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**FROM LOMÉ III
TO LOMÉ IV**

**REVIEW OF AID
FROM THE
LOMÉ CONVENTIONS
AT THE END OF 1990**

DEVELOPMENT

Table of Contents

	Page
1. Introduction	3
2. General overview of Lomé aid to ACP countries	4
2.1 EDF aid implementation	4
2.2 Overall aid to ACP countries	7
3. Programmed aid	7
3.1 National trends in the implementation of programmed aid	7
3.2 Structural adjustment: import support programmes and the special debt programme	11
3.3 Progress in implementation of large programmes and projects	16
3.4 Regional cooperation	17
3.5 Microprojects	19
3.6 Industrial Cooperation and Private Investment	19
4. Non-programmed aid	20
4.1 Stabex	20
4.2 Sysmin	22
4.3 Aid to refugees and returnees	22
4.4 AIDS control programme	23
4.5 Aid administered by the EIB	24
5. Sectoral break-down of Community Aid	26
5.1 European Development Fund	26
5.2 European Investment Bank	29
6. Aid implementation	30
6.1 Procedures for aid implementation.	30
6.2 Tenders and contracts.	31
7. Lomé IV	33
7.1 The preparation phase	33
7.2 The national indicative programmes	33
7.3 Structural adjustment	34
7.4 Regional programming	36
8. Conclusions	36

PREFACE

Article 193.7 of the Third Lomé Convention provided for the preparation by the ACP States and their beneficiary regional organisations, together with the Commission (in collaboration with the European Investment Bank) of annual reports on the management of Community financial and technical assistance. Article 327.1 of the Fourth Lomé Convention provides for a similar report on the management of development finance cooperation. These reports are designed to facilitate the ACP-EEC Council of Ministers, acting in the first instance through the ACP-EEC Committee set up under Article 193 of the Third Convention, which will be replaced after ratification of Lomé IV by the Development Finance Committee set up under Article 325 of the Fourth Convention, in examining whether the objectives of financial cooperation are being attained. The reports also look at any general and specific problems resulting from the implementation of that cooperation.

The present report covering the period up to 31 December 1990 - with particular emphasis on the year 1990 - has been prepared by the Commission in collaboration with the Bank.

1. Introduction

The present report attempts to chart the progress made in the implementation of financial cooperation under the Lomé Conventions, notably Lomé III.

In accordance with the Article 193 of the Lomé III Convention and Articles 325 and 327 of the Lomé IV Convention this report should assist the Development Finance Cooperation Committee in its examination of any problems with the implementation of the timetables of commitments and disbursements, of projects and programmes, and the ways in which the instruments provided for in the Conventions have been utilised in order to be able to submit to the Council any suggestions likely to improve or expedite the implementation of development cooperation.

After a brief overview of the overall performance in respect of the different types of aid in Chapter 2 (1), (2), Chapter 3 looks at the various components of programmed aid and provides inter alia an analysis of national trends and of the progress in larger projects and programmes.

Chapter 4 looks at the different instruments of non-programmed aid and the aid administered by the EIB. Chapter 5 provides a sectoral analysis of Lomé aid. Procedures for aid implementation are discussed in Chapter 6. Chapter 7 discusses the activities preparing the implementation of Lomé IV that took place in 1990. Finally Chapter 8 summarises the conclusions to the report.

At the outset, it is necessary to be clear on one important issue. The analysis in this report is entirely based on financial data relating to amounts of aid decided by the Commission and the EIB, sums committed in the form of contracts or disbursed. Comparisons are made between situations under different Conventions, between sectors, between different ACP States, citing in each circumstance "above average" or "below average performance". Such comparisons are not intended to pass judgment on the aid implementation "performance" of individual ACP States. They should, moreover, be seen in the context of the mix of programmes and aid instruments discussed and of the aid objectives they are designed to meet. Analyses of payments in the case of inherently quick disbursing operations such as Stabex, Emergency aid or import support programmes will show different results from those of inherently slower spending rural development or major infrastructure programmes.

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- (1) A separate EDF has been set up under each Convention, the 4th EDF in the case of Lomé I, 5th EDF for Lomé II, 6th EDF for Lomé III and 7th EDF for Lomé IV.
 - (2) For a description of the different types of aid see point 3 of the Annex. This Annex provides explanatory notes on the principal characteristics and procedures relating to the EDF.

Above all, the Community aim is that financial cooperation should be as effective as possible in achieving development objectives. High quality cannot be compromised. The purpose of financial analysis is to contribute to achievement of that aim. Where aid implementation is unduly delayed, interlinkages of operations are frustrated, costs are increased and quality is impaired. Figures on commitments and disbursements of aid must also be seen as measures of progress in realising physical operations which in turn are means for achieving qualitative and quantitative objectives.

2. General overview of Lomé aid to ACP countries

2.1 EDF aid implementation (1)

The operations of the Fourth European Development Fund which started in 1976 were completed at the end of 1990. Total funds allocated under this fund were 3003 mio Ecu. The small amount of uncommitted funds were transferred to the Sixth Fund on 31 December 1990. This transfer explains the negative number for the annual decisions and commitments for the Fourth EDF (see Table 2.1).

Table 2.1 shows that funds from the Fifth EDF have now been almost fully allocated. Commitments were close to 90% of the envelope and payments were just over 80% of the envelope of the 5th Fund.

The Sixth FED was very active in 1990 with an increasing level of aid approvals, commitments and payments. Comparison with the 5th and 4th EDF after 5 years of operation shows that the 6th EDF performed well in the level of approvals (higher than 5th, equal to 4th EDF), had a somewhat lower percentage of secondary commitments compared to the 4th EDF and was slightly behind with payments compared to both other Funds. (See Table 2.2).

Table 2.2 shows what has already been said in previous reports that it was particularly the programmed aid of the 6th Fund which explained the lower levels of commitment and payment. It should also be noted that a comparison of the three funds is only tentative, the composition of aid and the financial volumes today have changed considerably from the 1st Lomé Convention. As regards programmed aid under EDF the emphasis on rural development with large, multi-component programmes had an impact of slowing down the rate of commitments and consequently payments.

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- (1) As in previous reports three stages of implementation can be distinguished:
- decisions or approvals: also referred to as primary commitments;
 - (secondary) commitments relating to contracts awarded;
 - payments or disbursements of aid.

Table 2.1

EUROPEAN DEVELOPMENT FUND

	Cumulative % of the result at envelope 31.12.90		1990	1989	1988
<u>Decisions (mio Ecu)</u>	----- (mio Ecu)-----				
4th EDF	3002.5	100.0	-81.7*	1	1
5th EDF	4600.3	97.9	14.8	36	133
6th EDF	6805.5	85.6	855.8	1305	2379
<u>Secondary Commitments</u>					
4th EDF	3002.5	100.0	-34.1*	9	10
5th EDF	4145.0	88.2	118.3	127	225
6th EDF	4706.3	59.2	1297.3	1382	1356
<u>Payments</u>					
4th EDF	3002.5	100.0	20.5	31	36
5th EDF	3813.2	81.1	187.4	236	345
6th EDF	3323.4	41.8	1030.3	1016	805

* The negative figures are explained by the transfer of uncommitted funds or balances of the 4th EDF to the 6th EDF at the end of 1990.

European Development Fund

Table 2.2

Aid decisions, secondary commitments and disbursements under Lomé III at the end of 1990 compared with Lomé I and II after 5 years

	LOME III		LOME II		LOME I	
	mio ecu	% of the envelope	mio ecu	% of the envelope	mio ecu	% of the envelope
<u>Programmed Aid</u>						
Decisions	4319.7	86.0	2424.9	77.0	1979.7	84.0
Secondary commitments	2394.7	47.7	1648.4	52.4	1317.6	55.9
Disbursements	1499.3	29.9	1101.8	35.0	812.3	34.5
<u>Non-Programmed Aid</u>						
Decisions	2485.0	84.8	1204.0	75.9	711.6	95.8
Secondary commitments	2311.6	78.9	1103.2	69.5	696.4	93.8
Disbursements	1824.2	62.3	921.3	58.1	631.9	85.1
<u>Totals</u>						
Decisions	6805.5	85.6	3628.9	76.6	2691.3	86.8
Secondary commitments	4706.3	59.2	2751.6	58.1	2014.0	65.0
Disbursements	3323.4	41.8	2023.1	42.7	1444.2	46.6

Table 2.3

Situation of EDF - Aid as at 31.12.1990: Decisions, Commitments and Payments

	Decided		Committed		Paid	
	Mio ECU	% of envelope	Mio ECU	% of envelope	Mio ECU	% of envelope
	(1)	(2)	(3)	(4)	(5)	(6)
4th EDF						
Programmed Aid	2255.9	100.0	2255.9	100.0	2255.9	100.0
Grants	1834.7	100.0	1834.7	100.0	1834.7	100.0
Special Loans	421.2	100.0	421.2	100.0	421.2	100.0
Non Programmed Aid	746.6	100.0	746.6	100.0	746.6	100.0
Interest Rebates	51.9	100.0	51.9	100.0	51.9	100.0
Risk Capital	95.9	100.0	95.9	100.0	95.9	100.0
Emergency Aid	137.1	100.0	137.1	100.0	137.1	100.0
Stabex	389.8	100.0	389.8	100.0	389.8	100.0
Rehabilitation Fund	71.9	100.0	71.9	100.0	71.9	100.0
TOTAL 4TH EDF	3002.5	100.0	3002.5	100.0	3002.5	100.0
5th EDF						
Programmed Aid	3052.3	98.2	2668.3	85.8	2422.3	77.9
Grants	2538.5	98.2	2263.6	87.6	2067.5	80.0
Special Loans	513.8	97.9	404.7	77.1	354.8	67.6
Non Programmed Aid	1548.0	96.7	1476.7	92.2	1390.9	86.9
Interest Rebates	100.1	90.2	100.1	90.2	79.6	71.7
Risk Capital	272.6	99.1	272.6	99.1	257.2	93.5
Emergency Aid	180.1	99.0	180.1	99.0	175.5	96.4
Stabex	668.4	99.9	663.5	99.2	662.1	99.0
Sysmin	250.6	90.8	195.6	70.9	175.5	63.6
Rehabilitation Fund	24.9	99.6	23.3	93.2	22.4	89.6
Transferr. Investm.	16.3	58.2	12.6	45.0	8.7	31.1
Aids	35.0	100.0	28.9	82.6	9.9	28.3
TOTAL 5TH EDF	4600.3	97.7	4145.0	88.0	3813.2	81.0
6th EDF						
Programmed Aid	4320.7	86.0	2394.7	47.7	1499.3	29.9
Grants	3847.6	87.0	2234.7	50.5	1430.1	32.3
Special Loans	473.1	78.9	160.0	26.7	69.2	11.5
Non Programmed Aid	2484.8	84.8	2311.6	78.9	1824.2	62.3
Interest Rebates	121.9	75.0	121.7	74.9	31.9	19.6
Risk Capital	541.6	90.3	516.1	86.0	209.6	34.9
Emergency Aid	154.4	81.3	146.3	77.0	114.4	60.2
Aid to Refugees	86.2	86.2	75.4	75.4	45.3	45.3
Stabex	1408.3	97.2	1408.3	97.2	1408.1	97.2
Sysmin	117.8	38.6	19.3	6.3	14.8	4.8
Investment Transfers	54.6	44.9	24.5	20.1	0.1	0.1
TOTAL 6TH EDF	6805.5	85.6	4706.3	59.2	3323.4	41.8

Table 2.3 gives a more detailed presentation of the level of decisions, commitments and payments for the different instruments of aid.

As for the 4th Fund, Table 2.3 shows the final figures.

As regards the 5th and 6th Fund, the relatively low levels of payments and commitments for special loans reflect the fact that often the projects involved combine a percentage of both grants and loans. The beneficiary ACP States tend to draw down the grant element first while the loan element is introduced later when the grant has been fully used.

Further under the 6th Fund can be noted the high levels of commitments and payments for emergency aid, aid to refugees and Stabex and low rates for Sysmin. More details on the factors which explain these results will be given in the following chapters of this report.

2.2 Overall aid to ACP States

Annex Table 1 shows the total aid - EDF and EIB - approved for each ACP State under the Lomé III Convention. For most countries the main source of aid is the national indicative programme. However, some countries receive large amounts of aid from other instruments such as Stabex (Cameroun, Ethiopia, Ivory Coast, the Gambia, Papua New Guinea, Solomon Islands, West Samoa, Senegal, Vanatu).

Special aid for emergency cases and refugees was mainly given to Ethiopia, Mozambique, Sudan and to some lesser extent to Angola and Malawi and regionally organised operations.

A majority of countries have benefitted from loans financed with risk capital, substantial amounts were lent to projects in Congo, Ethiopia, Ghana, Madagascar, Mali, Senegal, Sudan and Tanzania, while also regional projects have been largely included. Own resource loans from the Bank went to a smaller number of countries, notably Botswana, Ivory Coast, Jamaica, Kenya, Mauritius, Nigeria, Papua New Guinea, Zaire and Zimbabwe.

3. Programmed aid

3.1 National trends in the implementation of programmed aid.

3.3.1 Lomé II

By the end of 1990 only 1.8% (57 mEcu) of the total envelope for programmed aid still had to be approved. An amount of 441 mEcu remained uncommitted and 688 mEcu remained unpaid.

