution: ECU 16 000 000

This project provides support for the efforts being made in Bangladesh to repair and construct the infrastructure, following the 1991 cyclone, and to attenuate the effects of the Gulf War on the country's fragile economy. The project was included in the very heavy budget for the year following these events (1991-92).

Through the agency of the normal banking system, the project gave the private sector (for the most part) the possibility of importing two or three months' supply of cement.

The project used the counterpart funds generated by the imports of cement to supplement the sums set aside in the country's 1991-92 budget for the Annual Development Programme, especially infrastructure repair and construction projects.

The cost of the project is ECU 16 000 000, which includes about ECU 400 000 for technical assistance for control and evaluation (plus audits).

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Recipient: Bangladesh
No: ALA/91/18
Title: Cyclone Protection Project II
Priority Works Programme
EEC contribution: ECU 2 500 000

This project should be seen against a general consensus which has emerged among the Government and the donors in Bangladesh after the April 1991 cyclone, to the effect that there is an urgent need to rebuild and rehabilitate the sea-facing coastal embankments in the area devastated by the cyclone. It is estimated that 193 km of embankments need to be rehabilitated and 70 km of new embankments constructed. As a result of the cyclone, large parts of the coastal area are effectively unprotected against monsoon storm floods and future cyclonic surges.

At the time of the cyclone, European Community consultants had almost completed a survey of sea-facing coastal embankments as part of the preparation of the Cyclone Protection Project II (ALA/87/05), under which these embankments and associated structures (e.g. sluices and regulators) would be rehabilitated. The Cyclone Protection Project II (CPP II) was planned as a five-year project starting in 1992-93 and was to have been financed by the World Bank.

Because of the damage caused by the 1991 cyclone, however, the Government of Bangladesh has decided to advance the schedule of the CCP II and to implement a Priority Works Programme of embankment reconstruction in the affected area, in the 1991-92 and 1992-93 dry seasons. The project is to be known as the Cyclone Protection Project II (Priority Works Programme) and will involve the rehabilitation or reconstruction of all 263 km in need.

The estimated cost of the CPP II (Priority Works Programme) is ECU 78 000 000 (USD 91 800 000). Capital expenditure costs will be financed by the World Bank, the Saudian Fund for Development and Japan. The Community will cofinance the project and provide the technical assistance needed for preparing the plans and supervising the works.

(6)

Recipient: CGIAR international research centres
No: ALA/91/10
Title: Aid for agricultural research: contribution
to the 1991 budgets of CIAT, CIMMYT, CIP,
ICRISAT, IRRI and ISNAR
EEC contribution: ECU 9 000 000

This programme is a continuation of aid granted by the Community for the first time in 1977 to international agricultural research centres sponsored by the Consultative Group on International Agricultural Research (CGIAR). It relates to six research centres - CIAT, CIMMYT, CIP, ICRSAT, IRRI and ISNAR. The amount of the proposed contribution is EC 9 000 000, which corresponds to 7.6% of the 1991 budget estimates for the centres.

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Annex III

**Financial and Technical Assistance
to ALA developing countries:
disbursements by calendar year**

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Annex III: Disbursements by calendar year, period 1976-91 (ECU '000 000)											
Year	Actual commit- ments	Disbursements in the year (amount/%)									
		77 %	78 %	79 %	80 %	81 %	82 %	83 %	84 %		
1976	21.00	6.5	3.1	3.9	1.2	2.1	1.3	2.0	0.6	3	
1977	43.70	-	4.6	5.5	9.8	6.8	3.2	2.8	2.7	6	
1978	29.70	-	-	5.5	1.9	4.5	2.8	4.4	2.6	9	
1979	117.60	-	-	3.7	24.3	30.5	15.3	14.5	10.1	9	
1980	132.50	-	-	-	1.7	41.8	28.7	15.6	13.3	10	
1981	153.50	-	-	-	-	1.9	12.3	52.1	10.0	7	
1982	134.70	-	-	-	-	-	3.3	8.7	31.8	24	
1983	227.40	-	-	-	-	-	-	28.6	67.4	30	
1984	249.30	-	-	-	-	-	-	-	7.7	3	
1985	149.70	-	-	-	-	-	-	-	-	-	
1986	268.60	-	-	-	-	-	-	-	-	-	
1987	342.90	-	-	-	-	-	-	-	-	-	
1988	264.00	-	-	-	-	-	-	-	-	-	
1989	283.00	-	-	-	-	-	-	-	-	-	
1990	279.59	-	-	-	-	-	-	-	-	-	
1991	357.24	-	-	-	-	-	-	-	-	-	
TOTAL	3054.43	6.5	7.7	18.6	38.9	87.6	66.9	128.7	146.2	-	
Year	Actual commit- ments	Disbursements in the year (amount/%)								TOTAL	%
		85 %	86 %	87 %	88 %	89 %	90 %	91 %			
1976	21.00	0.3	-	-	-	-	-	-	-	21.0	100.0
1977	43.70	3.2	1.8	0.9	-0.5	1.4	-	-	-	42.2	97.7
1978	29.70	0.5	2.4	0.7	0.8	0.6	1.6	0.9	3	29.2	98.2
1979	117.60	6.8	3.5	1.3	2.5	1.4	0.3	1.5	1	115.7	98.4
1980	132.50	7.8	8.5	1.7	-0.3	2.0	2.3	2.0	2	125.1	94.7
1981	153.50	16.6	8.5	7.7	6.8	8.0	6.2	7.3	5	137.4	89.5
1982	134.70	19.8	21.1	10.0	10.8	11.6	4.0	5.6	4	126.7	94.1
1983	227.40	35.5	19.6	13.1	13.6	5.2	10.1	19.9	9	213.0	93.7
1984	249.30	55.1	59.0	21.6	20.7	22.5	18.5	10.6	4	215.7	86.5
1985	149.70	2.8	27.1	18.9	19.8	11.3	11.8	17.1	11	108.8	72.7
1986	268.60	-	20.7	64.8	42.7	28.0	15.7	27.6	10	199.5	74.3
1987	342.90	-	-	13.6	36.7	32.9	21.9	18.3	5	123.4	36.0
1988	264.00	-	-	-	9.1	33.4	12.6	13.9	5	69.0	31.4
1989	283.00	-	-	-	-	11.3	39.3	16.4	6	67.0	17.9
1990	279.59	-	-	-	-	-	36.7	18.3	7	55.0	19.7
1991	357.24	-	-	-	-	-	-	11.3	3	11.3	3.2
TOTAL	3054.43	148.4	172.2	154.3	163.5	169.6	181.0	170.9	-	1660.2	54.4

* Negative amounts involve repayments to the ADB.