A number of countries had not yet allocated a rather high proportion (15% or more) of their indicative programme, these include Barbados (24%), Guinea Bissau (17%), Papua New Guinea (15%), Sudan (15%) and Surinam (29%).

The average level for all countries of commitments compared to the total financial envelopes was over 85%. Countries with a percentage lower than 75% were Barbados (62%), Belize (11%), Cameroun (63%), Jamaica (68%), Liberia (65%), Malawi (71.5%), Surinam (39%), Tonga (72.5%), and Trinidad and Tobago (60%).

Payments under Lomé II reached 77.9% of the envelope for programmed aid by December 1990. Countries showing a significantly lower figure (lower than 65%) are almost the same as those listed above: the Bahamas (62%), Barbados (62%), Belize (9%), Cameroun (62%), Jamaica (60%), Liberia (52%), Malawi (62.5%), Nigeria (59%), Surinam (20%) and Trinidad and Tobago (45%).

In some cases the lower level of commitments and payments can be attributed to the concentration on rural development programmes (e.g. Malawi, Jamaica). In other cases problems of political or economical nature caused delays.

The particular low level of payments in Belize is due to the delays in the construction of the Belize City Hospital.

Annex Table 2 gives the particulars of approvals, commitments and payments of Lomé II programmed aid classified by ACP State by the end of 1990.

3.1.2 Lomé III

Approvals for total programmed aid were 445 mEcu in 1990. Thus, 86% of the financial envelope has now been allocated to projects and programmes.

The 1989 report on financial cooperation identified commitments as the main bottleneck in the utilisation of Lomé III funds, 1990 has brought a great improvement with commitments reaching almost 1 bio Ecu in that year. Payments were 665 mEcu which was a considerable increase, bringing the total to nearly 30% of the envelope for programmed aid.

For all national programmes (excluding regional programmes) average percentages of the envelope for approvals, commitments and payments were 87.8%, 48.7% and 31.1% respectively.

By the end of 1990 virtually the entire financial envelope of the indicative programmes had been decided and allocated to projects and programmes in approximately 30 countries.

Only 13 countries showed a rate of approval(1) lower than 75%. Some of these countries have relatively modest indicative programmes that will be used for 1 or 2 big projects.

The countries with a rather voluminous financial envelope and a low rate of approval were Cameroun, Ghana, Liberia, Madagascar, Rwanda, Sierra Leone and Sudan.

The delays in Cameroun and Rwanda were partly explained by the insufficient capability of the national administrations to manage the aid programme. Another explanation for slow progress in Cameroun was found in the lack of sufficient national financial resources to accommodate the programmes. In Madagascar the relative new approach of the programme, with more emphasis on large scale rural development schemes, demanded more time for internal coordination. Cofinancing with other donors was necessary for some large projects in Madagascar and Sierra Leone, but this has also resulted in time delays.

In Ghana, difficulties of technical and administrative nature in the transport sector, which was one of the priority sectors in the Indicative Programme, prevented the use of a substantial amount of the envelope.

Finally, Liberia, Rwanda and Sudan were confronted with a down-scaling of activities due to internal political struggles.

As regards the rate of commitments 39 countries showed a result above the average of 55% for all national programmes. More than 15 ACP States showed percentages higher than 70% together with a more than average rate of approval, which is an indication of very satisfactory progress in the implementation of aid programmes.

(1) Whenever percentages are given in this report for rate of approval, commitment or payment, these should, unless states otherwise, be read as follows:

- . rate of approval = decisions as % of the envelope
- . rate of commitment = (secondary) commitments as % of decisions
- . rate of payment = payments as % of commitments.

Moreover, institutional and administrative problems have resulted in lengthy preparation periods for programmes in Barbados, Congo, Burkina Faso, Cape Verde, Fiji, Mali and Nigeria.

Eighteen countries showed a rate of commitment significantly below the average (48% or lower). In about half of these cases the result can be explained by the fact that in the course of 1990 decisions on projects and programmes to complete the allocation of the total envelope of the indicative programme were taken and therefore awards of contracts were about to take place in 1991.

Moreover, institutional and administrative problems have resulted in lengthy preparation periods for programmes in Barbados, Burkina Faso, Cape Verde, Congo, Fiji, Jamaica, Mali and Nigeria.

Regional and national conflicts have caused a continued delay during 1990 in the execution of the aid programmes in Fiji, Somalia, Ethiopia, Liberia and Mauritania.

The average rate of payment for national indicative programmes by the end of 1990 was 64%.

Twenty five countries showed a rate of payment equal or higher than 70% which should be considered as a satisfactory result.

Fifteen countries showed a rate of payment below 50%. This group included countries which also showed a low rate of commitment, the causes of which have already been explained above. (Barbados, Burkina Faso, Cape Verde, Congo, Fiji, Rwanda and Nigeria).

Low rates of payment were also found for Burundi, Belize, Comores, Antigua and Barbuda, Papua New Guinea, St. Lucia, St. Kitts and Nevis and Senegal.

Macroeconomic problems explain the delays encountered in Papua New Guinea and a new administration in the Comores has slowed down the activities in 1990. The situation is expected to improve in the course of 1991 in both countries.

Too optimistic expectations as regards the preset timetables, slow administrative procedures and disappointing experience with technical assistance were found to prevent aid programmes in Burundi to make sufficient progress. Project implementation in Senegal was constrained by technical problems and insufficiencies in the national administration.

In Belize delays have occurred in the implementation of a big project which have prevented higher disbursement rates.

The low rate of payment in St. Kitts and Nevis and St. Lucia can be explained by the fact that some projects only started in the course of 1990, for most projects completion is expected in 1991. In Antigua and Barbuda one big project had to be suspended for further study while another project was held up depending on commitments from the government for local funding. The implementation of Lomé III in this country was slow and allocations were rearranged in view of the activities to be undertaken under Lomé IV.

3.2 Structural Adjustment: import support programmes and the special debt programme.

One of the major innovations in the relations between the ACP and EC countries during the implementation of the Lomé III Convention was the introduction of quick disbursing import support programmes.¹⁾ These programmes were the Community response to the severe debt problem of ACP States contributing in the short term to the relief of external financial problems.

The Community financing was provided through Art. 188 of the Lomé III Convention which specifies the conditions for assistance to resolve problems of a structural nature through the provision of inputs to the productive system, and the Special Debt Programme decided during the Summit in Venice in 1987 and adopted by the Council in December of that year.²⁾

The Community programme was integrated in a more comprehensive initiative for the Sub-Sahara African countries coordinated by the World Bank and with the participation of approximately 20 other bilateral and multilateral donors.

The Community Special Debt Programme was planned as the World Bank Programme for a period of three years (1988-1990) and expired on 31.12.1990.

The list of eligible countries was closed in April 1990. At that time 25 ACP countries were benefitting from the debt programme. Zambia was the last country to be declared eligible in January 1990.

It should be noted that the inclusion of Sudan was an exceptional case, due to the serious floodings in 1988. It benefitted from the programme in the framework of the "Recovery Flood Programme" coordinated by the World Bank.

Table 3.1 shows the results of the import support programmes at end-1990.

51 programmes had been approved in 38 countries (35 programmes covered by the debt programme in 25 countries). The amount of finance approved was 800 mio Ecu (of which 556 mio Ecu from the debt programme).

1) A description of the objectives of and procedures involved in import support programmes is contained at point 5 of the Annex to this report.

2) The resources of the debt programme (572 mio Ecu) are made up of 311 mio Ecu of additional resources (211 from the Lomé III programmed aid reserve and 100 mio Ecu covered by a Council decision of 19.12.87) together with 261 mio Ecu from the normal indicative programme allocation of ACP States.

Total payments amounted to 568,5 mio Ecu i.e. 71% (1) of the approved amount which is a percentage twice as high as the comparable percentage for programmed aid under Lomé III (payments for programmed aid are 34,7% of the aid approved at end-1990). This result confirms the quick disbursing nature of the import support programmes.

Twenty programmes were nearly completed by the end of 1990, most of the others are expected to be completed in the course of 1991. Only a very few programmes are confronted with implementation delays.

Last year's report on financial cooperation mentioned the implementation difficulties related to procurement procedures in Burundi and Cabo Verde which explained the relative low level of absorption at the end of 1990. Also, the lack of interest of the Jamaican authorities in the import programme continued to result in rather slow progress.

Programmes in Ethiopia and Sudan were delayed due to internal struggles in the region.

Finally, the expected take-up of the supply of foreign exchange in the programme for Ghana is still depending on the reforms in the financial sector.

(1) Payments for the debt programme totalled 430,5 mio Ecu i.e. 77,4% of the approved programmes.

Table 3.1
Sectoral and General Import Support Programmes
Situation of Approvals and Payments as at 31.12.90 (mio Ecu)

Country	Type	Approvals	Payments
(i) Debt Programme			
Benin	Import/Forex	18.4	16.4
	Import	12.6	12.3
Burundi	Forex	12.0	7.0
Central African Rep.	Import	7.0	6.2
Chad	Import	9.5	9.5
Gambia	Import	5.0	4.9
Ghana	Import/Forex	20.5	12.2
Guinee Bissau	Forex	6.0	6.0
	Import	3.4	1.0
Guinee	Forex	12.5	9.2
Guinee Equitoriale	Import	1.5	1.3
Kenya	Forex	35.0	35.0
	Forex	7.0	7.0
Madagascar	Import	17.3	17.0
	Import	2.5	-
Malawi	Import	42.1	24.1
	Forex	12.5	12.5
Mali	Import	25.0	23.2
Mauritania	Forex	7.0	7.0
Mozambique	Import	40.0	32.8
	Import/Forex	30.0	7.7
Niger	Import	14.0	10.3
Sao Tomé e Príncipe	Import	1.2	0.8
Senegal	Import	11.5	11.5
Somalia	Forex	15.0	14.8
	Import	16.0	7.7
Sudan	Import	15.0	6.3
Tanzania	Forex	24.5	20.1
Togo	Import	10.0	9.2
Uganda	Forex	17.3	17.3
	Forex	15.0	15.0
Zaire	Forex	10.5	10.5
	Forex	19.5	18.7
Zambia	Import/Forex	40.0	30.9
	Forex	20.0	5.0
Sub Total Debt Programme		556,2	430,4
(ii) Other Import Programmes			
Angola	Import	38.5	26.5
Capo Verde	Import	4.0	0.6
Cameroun	Import	15.0	11.8
Ethiopia	Import	10.5	8.9
	Import	24.0	13.5
	Import	17.0	0
Guyana	Import	17.3	12.7
Ivory Coast	Import	41.0	24.8
Jamaica	Import	14.2	7.9
Mauritius	Import	3.0	0

Nigeria	Forex	10.0	5.0
Papua New Guinea	Forex	5.5	0
Sierra Leone	Import	6.0	0
Sudan	Import	17.8	16.8
Surinam	Import	8.5	3.6
Trinidad & Tobago	Forex	12.0	6.0

Sub total (ii)		244.3	138.1
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Total Import Programmes		800.5	568.5
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Note:

"Import" indicates the support for the provision of inputs to the productive sector; "Forex" indicates the programmes that provided foreign exchange facilities.

Table 3.2 shows the breakdown of programmes by their nature. Four general import programmes were financed in Burundi, Guinee Bissau, Guinee Conakry and Mauritania. They represented 7.8% of the total number of the import programmes (1).

The sectoral import support programmes represented 92.2% of the total number of programmes and have mainly been used in five sectors: agriculture, industry, transport, energy and health and education.

Table 3.2

Breakdown of import support programmes by type.

	Number	%	Amount mio Ecu	%
General Import Programme	4	7.8	37.5	4.7
Sectoral Import Programme	47	92.2	763.0	95.3
Sectoral Import Programme				
- Foreign Exchange	12	23.5	53.0	6.6
- Kind	36	70.5	638.6	80.0
- Foreign exchange/Kind	3	6.0	108.9	13.4
Total	51	100.0	800.5	100.0

The Special Debt Programme expired in 1990. The Commission has evaluated the results of the import programmes financed from the resources of this programme in a special report(2).

The conclusions of the Commission report indicated that the import programmes financed by the Debt Programme have been quite successful. The Community has been able to respond quickly to the new situation in ACP States, and structural adjustment has become a major innovation in Lomé IV. What is more, the coordination with other major donors, in particular the World Bank and the IMF has improved significantly.

One may conclude that the experience gained with the import programmes financed under Lomé III will be very useful in creating the right conditions for the implementation of the structural adjustment policy that will be carried out under Lomé IV.

(1) The low proportion of general import programmes is explained by the fact that they did not strictly fall within the framework of Art. 188 of Lomé III and the limitation of 60 mio Ecu of the amount provided for these programmes in the Council decision of 1987.

(2) The Commission has presented an evaluation on the implementation of the Special Debt Programme to the Member States in note no. 45102 of 10.4.1991.

3.3 The implementation of large programmes and projects.

As in the report on financial cooperation in 1989, an analysis was carried out on the implementation of projects costing more than 10 mio Ecu financed under Lomé III (1).

Seventy five programmes in 36 ACP States were approved in the context of the national indicative programmes and 16 programmes costing more than 10 mio Ecu were financed through regional cooperation.

The details of amount and date of approval, commitment and payment are given in Annex Table 7.

The average commitment rate for large programmes was 45% compared to 55.4% for all programmed aid; the payment rate was 49.6% (62.5% for all programmed aid). (2)

It appeared that 44 projects have had implementation delays. (3).

However, in 12 project cases the implementation delay had been due to factors which had their effect before 1990.

Thus 32 projects, i.e. less than half of the total of 75, experienced continued implementation difficulties in 1990.

This number is significantly lower than in 1989. Indeed, the analysis shows that real progress in implementation has been experienced in 1990 for many programmes and projects. A comparison with the results of the analysis in 1989 shows a significant improvement in Benin (2 projects), Burundi (1 project), Central Africa (3 projects), Congo (1 project), Ivory Coast (2 projects), Guinea (2 projects), Madagascar (1 project), Mali (1 project), Niger (1 project), Rwanda (1 project), Senegal (1 project), Tanzania (2 projects), Zaire (2 projects) and Zimbabwe (1 project). Nonetheless, also in some of the countries mentioned above, various implementation difficulties were encountered in 1990.

In 1989 many of the often multi-component projects suffered from lengthy and complicated preparation procedures. This factor was now found to have an impact on the implementation in only a few cases, particularly projects that were approved only in 1990 e.g. the small scale irrigation programme in Zimbabwe or programmes that depended on extensive preparatory studies or reforms such as the Cereal Reform Programme in Kenya.

(1) The analysis excludes the import support programmes which are discussed in Chapter 3.2.

(2) For the definition of commitment and payment rate see footnote 1 on page 10.

(3) The progress analysis was based on a comparison of individual commitment and payment rates and by looking at movements in the EDF accounts. Where there had been no movement in the accounts for six months or more and/or the rate of commitment and/or payment was 5 percentage points below the average for all large programmes, the project was deemed delayed.

Also the procedures for tendering were hardly an important obstacle in the implementation of the projects in 1990. Since most of the projects are now well advanced the implementation is more often determined by factors concerning the general project management (technical assistance, coordination of participants and the different programme elements). Projects that encountered difficulties of this nature were e.g. the Mugamba social economic development programme in Burundi, the rehabilitation of the town Praia in Cape Verde, the Livestock development projects in Ivory Coast and Kenya, the irrigation programme in Mali, the rural development programmes Kivu and Apek in Zaire and the rural credit system in Zimbabwe.

Regional and internal conflicts have delayed projects in Ethiopia, Liberia, Mauritania, Sudan and Somalia. Local government policies or institutional problems retarded the progress of approximately 20 different projects inter alia in Burkina Faso, Ghana, Niger, Nigeria, Tchad, Zaire and Zambia. These factors were often closely related to difficulties with local administrative procedures.

Administrative procedures were cited as having contributed to delays in the implementation of e.g. the rural development programmes in the provinces of Sourou and Sissilli in Burkina Faso, the Fedar programme in Congo, the food security programmes in Mali and the four large programmes in Nigeria.

These administrative and the more general management problems that hamper an implementation of projects and programmes according to the envisaged schedules will be subject of a joint evaluation study on aid procedures. This study has started in the course of 1991. (Also see Chapter 6.1 of this report for more details on this study).

3.4 Regional Cooperation

Article 112 of the Lomé III Convention foresees 1 billion Ecu for the financing of regional programmes and projects.

The total allocation is made up of grants, special loans and risk capital to be financed by the EDF and loans from own resources of the EIB.

The allocation was reduced in 1989 by 15.2 mio Ecu and transferred to the Stabex system.

The total amount for regional cooperation has been allocated to regions except for an amount of 99.8 mio Ecu to be used for a global allocation to all ACP States and a reserve, laid down by Art. 100 of the Convention, of 60 mio Ecu for trade promotion.

By the end of 1990 748 mio Ecu (=75.9% of the envelope) was approved. This percentage is still lower than that for national indicative programmes (88.5%) but has remarkably caught up compared to 1989.(1)

There are great differences between the various regions with a low percentage for Southern Africa (53.3%) and Central Africa (59.3%) and the highest percentages for the Caribbean region (83.3%) and West Africa (81.6%). The overall level of secondary commitments - 423 mio Ecu (=56.5% of decisions) - and payments 218 mio Ecu (=51.5% of secondary commitments) - were still disappointing. Table 3.3 shows the figures for approvals, commitments and payments by region.

It has been pointed out in past reports that the principal reasons for slow implementation were to be found in the time consuming dialogue between partners, the search for sources for cofinance and the coordination with other donors. These reasons continue to explain the slow progress. As regards project and programme interventions, 1990 approvals included inter alia 7.5 mio Ecu to support the pan-african campaign against rinder pest and 24 mio Ecu were approved for a project which aimed for protection and rational utilisation of forest eco systems in Central Africa. This project will protect the natural heritage and will make a rational utilisation possible to help the local population. A housing project with the aim of constructing required education centers in the Caribbean were financed for 16 mio Ecu, of which 6 mio Ecu came from Lomé II and 10 mio Ecu from the Lomé III allocation. More than 20 mio Ecu was approved in 1990 for a programme that should improve the sales of ACP products on foreign markets and a project for professional training in the tourist sector of the Caribbean region.

Table 3.3
Regional cooperation

Approvals, Commitments and Payments by region at end-1990

Region	Approvals	Commitments	Payments
	----- (mio Ecu) -----		
West Africa	194.2	72.7	22.3
Central Africa	53.4	15.9	7.9
East Africa	170.5	116.9	37.8
Southern Africa	75.1	64.8	48.2
Indian Ocean	17.4	3.9	1.4
Caribbean	60.8	29.3	9.3
Pacific	25.9	10.1	3.2
All ACP	95.7	82.8	71.8
Trade Promotion	54.7	26.4	15.8
Total	747.7	422.8	217.7

(1) The rate of approval by the end of 1989 was 59% for regional cooperation and 81.5% for national indicative programmes.

3.5 Microprojects

The contribution from Lomé III aid for micro-projects and programmes was only 2.8% by the end of 1990. Despite the low amount of funds allocated to this instrument it was found that interest has been growing due to a positive qualitative impact of the projects and a better response to the local needs of the population in the ACP States. This is confirmed by a trend of the growing number of microprojects that form an integral part of a larger programme e.g. for rural development.

Total commitments under the Lomé Conventions amounted to 180 mio Ecu by the end of 1990, of which 76.2 mio Ecu was committed under Lomé III.

3.6 Industrial Cooperation and Private Investment

The industrial cooperation in 1990 was characterised by a serie of important projects, studies and other activities.

Particular attention has been paid to the development of the private enterprises in the ACP States and ACP-EEC inter-company cooperation now especially relevant in the context of the new Convention. An increasing number of ACP countries have reserved a proportion of their indicative programme for activities supporting the private sector. The Commission will play an active role in the identification, preparation and the implementation of these activities.

Various studies have been started regarding investment protection and related matters which are of crucial importance for developing private sector investments and joint ventures of ACP and EEC companies.

During 1990, 16 projects which had benefitted from CDI's assistance went into production. They represent approximately 22 million Ecu and 500 jobs created. The figures for 1989 were respectively 32 projects, 22 million Ecu investments and 1500 jobs. This quantitative drop in certain parameters is largely due to the very difficult economic situation in a large number of ACP States (see also para. 4.5 on aid administered by the European Investment Bank). Also in 1990, a joint ACP-EEC evaluation of the CDI's operations was undertaken.

The Commission services have organised a great number of meetings for representatives of the private sector from the EEC and the ACP countries. The 9th Industrial Forum for EEC and West Africa was held in December 1990 with the support of the CDI and the CEDEAO.

4. Non-programmed Aid.

4.1 Stabex

4.1.1 The transfer for 1989

In 1989 the prices of various important export commodities of ACP countries, in particular coffee and cacao, have remained at very low levels. After the suspension of the economic clauses of the International Agreement on coffee in 1989 neither of those two commodities benefitted from any action to stabilise the prices. It is therefore not surprising that the Stabex system has again been confronted with a situation of insufficient resources.

In 1990, the Commission received 70 transfer requests from 32 ACP States. 39 requests from 20 countries for an amount of 490 mEcu were considered eligible. This exceeded the resources available to the system of 142,4 mEcu (75% of the last annual tranche plus interest received on the funds of the system).

Even after application of Art. 155 para. 2 and 3 of the Convention the total of transfers remained high at 416,1 mEcu.

The EEC-ACP Committee of Ambassadors, acting on their mandate received from the EEC-ACP Council of Ministers held in Fiji in March 1990, decided on 13 July 1990 to apply Art. 155 para 4 of the Convention to increase the disposable resources by 70 mEcu. This amount was made up of balances from emergency aid and interest rate subsidies as well as a reallocation of resources from SYSMIN.

As a result the transfers could be met by 51,05% of the eligible amount. A breakdown of the transfer by country and commodities is given in Annex table 4.

4.1.2 The total transfers under the Lomé Conventions

The transfers for 1989, made in 1990, were the last to be made under Lomé III. One may conclude that in spite of the difficulties that the system has encountered, it has made a contribution to the ACP States of 1,5 bio Ecu between 1985 and 1989. During its 15 years of operation, the Stabex system has provided more than 2,5 bio Ecu.

Table 4.1 below shows that there was a high concentration of certain commodities for all three Conventions. The three most important commodities were coffee, groundnuts and cocoa (-products) together representing approx. two thirds of all transfers.

From tables 4.2 and 4.3 it can be seen that many ACP States benefitted from the system, yet during the 15 years of Lomé I, II and III Ivory Coast (18.8%), Senegal (10.4%) and Cameroun (9.2%) were the main beneficiaries from the transfers from the three Conventions.

Finally, it may be observed that 43.5% of the transfers (Lomé I, II and III, Lomé III: 40.4%) went to the least developed ACP States.

Table 4.1
Stabex transfers by product

Product/Group of products	Period			
	Lm6 III (1985-1989)		Lm6 I - III (1975-1989)	
	Allocated amounts	% of the total	Allocated amounts	% of the total
1. Coffee	589.494.410	40,40	850.571.356	33,78
2. Groundnuts	168.023.123	11,52	440.641.445	17,50
3. Cocoa/cocoa products	203.098.818	13,92	353.456.761	14,04
4. Cotton	84.611.974	5,80	164.505.748	6,53
5. Timber	107.111.119	7,34	147.493.817	5,86
6. Coco/copra products	101.336.328	6,95	143.532.914	5,70
7. Palm oil products	77.727.124	5,33	92.239.282	3,66
8. Iron ore			61.789.536	2,45
9. Tea	45.905.104	3,15	56.531.537	2,24
10. Oil cakes	20.848.292	1,43	52.434.242	2,08
11. Others	60.894.295	4,16	155.027.537	6,16
Total	1.459.050.587		2.518.224.175	

Table 4.2
Stabex transfers by ACP State
Lm6 III (1985-1989)

Country	No. of transfers	Allocated amounts	%
1. Ivory Coast	9	365.260.445	25,0
2. Cameroun	6	198.764.270	13,6
3. Papua New Guinea	11	110.005.548	7,5
4. Senegal	4	106.953.091	7,3
5. Ethiopia (*)	6	98.605.603	6,8
6. Kenya	3	70.896.331	4,9
7. Soudan (*)	7	63.929.391	4,4
8. Rwanda (*)	9	61.905.411	4,2
9. Burundi (*)	4	44.496.384	3,0
10. Chad (*)	3	40.388.374	2,8
11. Others (29)	134	297.845.739	20,5
Total	196	1.459.050.587	

(*) Countries not submitted to the regime of reconstitution.

Table 4.3
Lm6 I, II and III (1975-1989)

Country	No. of transfers	Allocated amounts	%
1. Ivory Coast	12	473.677.465	18,8
2. Senegal	9	262.642.810	10,4
3. Cameroun	10	232.419.542	9,2
4. Papua New Guinea	18	160.696.290	6,4
5. Sudan (*)	15	146.401.014	5,8
6. Ethiopia (*)	12	124.325.276	4,9
7. Kenya	5	115.761.896	4,6
8. Ghana	3	90.647.339	3,6
9. Rwanda (*)	13	71.844.907	2,9
10. Burundi (*)	8	59.793.338	2,4
11. Autres (42)	362	780.014.298	31,0
Total	467	2.518.224.175	

(*) Countries not submitted to the regime of reconstitution.

4.2 Sysmin

1990 saw a small increase in Sysmin assistance to ACP States heavily dependent on the mining industry. By the end of the year, total aid from this "special financing facility" had risen to 118 mio Ecu (i.e. 38.8% of the total envelope of 305,35 mio Ecu (1) available for in Lomé III). This compared with approved aid of 103 mio Ecu by the end of 1989.

In 1990 Papua New Guinea and Senegal were declared eligible for Sysmin assistance. Papua New Guinea had requested assistance based on the difficulties experienced in the Bougainville mine and the Senegal request was based on problems in the phosphates sector. One new request was received, from the Republic of Zaire, with reference to a major accident in the Kamoto mine. The first phase of the project in Senegal was also approved in 1990, amounting to 15 mio Ecu.

By the end of 1990, secondary commitments of Sysmin aid under Lomé III totalled 20 mio Ecu and 13 mio had been paid.

Some progress was made in 1990 in implementing Sysmin aid under Lomé II. Of a total aid of 250.6 mio Ecu approved, 195.6 mio had been committed by the end of the year (172.5 mio Ecu at end 1989) and 175 mio Ecu had been disbursed (139 mio Ecu at end-1989).

The slow progress in implementing Sysmin aid continues to be a problem. The disappointing results are partly due to difficulties involved in bringing together industry rehabilitation programmes which, because of the scale of action involved usually entail financing by several donors. In addition it is frequently necessary to seek clarification of outstanding questions before final decisions.

It should perhaps be added that the Sysmin procedures defined in Lomé II and III have proved cumbersome and one of the aims of the Lomé IV Convention is to overcome the procedural problems of the past.

4.3 Aid to refugees and returnees

In 1990, assistance provided under Article 204 amounted to 19.6 mEcu, bringing the total aid granted since 1986 to 88.8 mEcu and the total number of projects to over 100. Since the original allocation of 80 mEcu was therefore exhausted, it has been necessary to draw upon certain unused credits under Emergency Aid (Art. 204) to fund the balance: such an eventuality was envisaged and provided for under Lomé III Art. 205.

(1) Following the transfer of 55 mio Ecu to finance Stabex aid in 1989, the total Sysmin aid available under Lomé III was reduced from 415 mio Ecu to 360 mio Ecu. A further transfer to finance Stabex in 1990 of 54.65 mio Ecu has reduced the amount available for Sysmin to 305.35 mio Ecu.

The major participants in 1990, reflecting the relative seriousness of their respective refugee situations, were Senegal/Mauritania (5.5 mEcu for refugee reinsertion programmes), Malawi (3.6 mEcu for assistance to Mozambican refugees) and countries affected by the Liberian conflict (2.4 mEcu to Ivory Coast and Guinea).

The substantial programmes for Sudan (21 mEcu), Mozambique (13.6 mEcu) and Ethiopia (9 mEcu), all of which commenced in 1988/1989, continued to be implemented satisfactorily despite the difficult (and sometimes dangerous) local operating conditions.

There is a steadily increasing awareness amongst ACP States and NGO's of the possibilities provided by Art. 204: this should ensure not only a full utilization of the credits remaining under Lomé III but also a sound basis for selecting the most effective Lomé IV proposals.

The 1989 report indicated that the payments situation (then 21 mEcu) was expected to improve substantially during 1990, reflecting the fact that the 1988/89 approvals would then be in full operation: this has proved to be the case with payments now standing at 45 mEcu or 56% of the original budgetary allocation of 80 mEcu.

4.4 AIDS control programme

In July 1987 Commissioner Natali launched the EEC AIDS Control Programme for all ACP countries (signatories of the 2nd Lomé Convention).

The programme has a total of 35 mEcu at its disposal for a period of 3 years. The continuation of the Programme during the Lomé IV period was recommended by the Council of Ministers of November 1989, and is being prepared.

New bridging funds for the year 1991 were foreseen for an amount of 4 mEcu. By December 1990 a total of 35 mEcu was pledged, 29 mEcu were committed and 10 mEcu spent. Projects were identified for another 4 mEcu.

In May and November 1990, the programme was discussed at a Member States Meeting and a new agenda for 1991 was presented and discussed.

The coordination with the World Health Organisation(WHO) is organised on a regular basis. Other coordination with all participating parties is organised on an ad hoc basis.

The relatively limited rate of expenditure of funds is due to the fact that most of the operations do not immediately require large expenditure but are mainly very labour intensive at the start with expenditure picking up later. The relatively slow start was due to the novelty of the programme

and the strategies; also a minimal level of experienced personnel was available for the programme in Brussels and in the Delegations and procedures were not well adapted to the urgency and character of the operation. Finally, absorption capacity of the health and educational systems in developing countries is very low and makes feasible and sustainable integration of AIDS control activities difficult.

The Commission's AIDS Control Programme is accepted as very valuable by the ACP countries themselves (75 new requests were received by the AIDS Task Force in the year 1990) and was evaluated as well managed and focused by the major participating parties involved.

4.5 Aid administered by the EIB

Commitments

1990 was the fifth and last year of the Lomé III Convention. EIB lending to the ACPs declined during the year, this decline being partly explained by the winding down of Lomé III and the exhaustion of risk capital, but also by the continued depressed economic environment of the majority of sub-Saharan Africa.

Of the 147.2 million Ecu in EIB lending to the ACPs in 1990, 113.2 million came from the Bank's own resources and 34 million from risk capital. This brought risk capital lending to 92% of the amount available under the Convention. Concerning own resources lending, 62% of the amount foreseen in the Convention had been allocated by the year end. The borrowing capacity of the African states continues to be hampered by the size of their large overall indebtedness.

Details of EIB financing under Lomé III are given in Annex Table 5.

Disbursements

Taking Lomé III and Lomé II disbursements together, overall annual disbursements increased from 191.5 million Ecu in 1989 to 194.9 million in 1990.

Under Lomé III, although new commitments fell in 1990 following the trend of the last three years, disbursements of Lomé III funds in fact increased from 153 million Ecu in 1989 to 174.5 million in 1990, a 14% increase. Of this, 93.5 million were from own resources (compared to 74.5 million in 1989) and 80 million were from risk capital (78.4 million in 1989). This brings the total disbursed under Lomé III to 440.9 million Ecu - 224.1 from own resources (33% of own resource funds so far committed under the Convention) and 215 million from risk capital (40% of the risk capital resources committed to date).

With most projects financed under Lomé II now having been completed, only small amounts remain to be disbursed. During 1990, Lomé II disbursements were only 20.4 million Ecu (15.9 million on own resources and 4.5 million of risk capital). This compares with 38.5 million in 1989. No further funds were disbursed under the First Lomé Convention in 1990.

Geographical breakdown of operations in 1990

During 1990, the Bank invested in 19 projects in a total of 14 countries throughout Africa, the Caribbean and the Pacific. The African countries obtained the largest share of lending with 95% of the total, (compared to 75% in 1989). This result is consistent with the regional distribution of total EIB lending during Lomé III which was as follows: the largest share went to West Africa, with 450.2 million Ecu or 38% of total. East Africa received 276.6 million Ecu, 23% of total. The Southern Africa region's share was 185.9 million Ecu, 16% of total, the Caribbean region received 106.9 million Ecu, 9% of total, and the Pacific region 66.1 million Ecu, 6%. These figures do not include regional projects worth 61.7 million Ecu.

West Africa benefitted from over 69% of total Bank lending in 1990 with an amount of 101.1 million Ecu. Nigeria alone accounted for 34% of these funds, with 50 million Ecu going to a global loan for the financing of the medium and small enterprises in industry, agro-industry, tourism and mines. In the Côte d'Ivoire, 30 million Ecu went to the energy sector for a restructuring programme, 16 million Ecu went to a water project in Abidjan. Ghana received 4 million Ecu for the Akosombo hydro electric power plant. In addition, 0.6 million Ecu were given to Guinea to finance an experimental oil and soap factory and 0.5 million Ecu were assigned to an agro-industrial feasibility study in Côte d'Ivoire.

In Southern Africa, the Bank lent funds totalling 17.7 million Ecu. Zimbabwe had 8 million Ecu assigned for an electricity project. Malawi received 2.5 million Ecu for the Blantyre water supply scheme. In Zambia 1.2 million Ecu were assigned to the construction of a refrigerated depot for flowers, fruit and vegetables for export. Mozambique received 6 million Ecu for a global loan.

In East Africa the Bank provided 21.2 million Ecu. In Uganda, 2 million Ecu went to a global loan for small and medium enterprises and 11 million Ecu for the rehabilitation and extension of the electricity supply system. In Tanzania, 3 million Ecu went to the rehabilitation of six lodges. Madagascar received 5.2 million Ecu for fishing and textiles projects.

The Caribbean received only 5.2 million Ecu. A global loan for 4.2 million Ecu was granted to Barbados for support of small and medium enterprises and 1 million Ecu to Jamaica for equity participations, also in SMEs.

In the Pacific, 2 million Ecu was advanced from risk capital to the Solomon Islands to increase the capital of the Development Bank of the Solomon Islands, and to finance small and medium enterprises. This was the first ever operation in this country.

As in previous years, the majority of investments made in the ACP countries were in the form of co-financing with other development institutions.

5. Sectoral breakdown of Community Aid

5.1 European Development Fund

Details of the aid approvals under Lomé III classified by sector and sub-sector are shown in Annex table 6.

Table 5.1 below gives a comparison for major sectors of Lomé II and III by the end of 1990.

Table 5.1
Sectoral breakdown of EDF aid approved up to 31.12.90

Sectors	Lomé II		Lomé III	
	mio Ecu	%	mio Ecu	%
Rural production	1136	24,7	2080	30,6
Transport & Communication	848	18,5	999	14,7
Industry	918	20,0	780	11,5
Health, Social Development, Water Engineering	677	14,8	507	7,4
STABEX	630	13,7	1408	20,7
Others(*)	392	8,6	1032	15,2
Total	4601	100,0	6806	100,0

(*) Others include emergency aid, aid to refugees, trade promotion and various smaller sectors.

Table 5.1 presents figures that are virtually definitive for Lomé II, where 98% of the total financial envelope has been decided, and represents an advanced picture for Lomé III, where 86% of the envelope has been decided.

A first observation that can be made is the increase in expenditure on rural development which was almost twice as high under Lomé III compared to Lomé II. In relative terms rural development used up more than 30% of all aid under Lomé III compared to less than 25% under Lomé II. This confirms the importance attached to this field of cooperation under the Lomé III Convention. Annex table 6 shows that almost 900 mio Ecu was allocated to integrated rural programmes. Those programmes envisage improving the complete social-economic situation in part of a country aiming at coordinated and coherent development in the rural sector. Very large integrated programmes have been started e.g. in Burkina Faso, Burundi, Guinée Conakry, Senegal, Tanzania and Zaire. The practice of these programmes also shows the difficulties of implementation of such comprehensive actions which explains the relative slow progress in almost all of these countries.

Other rural production programmes were also of a large dimension e.g. farm drainage programmes in Mali and Niger and agricultural programmes in Ethiopia and Malawi. Large regional programmes in this sector were inter alia financed in the sectors agriculture, livestock rearing, and fisheries.

As regards transport and communications the contribution of Lomé III was almost 1 bio Ecu by the end of 1990, which is higher than the amount for Lomé II. However, in relative terms this sector was less important representing nearly 15% under Lomé III as compared to 18.5% under Lomé II. This decreasing share was also found for industry and the sectors of health, social development and water engineering. The latter two sectors showed an even lower amount of finance under Lomé III.

The lower share for transport and communications can be explained by a deliberate shift away from this sector, in particular from roads and bridges, in favour of the rural development strategies.

The decline in the industrial sector can also be explained by the lack of success of the Sysmin instrument. Financing in the sector of extractive industry was more than 330 mio Ecu under Lomé II but only 170 mio Ecu under Lomé III by the end of 1990.

The contribution to this sector will somewhat increase in 1991 although it will remain less than the Lomé II contribution for reasons explained in para 4.2 of this report.

Support for the subsector of energy has also dropped under Lomé III compared to Lomé II (250 mio Ecu for Lomé II, 173 mio Ecu for Lomé III at the end of 1990). This can partly be explained by the fact that projects in this sector are often eligible for loan finance from the EIB. The total amount of contributions from the Bank to this sector stood at 252 mio Ecu by the end of 1990.

As regards the health sector the volume of aid was almost equal under Lomé II and III. There was a stronger emphasis on the operational expenditure (technical assistance, training, operational costs) and health campaigns and less financing of infrastructure (construction, equipment).

The social sector has received less finance under Lomé III than under Lomé II. This can partly be explained by a change in definition: the large multi-component programmes in the rural sector include the social dimension and thereby reduce the number of projects identifiable as pertaining to the social sector.

Another factor is the increase of funds available in local currency from counterpart funds generated by import programmes and food aid which allow more projects to be carried out which can be paid with local money and which are more often to be found in the social sector.

The trend towards less infrastructure and more operational activity had a diminishing effect on the expenditure for construction and equipment which was more than offset by more finance for professional training.

Aid to the sector of water engineering dropped also, again this is partly due to the definition of the integrated rural development programmes.

The relative decrease of the industry and social sector was mirrored by an increase for other sectors such as Stabex and various new instruments under Lomé III.

The transfers from the Stabex system increased more than twofold representing just over 20% of the aid under Lomé III by the end of 1990 (Lomé II : 13,2%).

New instruments classified in table 5.1 under "others" are the quick disbursing import programmes (multi sector programmes) which are described in detail in para. 3.3, thematic actions, in particular concerning the combat against desertification and drought and against natural disasters (127 mio Ecu by the end of Lomé III), the aid to refugees (see para 4.3) and an increase in aid for trade promotion.

Table 5.2 shows for Lomé III the ratios for secondary commitments to decisions and of payments to secondary commitments as at the end of 1989 and 1990.

Table 5.2
Lomé III Commitment and Payment ratios
classified by sector (%)

Sector	Commitments/ Decisions as at 31 December		Payments/ Commitments	
	1989	1990	1989	1990
Rural Development	30	48	56	57
Transport & Communication	49	64	38	51
Industry	79	80	39	52
Health, Social sector & Water Engineering	41	53	30	40
Other (incl. Stabex)	83	90	92	91
Total	57	69	67	71

The overall improvement of the commitment rate that took place in 1990 was confirmed for all sectors as can be seen from table 5.2. The lowest rate is that for rural development but the gap with other sectors has significantly been reduced which proves that the programmes in this sector had effectively progressed. Payment rates improved in all sectors, excluding "others" which had already reached a high level.

Regional Cooperation

The sectoral distribution of aid for regional cooperation is of course different from that for all of the EDF. In particular the transport and communication sector allows for regional intervention, indeed this sector absorbed 295 mEcu i.e. 39.4% of the funds allocated to regional cooperation by the end of 1990. Less important was the contribution to the other economic sectors. Yet, notable is the contribution to trade promotion which is significantly higher than for the EDF as a whole (9.1% vs. 1.8%) which reflects inter alia the aid to international trade fairs and exhibitions.

Thematic actions are often of a regional character, other important regional actions concern the Center for the Development of Industry and the Technical Center for Agricultural and Rural Co-operation.

Comparison of regional cooperation with previous Lomé conventions is shown in table 5.3.

Table 5.3

Distribution of approved regional cooperation classified by sector at end-1990 (%)

	Lomé I	Lomé II	Lomé III
Rural Development	10	27	13.3
Transport & Commun.	58	37	39.4
Industry	11	13	4.4
Health, Social sectors			
Water Engineering	13	11	8.5
Trade promotion	4	7	9.1
Thematic Actions	-	-	11.5
Non-geographic			12.8
of which:			
CDI	-	-	5.4
CTA	-	-	3.4
ACP Sec	-	-	1.5
Others	4	5	2.3
Total	100	100	100

5.2 European Investment Bank(1)

The sectoral lending by the EIB during the 5 years of Lomé III is shown in table 5.4. Full details are given in Annex table 5.

1) The activities described in this paragraph include loan finance from risk capital which is funded by the EDF.

Table 5.4

Sectoral breakdown of EIB Financing
(own resources and risk capital)

Sector	1989		1990		1986-1990	
	m Ecu	%	m Ecu	%	m Ecu	%
Energy	10	3,9	53	35,9	252	20,3
Infrastructure	102	39,4	19	12,8	306	24,7
Industry	147	56,7	76	51,3	682	55,0
of which:						
Global loans	46	17,8	65	43,9	266	21,5
Total	259	100,0	148	100,0	1240	100,0

EIB lending for infrastructure declined abruptly to the lowest level of the last five years, while lending for energy projects and to small and medium enterprises through global loans increased considerably, making 1990 the third year in importance since 1986 for energy lending and the second for global loans.

Total lending for industry, including tourism, was 75.7 million Ecu, 51.3% of the year's total. An encouraging development within the industrial sector operations was the growth of lending in the form of global loans, which reached 65.2 million Ecu, the third consecutive year of growth in this area. The global loan to Nigeria was the largest at 50 million Ecu. The decline in direct industrial lending and increase of global loan lending are likely signs of new patterns in development lending, tending to shift away from a strategy of development based on large industrial projects towards one based on the development of small and medium sized projects, mostly financed through global loans. This reflects the Bank's continued commitment to promoting the private, small and medium scale enterprises (SME) sector through local financial intermediaries.

Lending for infrastructure was concentrated in two water projects, the first for 16 million Ecu to the Côte d'Ivoire and a second for 2.5 million Ecu to Malawi.

Energy loans totalled 53 million Ecu, 49 million were for electricity distribution and 4 million for generation. All energy lending was to Africa.

6. Aid implementation

6.1 Procedures for aid implementation.

Following the consistent concern expressed by the ACP-CEE Council of Ministers and the proposal of Vice-President Marin during the meeting of the ACP-CEE Council of Ministers held in Fiji in March 1990 for a joint evaluation on the application of procedures for financial cooperation the Art. 193 Committee proposed such a study which was agreed by the ACP-CEE Council in its meeting in Brussels in May 1991.

The evaluation is undertaken within the framework of the responsibilities of the Development Finance Cooperation Committee as set out in Art. 325 of Lomé IV.

The objective of the study comprises an examination of the application of implementation procedures with a view to identifying problem areas and bottlenecks and to make practical proposals aimed at facilitating implementation both at the level of the Commission administration and management in ACP States.

It will concentrate on different stages of operation as follows: programming, project studies, project execution and evaluation. All these stages are inter related and delays in one could bear consequences on another.

The ACP Secretariat and the Commission will draw up the conclusions based on the analyses done and will make proposals with a view to enhance the implementation of projects and programmes.

The 1989 report on financial cooperation presented the results of various studies that were carried out by the Commission in relation with procedures for financing and loan agreements, procurement and tendering and disbursements.

The joint evaluation will take account of the results of these studies and will partly elaborate them to arrive at practical conclusions.

6.2 Tenders and Contracts

Table 6.1 shows the change in the proportions of works, supplies and technical assistance contracts in successive EDFs.

Table 6.1
Distribution of Works, Supplies &
Technical Assistance Contracts at 31.12.90

EDF	Works	Supplies	Technical Assistance
4	57.1	24.7	18.2
5	49.0	29.9	21.1
6	37.6	34.3	28.0

The drop in the share of works contracts partly reflects the shift in emphasis from traditional construction type projects to rural development with its high emphasis on human resources. Obviously, this implies an increase in the share of technical assistance. However, the stage of implementation of different Conventions also affects the types of contracts placed, emphasis on technical assistance being relatively more important in the earlier stages of implementation, supplies and works later. In fact, the percentage for technical assistance for the 6th EDF was at end 1989 37% thus decreased considerably while the percentages for supplies and works rose from 28.2% to 34.3% and 34.8% to 37.6% respectively.

Annex Table 8 gives a breakdown of contracts by nationality of firms as at 31 December 1990.

The high proportion of works contracts shown in Annex Table 8 as going to ACP/PTOMs will be noted - 56% under Lomé III.

1990 showed also an exceptionally high increase in the percentage of ACP/PTOMs for supply contracts: 18.9% compared to only 4.7% a year earlier. There was also a slight increase in the percentage for technical assistance contracts: 5.7% to 6.5%.

Table 6.2 shows the distribution of contracts under the 5th and 6th EDFs for 1986 to 1990 classified by type of procurement procedure adopted in placing the contracts.

Table 6.2 - EDF works and supply contracts 1986-90
classified by type of procurement procedure

(percentages)

	EDF5		EDF6	
	Works	Supplies	Works	Supplies
International Tenders				
Open	15.7	50.5	48.4	55.8
Accelerated	11.8	0.1	4.2	-
Total	27.5	50.6	52.6	55.8
Other Procedures				
Restricted Tenders	7.9	10.3	2.2	12.5
Direct Agreement	5.8	5.7	1.2	5.0
Public Works Programmes				
- direct labour	50.3	32.6	43.6	26.3
Extensions of contracts	8.5	0.9	0.4	0.4
Total %	72.5	49.5	47.4	44.2
Grand Total %	100.0	100.0	100.0	100.0
mio ECU	204.2	152.6	574.9	525.6

It is necessary to take account of the provisional nature of the figures included in Table 6.2. Collection of the statistics involved is not complete. There have been delays in obtaining reports on contracts filled following international tenders. By contrast, reports on public works carried out by direct labour are fairly up-to-date. The consequence of this is that the total value of contracts for EDF5 and 6 covered in the table - 785 mio Ecu for works, 674 million for supplies - is still low and the proportions of contracts filled following international tendering are underestimated.

When comparing the figures for EDF5 and EDF6 it should also be borne in mind that the period 1986-1990 represents the completion stage for most of the fifth Fund programmes and the starting phase for the sixth Fund activities. This could explain e.g. the higher percentage for direct labour for EDF5 since the local works contract and supplies show normally a higher participation rate once projects are in full implementation. For the same reasons percentages for restricted tenders and direct agreements are lower for the sixth Fund; it is reasonable to expect that second or later stages of the project execution are agreed with a more limited number of candidates.

The mirror image of these proportions are the higher percentages for international tenders for both works and supplies under EDF6.

7. The Lomé IV Convention

7.1 The preparation phase

The new Lomé IV Convention that was signed on 15 December 1989 has not become operational in 1990 awaiting the ratification by the EC member States and at least two thirds of the ACP States.

Yet, 1990 was a very active year for all partners of the Convention. The aim was to complete the programming process, as far as possible before the end of 1990. An early planning of the operations to be funded was thought to contribute to a better performance of the Community's aid, notably in terms of commitments and disbursements. This objective has virtually been achieved. Almost 60 pre-programming documents, including the guidelines for structural adjustment support, were presented to the Member States before the spring of 1991, which have subsequently received approval. Fifty indicative programmes were signed by mid-1991. The others were likely to follow in the course of the year.

7.2 The national indicative programmes

The programming phase was launched at the beginning of April 1990, when each Head of State or Government was notified of the amount of programmable aid to which his country was entitled during the first five-year period.

The notification was followed by an in-depth dialogue between the Commission and each country in order to define the general guidelines for Community aid for the following five years.

At the same time, and with a view to improving the mutual consistency and complementarity of the aid provided by the Community and by its Member States, the Commission has coordinated with the Member States, both in Europe and in each ACP country.

The Commission's approach was based on three principles:

- (a) First was the need to consolidate the strategy adopted under Lomé III to support sectoral policies through dialogue and the focusing of aid on a limited number of sectors.
- (b) Secondly, the new areas covered by Lomé IV - population, the environment, promotion of the private sector and decentralized cooperation - had to be taken into account at the programming stage and rendered operational.
- (c) Lastly, the structural adjustment dimension had to be included in the programming, at least for the countries automatically eligible pursuant to Article 246 of the Convention. There is an obvious link between macro-economic policies pursued in these countries and the sectoral policies that the Community is requested to support.

Rural development (including its vital social aspects and environmental protection), and the development of human resources will remain key areas for Community support. In many cases the sectors chosen for aid fall within national programmes receiving support from several major donors.

The EIB has been closely involved in the programming stage and the projects and other operations which might be envisaged have been identified in the indicative programmes.

7.3 Structural adjustment

Structural adjustment cannot be appreciated in isolation from the programming process because the two components - adjustment and programming - both contribute to the objective of long-term development.

This interdependence between programming and adjustment has provided the backdrop to the implementation of the Convention, notably in terms of eligibility, the distribution of resources, the priority areas for Community aid or dialogue concerning the reforms carried out by the countries in question. It has also been taken into account in relations with other donors (especially the IBRD and the IMF), and in the Community's involvement in wider initiatives, such as the SPA.

In accordance with Article 281 of the Convention the Commission notified the eligible ACP States (in June 1990) of the initial allocation - 380 mio Ecu for a two year period - that each could receive for adjustment support.

To determine this first allocation, the Commission took account of the internal and external imbalances of the countries concerned, weighted by the size of their economies and population.

The Commission has sought to focus its approach on aspects which it considered the most important under the terms of the Convention:

- social aspects of adjustment (especially education and health);
- compliance with long-term development objectives;
- pace of the reforms geared to the specific constraints of each country;
- regional dimension of adjustment.

For most countries the aid provided will be in the form of general import programmes. Sectoral import programmes will be reserved for operations giving direct support to sectors undergoing restructuring which already receive a significant share of programmable aid.

General import programmes predominate because countries undergoing the adjustment process tend to liberalize foreign trade and because of the benefits of the GIP instrument for countries belonging to a "protected" currency area.

In all cases the counterpart funds generated by the import programmes will be included in overall budget planning. Thereby special attention will be paid to the social sectors.

The Community will also play an active role in the Special Programme to aid highly indebted low income countries in Sub-Saharan Africa that was started in 1987 within a wider-ranging initiative (the SPA) coordinated by the World Bank.(1).

This programme was extended for three years (1991-1993) and the Commission estimated that it will be able to mobilize about 1 billion Ecu from Lomé IV resources to provide adjustment support in the countries eligible for this programme.

The above shows what measures and steps the Commission has taken to become involved in the adjustment process. But apart from implementing the actual provisions of the Convention, the Commission has taken a series of internal measures to obtain the necessary resources and means to enable it to take up the challenge facing it. These include training seminars, finding the resources to boost its own analytical capacity, the setting up of a "structural adjustment" unit within the Directorate-General for Development to back up the geographical departments and the Delegations, and so on.

(1) Also see para. 3.2 of this Report.

The combination of all these factors allows the Commission to play a full part in the process and to hope that it will be able to get across a more pragmatic, more subtle and more human view of structural adjustment.

Adjustment is a financially costly process, and neither the Community nor any other donor is able to support the the process alone. The aim should be to help countries which so wish, to carry out a programme of reforms which could in the long run be backed by all the donors, at the same time ensuring that the essential points of the approach set out by the Convention are taken into account.

7.4 Regional Programming

Regional cooperation plays a role of great importance under Lomé IV. There is greater confidence in the ACP States' capacity to cooperate with each other and carry out joint development operations where such an approach is more advantageous than going it alone. It is also the expression of the political will of the Community and its ACP partners to bolster the role of regional cooperation in furtherance of sectoral policies coordinated at regional level with the aim of helping create viable and cohesive economic areas.

The Commission has instituted regional programming in parallel with national programming to underline the complementary nature of national and regional operations.

In April 1990 every Head of State or Government was asked to identify cooperation priorities for their sub-regions or other groupings. The process of programming was somewhat slower than for the national programmes because of the inherent constraints on regional cooperation. It was expected that programming for most of the regions would be finished before the third quarter of 1991.

8. Conclusions

The Convention of Lomé III expired in March 1990 but that year was still a very active one for financial cooperation between the Community and the ACP States.

By the end of this fifth year more than 6.8 bio Ecu (85.6% of the envelope) were approved, 4.7 bio Ecu (59.2%) were awarded to contracts and 3.3 bio Ecu (41.8%) were paid. These global, average figures are comparable to the results for Lomé I and II after 5 years, although the rate of payments is still somewhat lower, which can be explained by the result for programmed aid.

As regards the earlier Conventions, Lomé I was closed at the end of 1990 with a final amount of 3002.5 mio Ecu committed and paid. The balances that remained at the year-end were transferred to the 6th EDF. Lomé II was decided for 97.7% of the envelope i.e. 4.6 bio Ecu, 81% i.e. 3.8 bio Ecu were paid at 31.12.90.

It has been explained in previous reports that the implementation of programmed aid under Lomé III is relatively slow due to the fact that considerable funds of Lomé III have been used for large-scale rural development programmes which require more time for execution than traditional programmes of the past. Yet, 1990 has shown an acceleration in implementation, for whilst at the end of 1989 the rate of commitments for programmed aid was significantly lower than the percentages for Lomé I and II after 4 years, at the end of 1990 these discrepancies were much smaller and consequently payments were also picking up speed.

However, it should be underlined that great variations exist between the ACP States.

The average rate of approval (1) for national programmes was 87.8% by the end of 1990. Thirty countries had their financial envelope virtually allocated to programmes and projects. Thirteen countries showed a rate of approval lower than 75%. Variations were also found for the rates of commitment and payment. The reasons and causes for delays in the implementation of programmes are manifold, related to all sorts of circumstances in the ACP countries and also to bottlenecks in the current aid procedures and aid management.

Sometimes factors external to the aid programme, such as civil wars and unfavourable weather circumstances have a negative impact on implementation which is hard to avoid. Yet, programme implementation could in other cases be improved by better preparation, administration and commitment of the national authorities.

An obvious conclusion is that a continuous monitoring and evaluation of the programmes is of great importance. Also the study of aid procedures will enable both the Community and the ACP States to improve the implementation performance of the national programmes.

One of the success stories of programmed aid concerns the quick disbursing import programmes financed by the Special Debt Programme and Art. 188 of the Convention. These programmes are fully related to the indicative programmes and the aim to support the adjustment process in ACP countries and to cope with the problem of debt.

By the end of the year, 51 programmes in 38 countries with a total amount of 800 mio Ecu were decided and some 570 mio Ecu, i.e. more than 70%, had been disbursed.

Under the Lomé IV Convention for which 1.15 bio Ecu has been allocated for structural adjustment, to which a proportion of the envelopes of the indicative programmes will be added.

(1) See for definition of the rate of approval, commitment and payment footnote (1) on page 10 of this report.

An analysis of projects and programmes costing more than 10 mio Ecu has shown that reasonable progress has been made in 1990. Compared to 1989 the number of projects which were having implementation difficulties diminished considerably.

About 40% of all large 75 projects (excluding import programmes) was somehow delayed in 1990. There were few difficulties with preparation and tender procedures as opposed to 1989, when many projects were still in an early phase of execution. More often local government policies and institutions seemed to explain the delays. Also general administration and management were hampering an implementation in accordance with the envisaged time schedules.

Regional cooperation has made progress too in 1990 although the decisions, commitments and payments still lag behind the results for national indicative programmes. This is a consequence of having several partners in the decision-making process, yet there are differences between the various regional groups.

As far as Stabex is concerned, again in 1990 the events on the commodities' markets have shown more than ever the importance of that system. However, the problem is that Stabex cannot attack the roots of the difficulties. It is designed to soften the effects of shocks in the agricultural sector. As the situation is now, Stabex is over-burdened, again in 1990 aid requests exceeded the financial resources by far. The Community has made efforts in providing additional resources to meet part of the financial gap. Total transfers stood at the end of 1990 at 1.46 bio Ecu. The Lomé III Convention had only provided for 925 mio Ecu. This experience has also led the ACP States and the Community to decide on a more than proportional increase of Stabex funds for Lomé IV.

By contrast, implementation of the Sysmin system which was set up to help countries which depend strongly on the mining sector and which are confronted with declining incomes in that sector proved also in 1990 to be more difficult. By the end of the year, 118 mio Ecu of the adjusted total of 305 mio Ecu provided in Lomé III (i.e. 39%) had been approved and only 14 mio Ecu had been paid. The disappointing results continue to be a problem and they are partly due to the difficulties involved in bringing together industry rehabilitation programmes which, because of the scale of action involved, usually entail cofinancing by several donors. There have also been shortcomings in the quality of the dossiers presented for Sysmin aid. Here it must also be acknowledged that past procedures were cumbersome and one of the aims of Lomé IV was to overcome these problems by simplified procedures.

Emergency aid and special aid to refugees and returnees have again proved effective instruments in meeting severe needs that arose in several ACP States. The total of this form of special aid amounted to approx. 230 mio by the end of 1990.

Microprojects continue to respond to existing demands in ACP States. Aid to the private sector is developing and forms one of the new challenges to be met under Lomé IV, thereby the CDI will play an important catalyzing role.

The AIDS Control programme was progressing well in 1990. The first evaluation results for this programme were positive for all parties involved.

In the 5 years of Lomé III, EIB lending totalled just short of 1240 mio Ecu. 92% of the Lomé envelope for risk capital has been made available while 62% of the provisions for "own resources" loans from the Bank have been agreed. One of the main constraints on Bank lending is the continuing difficult economic circumstances of many ACP States which seriously reduce their borrowing capacities.

Faced with a slower rhythm for commitments and payments notably for national and regional programmed aid, both the ACP States and the Community asked themselves how best to speed up the implementation of aid. The Council Resolution of 7 May 1988 already called for streamlining the effectiveness of aid operations and in the Resolution of 1989 on financial and technical cooperation concern is again expressed at the slowdown in secondary commitments and disbursements of national programmed aid under Lomé III.

That is why Mr. Marin proposed in 1990 in Fiji to undertake a joint ACP/CEE Evaluation study on aid procedures. This study was started in May 1991.

The study intends to examine and identify problem areas and bottlenecks related to all stages of aid implementation such as programming, project preparation and appraisals, preparation of financing decisions, tender and contract procedures and the project execution, notably, payment procedures.

The exercise is to be undertaken within the framework of the responsibilities of the Development Finance Cooperation Committee and should arrive at conclusions that will indeed facilitate the implementation of the Conventions.

As regards Lomé IV 1990 has been an important year of preparation. The preparation of national indicative programmes had almost all been finished by early 1991. The programmes reflect on the one hand the consolidation and continuation of Lomé III, whereby special attention has been paid to the correspondence between the operation to be financed and the life-span of the first financial protocol, and on the other hand new areas, such as population, environment, decentralised cooperation and the promotion of the private sector.. Finally the structural adjustment dimension is included in the programming for those countries eligible to this facility.

Lomé IV will become operational on 1 September 1991. This implies that the next report on financial cooperation will be the first to give details on the implementation of the new Convention.

ANNEX

EXPLANATORY NOTES ON INSTRUMENTS AND PROCEDURES FOR IMPLEMENTATION OF FINANCIAL AND TECHNICAL COOPERATION UNDER THE LOME CONVENTIONS

1. List of ACP Countries

Angola	Madagascar#
Antigua & Barbuda*#	Malawi*+
Bahamas#	Mali*+
Barbados#	Mauritania*
Belize*	Mauritius#
Benin*	Mozambique*
Botswana*+	Niger*+
Burkina Faso*+	Nigeria
Burundi*+	Papua New Guinea#
Cameroon	Rwanda*+
Cape Verde*#	St. Christopher & Nevis*#
Central African Republic*+	St. Lucia*#
Chad*+	St. Vincent & Grenadines*#
Comoros*#	Sao Tome & Principe*#
Congo	Senegal
Djibouti*	Seychelles*#
Dominica*#	Sierra Leone*
Equatorial Guinea*	Solomon Islands*#
Ethiopia*	Somalia*
Fiji#	Sudan*
Gabon	Suriname
Gambia*	Swaziland*+
Ghana	Tanzania*
Grenada*#	Togo*
Guinea*	Tonga*#
Guinea Bissau*	Trinidad & Tobago#
Guyana	Tuvalu*#
Ivory Coast	Uganda*+
Jamaica#	Western Samoa*#
Kenya	Vanuatu*#
Kiribati*#	Zaire
Lesotho*+	Zambia+
Liberia	Zimbabwe+
Dominican Republic (added in Lomé IV)#	
Haiti (added in Lomé IV)*#	
Namibia (added in Lomé IV)*	

* Least developed ACP States # Island ACP + Landlocked ACP

2. List of organisations associated with implementation of regional cooperation.

SADCC	:	Southern Africa Development Coordination Conference
PTA	:	Preferential Trade Area
CEAO	:	Economic Community of West Africa
ECOWAS	:	Economic Community of West African States
CILSS	:	Inter State Committee in the fight against drought in the Sahel
OMVS	:	Organisation for exploitation of the resources of the Senegal river
ASECNA	:	Association for air navigation security in Africa
CARICOM	:	Caribbean Community
OECS	:	Organisation of Eastern Caribbean States
SPEC	:	South Pacific Economic Commission
IOC	:	Indian Ocean Commission

3. Financial Cooperation Principal Characteristics and Procedures

Each ACP-EEC Convention provides for a general envelope of aid to be allocated from the EDF during the Convention. In addition, it provides for loans by the European Investment Bank (EIB) from its own resources which may benefit from interest rate subsidies from the EDF.

Aid from the EDF consists of

(i) Programmed aid

- grants, representing the bulk of financial aid
- special loans (40 year duration, 10 years grace, interest at 1% - 0.50% for least developed ACPs, under Lomé III)*

(ii) Non-programmed aid

- stabilization of export earnings from agricultural commodities (STABEX)
- special financing facility for mining products (SYSMIN)
- emergency aid
- risk capital (managed by EIB)**
- interest subsidies on loans from the own resources of the EIB

Details of the amounts provided under the various aid headings under Lomé I, II and III and those to be provided in Lomé IV are as follows:

	million ECU			
	Lomé I	Lomé II	Lomé III	Lomé IV
Total Convention	3393	5384	9051	12000
EDF	3003	4710	7951	10800
- grants	2096	2965	4997	7995
- special loans	421	525	600	-
- risk capital	96	275	600	825
- STABEX	390	669	1449	1500
- SYSMIN	-	276	305	480
EIB "own resources" loans up to	390	685	1100	1200

* Special loans will no longer be provided under Lomé IV.

** Under Lomé III and IV, part of the amount provided for risk capital has been included in the national allocation of the indicative programmes for least developed ACP States.

The procedures for allocation of non-programmed aid are based on the relevant provisions contained in the corresponding Articles of the Lomé Conventions.

At the beginning of each Convention, the Commission informs each ACP State of the total programmed aid to be allotted to it.

The award of programmed aid is very much dependent on the EDF decision cycle. Broadly speaking, five distinct stages can be identified:

1. Preparation of indicative programmes by ACP States in agreement with the Commission and the EIB;
2. Project preparation by the ACP States and their examination by the Commission;
3. Project approval by the Commission of a project financing proposal, following favourable opinion of the EDF Committee*;
4. Project execution on the basis of contracts awarded by the ACP States, generally following invitation of international tenders open to firms in the Member States and ACP States;
5. Payments of aid to contractors. Such payments are made in European currency to contractors in the Member States or in national currency, where the contractors are nationals of the ACP State concerned, or in respect of local costs incurred by contractors from Member States.

While there is some overlapping between the five stages discussed above (some of the stages also apply to non programmed aid), most of the programming of aid takes place in the early years of each Convention, approval and commitment stages are spread out over several years and payments may be made over a number of years. In this regard, while each Lomé Convention runs for up to five years,** the Community legislation (the Internal Agreement and the Financial Regulation) relating to each EDF remains in force until the funds provided by the relevant Convention are paid out.

4. Programmed Aid

Lomé III envisaged more precise definition than in the past of programme content and also stressed the importance of the work done in preparation for programming. This approach was continued for Lomé IV.

* The EDF Committee is composed of representatives of the Member States and is chaired by the Commission representative.

** Lomé IV will run for 10 years, the financing provided for in the financial protocol relating to the first 5 years of the Convention.

On the question of content, it was jointly established that rigour and coordination were increasingly necessary in the management of domestic resources and also in the use of funds from external sources. The Community and the ACP States considered that the best way of securing this coordination and of making cooperation more effective was to situate a growing proportion of its operations in the context of support for sectoral policies because:

- such an approach enables Community operations to be more closely adjusted to the priority sectoral objectives established by each of the ACP States;
- support for sectoral policies makes it possible to use a very wide range of forms of aid (aid for maintenance, technical assistance, training, etc.) in addition to investment projects;
- such support means that for each operation, over and above its own merits, greater weight is given to its contribution to the success of the sectoral policy, so maximising its economic impact.

For this to succeed, the bulk of the Community financial resources placed at each State's disposal must, in the first instance, be focused on a limited number of sectors, or even a single sector. Without such concentration, there is a danger that Community operations would be thinly spread over a large number of highly diversified objectives and that they would have little chance of securing maximum economic impact.

Secondly, this approach means that, on the basis of exchanges of views between representatives of the ACP State and the Commission, the measures and operations most likely to ensure the attainment of the objectives which the ACP State has set itself for the sector concerned have to be specified, irrespective of whether the measures have to be taken by the ACP State itself or on the responsibility of the Community.

Lastly, it presupposes effective coordination between the Commission and the main providers of funds (including, obviously, the Member States) in order to ensure that operations in the focal sectors receiving Community aid are coordinated and complement each other.

It is laid down in the Convention that certain individual operations may be identified, in addition to the focal sectors, in the case of the continuation of projects which were begun under the preceding Convention and which are clearly deserving of priority.

Support for sectoral policies involves a far more demanding approach than in the past, and this has meant a change in the programming process.

The amount of aid is known at the outset, and this assures stable and predictable relations, and no extraneous considerations interfere.

On the basis of an analysis of the social and economic situation in each State conducted by the Commission in conjunction with the main providers of funds, exchanges of views commence between the Commission delegate in each ACP State and the representatives of the State concerned in order:

- to ensure that the Community is aware of the development objectives and priorities of the State concerned;
- to identify the focal sector or sectors for Community aid;
- to seek the most appropriate ways and means of attaining the objectives set.

It is not until the preparatory work has been completed that the programming mission, led by the Commission, and with the participation of the European Investment Bank, goes to each ACP State.

The indicative programme of Community aid is then drawn up with the national authorities; it sets out the sectors chosen, and within this framework, the indicative guidelines for Community aid; it identifies the most appropriate ways and means of implementing them, and determines the operations to be conducted outside the context of support for sectoral policies.

While the compilation of the indicative programme thus marks the end of a process, it is neither possible nor advisable for this document to fix, once and for all, all the conditions, measures and operations to be applied by the State and the Community in order to attain the objectives set. Programming must be sufficiently flexible to enable the action taken to be constantly adjusted in line with the objectives.

5. Structural adjustment and the import support programmes

The problems of structural adjustment cannot be appreciated in isolation from the programming process because the two components - adjustment and programming - both contribute to the objective of long-term development.

As provided for by the Convention, most countries eligible for specific adjustment support have opted to use part of their indicative programme to supplement such support.

This interdependence between programming and adjustment has provided the backdrop to the implementation of the Convention, notably in terms of eligibility, the distribution of resources, the priority areas for Community aid or dialogue concerning the reforms carried out by the countries in question. It has also been taken into account in relations with the other donors (especially the IBRD and the IMF), and in the Community's involvement in wider initiatives, such as the SPA.

The Lomé Convention describes two categories of countries eligible for adjustment assistance:

- (i) those already receiving support (financial or other) from the main multilateral donors, which are automatically eligible;
- (ii) those carrying out an "autonomous" adjustment process, which, to become eligible, must show - on the basis of a joint assessment - that they effectively fulfil the criteria laid down in the Convention (seriousness of imbalances, scope of reforms).

At the programming stage the Commission focused on the first category of countries. Since the question of eligibility had been settled, it was after all only natural to assess the adjustment process under way and work out what strategy to follow to ensure that adjustment and programming backed and strengthened each other.

This approach has not prevented the Commission from carrying out an initial assessment for some of the other countries of the reform process under way - which it will continue after the programming process for Lomé IV is completed - and even from taking active steps either to help a country to introduce its reform programme or to assist with negotiations between a country and the World Bank and the IMF.

The structural adjustment support takes the form of import programmes which are quick disbursing both by their nature and because of the speedy procedures involved in their execution.

Two types of programmes can be distinguished: the sectoral and the general import programmes.

Sectoral import programmes (SIP) are divided into:

- Imports in kind
- provision of foreign exchange (forex) to import specified goods (the "positive list").

A forex SIP based on a positive list of eligible imports presupposes a realistic exchange rate policy together with a transparent system for allocation of foreign exchange to importers. The choice of this type of programme has in general been influenced by the desire for quick execution and for the best possible sectoral impact.

General Import programmes (GIP) involve provision of foreign exchange for all products with the exception of those set out in a "negative list". Establishment of a GIP presupposes effective implementation in the country of macro-economic reforms.

Both GIP/SIP in forex have a number of common features:

- . they require a central institution to organise and control the programmes. This is generally supported by technical assistance which may be provided jointly by a number of donors;
- . they also generate counterpart funds whose use is decided jointly by the Commission and the National Authorising Officer;
- . they require close monitoring by the Commission Delegate and the ACP authorities for the duration of programmes.

The Commission has issued two policy guideline papers on the application of the structural adjustment policy and the use of counterpart funds generated by inter alia the import programme support.

6. STABEX

STABEX - the system for stabilisation of export earnings from agricultural commodities - was first introduced in Lomé I with the objective of providing funds to ACP countries to cover shortfalls in earnings brought about by fluctuations in prices or output of agricultural products exported to EEC countries.*

A total of 390 million ECU was provided for the system in Lomé I and this was increased to 660 million ECU in Lomé II, 1449 under Lomé III and to 1500 mio Ecu under Lomé IV**.

Eligibility for assistance is based on the two following criteria:

1. A product is eligible if, the year prior to the year of application, it represented 5% of a country's total export earnings to all destinations (4% in the case of sisal).
2. A country is eligible if there has been a drop in earnings of at least 4.5% - as compared to an average for the four years preceding the year of application.***

Transfers have been used to maintain financial flows in the sector concerned or for the purpose of promoting diversification.

ACP countries are required to give an account of what is done with the aid funds.

STABEX aid takes the form of grants.

* While, in general, STABEX takes into account only exports to the EEC, by derogation from the general rule, in the case of 13 ACP countries which, because of their geographical situation do not have the EEC as a natural outlet, exports to all destinations are taken into consideration.

** Including increases agreed by the Council in July 1988, July 1989 and March 1990 respectively.

*** 1.0% in the case of least developed ACP States.

7. SYSMIN*

The "Special Financing Facility" or SYSMIN system was first provided for in Lomé II to assist ACP States heavily dependent on mining exports to the Community to remedy the harmful effects on their incomes of serious temporary disruptions affecting the mining sector. 276* million ECU was provided for the Facility in Lomé II, and 305* mio ECU in Lomé III, taking the form of special loans (40 years duration, 10 years grace, interest at 1% - 0.50% for least developed ACPs). Lomé IV provides 480 mio Ecu in the form of grants.

The products covered by SYSMIN under Lomé IV are copper and cobalt, phosphates, manganese, bauxite and alumina, tin, iron ore, uranium. Countries can apply for SYSMIN aid if the relevant products have, on average, represented more than 15% of their total exports for 4 years (10% for least developed countries) or 20% or more of their export earnings from all mining products (12% for LDLIC).

Award of aid follows case by case analysis of possibilities for reestablishing viable operations in the sector concerned. Most SYSMIN aid involves cofinance with other donors e.g. European Investment Bank, World Bank Group, African Development Bank.

8. Financial assistance administered by the EIB

Financial assistance administered by the Bank consists of loans from its own resources (mainly from borrowings on the capital markets) and aid in the form of risk capital from EDF resources.

In accordance with the division of responsibilities between the Commission and the EIB provided for under the Convention, financing applications with respect to productive projects or action programmes in industry (including agricultural processing), mining and tourism, and energy production schemes linked to investment in these sectors are submitted to, and appraised by, the Bank. The EIB is also empowered to finance infrastructure projects of benefit to the economy in such sectors as transport and telecommunications. In providing loans, the EIB takes into account the economic and financial situation of the ACP country concerned as well as factors which can give assurance that the debt will be serviced. The Bank makes the granting of loans conditional upon the receipt of suitable forms of security and requires a guarantee from the country concerned or other first-class guarantees. Loans from the EIB's own resources generally attract interest rate subsidies for which an overall sum is set aside out of EDF grant funds (280 mio ECU under Lomé IV). The interest rate subsidy is 4%, but when necessary it is automatically adjusted so that the interest rate actually borne by the borrower will be neither less than 3% nor more than 6%.

Risk capital may be granted through the acquisition of holdings or by means of quasi-capital assistance. Holdings taken in the capital of enterprises or development banks in the ACP States are of a temporary and minority nature and are destined for transfer, at an appropriate time, to nationals or institutions of the ACP

* These figures take account of adjustments to the figures originally provided in Lomé II and III.

States. Quasi-capital assistance may be provided in the form of loans subordinated to the redemption of other bank claims or in the form of conditional loans whose repayment, maturity and interest payments depend on the attainment of the level of return or production expected from the project. This capital is a form of financial aid particularly well-suited to the difficult financial situation and economic conditions facing the majority of the ACP States. The total provided in Lomé IV for risk capital is 825 million ECU.

9. Cofinancing

A. Forms of cofinancing

Lomé III and IV provide for two types of cofinancing, joint or parallel, preference being given to the solution that is best from a cost and efficiency viewpoint:

- joint financing: all financing resources are placed in a common fund and disbursements made according to the progress of the project and in proportion to the respective contributions;
- parallel financing: each financial contribution is assigned from the outset to a separate part of the project, which is treated independently of the others.

There is, however, a definite preference for joint financing, which avoids competition between different sources of financing and makes it possible to rationalise financial procedures and checks.

B. Cofinancing procedures

Lomé IV lays down (Article 251) that "with the agreement of the parties concerned, necessary measures shall be taken to coordinate and harmonise operations of the Community and of the other cofinancing bodies in order to minimize the number of procedures to be implemented by the ACP States and to allow those procedures to be made more flexible". This point is crucial since, under Community rules, participation in invitations to tender, in other procedures for the award of contracts and in the contracts themselves, is normally confined to Member States and ACP States. Article 296 of Lomé IV provides, however, for participation by non-Community and non-ACP countries in contracts financed by the Community where the Community participates in the financing of regional or interregional schemes involving such third countries and in the joint financing of projects with other providers of funds.

10. Financing and Technical Cooperation - Implementation Procedures.

Financing Agreement : The legal instrument which determines the rights and obligations of the beneficiary ACP State(s) and the Community in respect of projects and programmes aided by the EDF. The agreement which is signed by the Government(s) concerned and the Commission covers financing provisions, rules relating to tendering and placement of contracts and contains a technical description of the aided project and of the manner in which aid is to be implemented.

Amounts provided for in financing agreements which remain unspent are recycled into the EDF allocations for the ACP States concerned.

Loan Contract (abolished under Lomé IV): Where aid to projects consists of special loans, the financing agreement is completed by a loan contract with the borrower which sets out the conditions for execution and reimbursement of the loan and of interest obligations. Where the special loan is made to a body other than an ACP Government, it must be covered by a guarantee agreement with the Government.

Tendering and Contracts: The fundamental principle applied to competition for EDF contracts is that of equal opportunity for bidders in the Community and in the ACP States. Only in exceptional cases are third countries permitted to bid (e.g. where projects involve cofinancing with such countries). Normally, competition takes the form of open international tendering. Contracts are awarded by the authorities of the ACP country concerned with the approval of the Commission Delegate. In exceptional cases (e.g. where a bid although not the lowest, is considered by the national authorities to be economically the most advantageous) the Commission may decide to accept that bid.

Despite the general practice of international tendering, Lomé IV also provides for restricted tendering, contracts by direct agreement or performance of contracts through public works departments in the case of operations relating to emergency aid, and to actions of urgent or minor nature. In order to benefit ACP bidders for EDF financed contracts, an accelerated tendering procedure may be applied to works worth less than 5 million ECU* and a preference of 10% on works contracts and of 15% on all supplies contracts is given to ACP firms.

Payments Procedures: The basic concern of the Commission in respect of EDF payments is that each beneficiary State should not have to prefinance EDF aid from its national budget. With this in mind, payments are made directly to firms who supply goods and services; this is true both in respect of payments in ACP currencies authorised locally and for payments in European currencies authorised by the Commission.

In the case of supply contracts, 60% may be paid to the supplier, where he provides a bank guarantee, at the time of signature of the contract, a further 30% on provisional acceptance by the authorities of the ACP State and the last 10% on final acceptance.

* Less than 4 mio Ecu under Lomé III

ANNEX TABLE 1

Country	LOME III — Situation as at 31.12.90		Approved							(9) TOTAL	(10) EIB Own Recs
	Programmed Aid (1) Approvals	Non-Programmed Aid (2) Stabex	(3) Sysmin	(4) Special Aid *)	(5) Interest Subsidies	(6) Risk Capital	(7) Transferred Investments	(8) Total Non ProgrAid			
Angola	78.50			16.60		4.00		20.60	99.10		
Antigua/Barbuda	0.60					1.50		1.50	2.10		
Bahamas	3.60				3.30	0.00	0.10	3.40	7.00	17.60	
Barbados	2.30				0.60	1.00		1.60	3.90	7.20	
Belize	7.85			2.00	0.30	1.00	0.15	3.45	11.30	2.50	
Benin	81.75	17.60		0.45		13.50	3.10	34.65	116.40		
Botswana	22.95		21.65	0.90	3.90	5.00	0.80	32.25	55.20	24.00	
Burkina Faso	102.95	7.30		0.35		10.50	3.60	21.75	124.70		
Burundi	107.40	25.20		1.10		12.00	0.70	39.00	146.40		
Cameroun	75.45	198.80		0.15		0.00	3.50	202.45	277.90		
Cabo Verde	24.50					3.00		3.00	27.50		
Centrafrique	63.95	31.20		0.60		10.00	0.75	42.55	106.50		
Comores	17.90	8.10				2.00		10.10	28.00		
Congo	41.30					26.00		26.00	67.30		
Cote D'Ivoire	79.00	365.30		1.60	17.20	0.00	0.90	385.00	464.00	87.10	
Djibouti	15.10			1.00		2.00	0.20	3.20	18.30		
Dominique	6.00	1.20				3.80		5.00	11.00		
Ethiopia	209.50	98.20		52.30		31.00	0.20	181.70	391.20	22.50	
Fidji	16.90	0.30		0.30	3.90	1.00		5.50	22.40		
Gabon	20.40	3.10		0.10		0.00		3.20	23.60		
Gambia	20.90	12.60		0.20		5.70	0.10	18.60	39.50		
Ghana	51.00				4.10	20.00		24.10	75.10	21.00	
Grenade	5.50	2.50		0.10		2.80		5.40	10.90		
Guinee	106.30		35.00	2.70		19.00		56.70	163.00		
Guinee Bissau	33.70	2.90		0.10		3.50	0.20	6.70	40.40		
Guinee Equator.	6.05	9.80				4.00	0.35	14.15	20.20		
Guyane	20.40			0.25		4.00	0.05	4.30	24.70		
Jamaica	36.55			1.25	6.10	1.00	2.00	10.35	46.90	31.25	
Kenya	129.65	70.90		0.05	12.60	7.50		91.05	220.70	69.00	
Kiribati	0.65	2.50				0.00	0.25	2.75	3.40		
Lesotho	41.55	3.10				6.50	0.35	9.95	51.50		
Liberia	31.80			0.90		0.00		0.90	32.70		
Madagascar	80.45	4.50		0.25		35.00	0.20	39.95	120.40		
Malawi	105.45	19.40		13.20	1.90	12.00	0.25	46.75	152.20	10.50	
Mali	136.40	20.30		0.80		20.50	2.50	44.10	180.50		
Mauritius	27.05	3.00		0.05	4.40	6.50		13.95	41.00	28.00	
Mauritanie	57.85		18.00	2.35		16.50		36.85	94.70		
Mozambique	132.60	21.50		29.30		9.00		59.80	192.40		
Niger	120.30	6.60	12.45	2.60		14.30	1.05	37.00	157.30		
Nigeria	213.15			1.15	30.90	0.00	0.90	32.95	246.10	168.00	
Ouganda	126.25			9.20		15.00	2.65	26.85	153.10		
Papua New Guin.	34.45	110.00		0.75	5.20	3.50		119.45	153.90	29.00	
Rwanda	53.40	61.90		1.70		12.00		75.60	129.00		

LOME III — Situation as at 31.12.90

Country	Programmed Aid	Non-Programmed Aid		Approved					(9) TOTAL	(10) EIB Own Recs
	(1) Approvals	(2) Stabex	(3) Sysmin	(4) Special Aid *)	(5) Interest Subsidies	(6) Risk Capital	(7) Transferred Investments	(8) Total Non ProgrAid		
St.Chris.&Nevis	2.80			0.00		1.50		1.50	4.30	
St.Lucie	5.80				1.20	2.00		3.20	9.00	6.00
St.Vincent	6.95			0.15	0.70	2.80		3.65	10.60	3.00
Salomon Islands	14.65	27.70		0.45		2.00		30.15	44.80	
Samoa West	8.95	9.80		0.20		4.20	0.05	14.25	23.20	
Sao Tome&Princip	5.85	1.60		0.10		2.10	0.05	3.85	9.70	
Senegal	108.45	107.00	15.00	5.60		23.75	3.40	154.75	263.20	
Seychelles	4.90				0.30	1.50		1.80	6.70	1.50
Sierra Leone	40.30			0.50		0.00	1.40	1.90	42.20	
Somalie	91.05			2.95		15.40	4.50	22.85	113.90	
Sudan	94.80	63.90		57.70		22.00	4.20	147.80	242.60	
Suriname	11.80			0.10		3.00	1.10	4.20	16.00	
Swaziland	25.40			1.50	1.10	7.00	0.10	9.70	35.10	6.00
Tanzania	172.80	8.90		0.15		34.50	0.75	44.30	217.10	
Tchad	89.00	40.40		4.00		8.20	2.80	55.40	144.40	
Togo	60.80	21.10	15.70			9.30	0.10	46.20	107.00	
Tonga	6.45	3.80			0.30	1.80	0.05	5.95	12.40	2.00
Trinidad&Tobago	12.70			0.10	2.30	3.00	5.50	10.90	23.60	12.00
Tuvalu	0.90	0.10				0.00		0.10	1.00	
Vanuatu	6.75	16.40		0.55		0.00	0.10	17.05	23.80	
Zaire	156.10			2.65	7.80		0.05	10.50	166.60	50.00
Zambia	80.10			1.20		11.70	0.80	13.70	93.80	
Zimbabwe	72.90			1.30	11.20	0.00		12.50	85.40	70.00
	0.00							0.00		
Regional project	689.10			17.20	2.70	40.70	4.80	65.40	754.50	21.00
	0.00									
Total	4318.60	1408.50	117.80	240.75	122.00	542.05	54.60	2485.70	6804.30	689.15

Annex Table 2

LOME II Programmed Aid

Situation as at 31.12.1990

Country	(1) approved	(2) committed	(3) paid
Antigua/Barbuda	2.70	2.20	1.80
Bahamas	2.10	1.60	1.25
Barbados	2.80	2.25	2.25
Belize	5.50	0.60	0.50
Benin	55.00	43.60	38.50
Botswana	23.00	21.00	17.80
Burkina Faso	83.55	77.90	73.40
Burundi	76.80	67.00	55.80
Cameroun	68.90	43.10	42.80
Cabo Verde	15.80	15.50	15.00
Centrafrique	49.00	45.40	41.65
Comores	14.40	11.80	10.85
Congo	31.30	31.10	30.90
Cote D'Ivoire	53.70	47.70	42.20
Djibouti	5.40	5.10	4.75
Dominique	3.50	3.50	3.40
Ethiopia	140.20	132.00	128.30
Fidji	13.00	10.60	10.40
Gabon	14.40	14.20	14.00
Gambia	14.00	13.40	10.80
Ghana	60.00	48.50	44.50
Grenade	3.50	3.40	3.30
Guinee	79.30	71.60	65.80
Guinee Bissau	20.80	19.20	18.55
Guinee Equator.	8.00	7.80	7.75
Guyane	14.50	13.40	13.10
Jamaica	23.60	18.00	16.00
Kenya	85.80	75.30	67.00
Kiribati	3.85	3.15	3.05
Lesotho	28.80	22.60	21.40
Liberia	30.00	19.40	16.20
Madagascar	75.20	71.20	66.00
Malawi	79.80	57.20	50.00
Mali	95.50	85.40	76.00
Mauritius	20.40	19.60	18.50
Mauritanie	42.00	39.40	33.50
Niger	80.10	73.00	71.00

Nigeria	50.00	41.30	29.60
Ouganda	87.00	76.40	70.90
Papua New Guin.	19.55	19.20	18.00
Rwanda	77.90	74.90	72.80
St.Chris.&Nevis	2.20	2.00	2.00
St.Lucie	3.65	3.60	3.60
St.Vincent	3.70	3.60	3.50
Salomon Islands	12.00	11.90	9.50
Samoa West	6.20	6.20	6.15
Sao Tome&Princip	4.00	4.00	3.85
Senegal	68.40	64.30	53.40
Seychelles	3.60	3.50	3.40
Sierra Leone	48.40	43.20	35.10
Somalie	79.10	62.50	53.40
Sudan	87.80	83.20	79.50
Suriname	12.80	7.00	3.55
Swaziland	18.40	15.80	13.50
Tanzania	121.10	112.20	104.45
Tchad	62.20	59.50	55.90
Togo	42.50	39.10	36.50
Tonga	4.00	2.90	2.80
Trinidad&Tobago	9.45	6.30	4.70
Tuvalu	1.00	0.95	0.95
Vanuatu	4.30	4.30	4.25
Zaire	101.30	84.50	77.90
Zambia	57.30	50.60	42.10
Zimbabwe	48.70	43.10	36.00
Regional	580.00	494.40	446.90
Total	3042.80	2658.15	2412.20

Note: Totals for programmed aid exclude costs for administration.

Annex Table 3

LOME III --- Programmed Aid

Decisions, commitments and payments
Situation as at 31.12.90 - mio ECU

Country	(1) decisions	(2) commitments	(3) payments
Angola	78.5	54.9	38.1
Antigua/Barbuda	0.6	0.5	0.2
Bahamas	3.6	2.4	1.3
Barbados	2.3	0.8	0.4
Belize	8.0	6.3	1.7
Benin	81.8	68.0	52.6
Botswana	23.4	13.5	9.3
Burkina Faso	103.0	37.9	10.8
Burundi	107.4	58.1	27.4
Cameroun	75.5	38.3	26.9
Cabo Verde	24.5	7.9	2.3
Centrafrique	64.0	47.9	34.7
Comores	17.9	10.6	4.4
Congo	41.3	19.5	2.4
Cote D'Ivoire	79.0	56.9	45.4
Djibouti	15.1	6.5	3.9
Dominique	6.0	6.0	5.2
Ethiopia	209.5	71.8	48.9
Fidji	16.9	7.5	3.2
Gabon	20.4	18.6	14.1
Gambia	20.9	16.1	11.1
Ghana	51.0	27.8	19.1
Grenade	5.5	4.6	4.5
Guinee	106.3	58.4	29.9
Guinee Bissau	33.7	19.0	12.2
Guinee Equator.	6.1	4.6	2.9
Guyane	20.4	16.8	14.5
Jamaica	36.6	14.5	12.0
Kenya	129.7	67.9	51.3
Kiribati	0.7	0.5	0.4
Lesotho	41.5	34.0	21.8
Liberia	31.8	11.3	6.4
Madagascar	80.5	53.2	40.6
Malawi	105.5	77.0	64.5
Mali	136.4	49.3	35.7
Mauritius	27.1	5.8	4.0
Mauritanie	57.9	27.8	17.6
Mozambique	132.6	91.1	66.8

Niger	120.3	64.2	33.9
Nigeria	213.2	48.2	13.7
Ouganda	126.3	93.7	61.0
Papua New Guin.	34.5	27.8	9.4
Rwanda	53.4	30.5	14.4
St.Chris.&Nevis	2.8	2.4	0.5
St.Lucie	5.8	3.4	1.7
St.Vincent	7.0	2.8	2.1
Salomon Islands	14.7	9.2	5.8
Samoa West	9.0	0.8	0.5
Sao Tome&Princip	5.9	5.0	3.5
Senegal	108.5	78.6	36.3
Seychelles	4.9	3.2	1.7
Sierra Leone	40.3	21.0	12.7
Somalie	91.1	33.0	25.0
Sudan	94.8	57.4	45.5
Suriname	11.8	8.9	4.7
Swaziland	25.4	15.5	9.2
Tanzania	172.8	97.9	69.8
Tchad	89.0	51.9	34.7
Togo	60.8	41.3	29.3
Tonga	6.5	0.3	0.2
Trinidad&Tobago	12.7	6.7	6.3
Tuvalu	0.9	0.3	0.3
Vanuatu	6.7	3.2	1.8
Zaire	156.1	96.1	59.1
Zambia	80.1	49.2	29.0
Zimbabwe	72.9	46.3	26.2
Regional	689.1	383.2	212.1
Total	4320.2	2395.6	1498.9

Annex Table 4

STABEX transfers 1990 by Country and by Product

Country	mio Ecu	% of total transfers
1. Ivory Coast	71,1	33,5
2. Cameroun	63,7	30,0
3. Burundi	19,3	9,1
4. Rwanda	18,9	8,9
5. Kenya	11,1	5,2
6. P.N.G.	6,1	2,9
7. Togo	4,4	2,1
8. R.C.A.	4,0	1,9
9. Guinee Equ.	3,2	1,5
10. Malawi	2,4	1,1
11. Others*	8,2	3,8
	212,4	100,0
Products	mio Ecu	% of total transfers
Coffee	147,6	69,5
Cocoa	43,4	20,4
Timber	11,8	5,6
Groundnuts	2,3	1,1
Copra/Coco	2,2	1,1
Other	5,1	2,3
	212,4	100,0

* 10 countries receiving less than 2 mio Ecu.

Annex Table 5

Lomé III : EIB finance to ACP States to end-1990

m/0 ECU

Region/Country	Own Resources					Risk Capital						
	1986	1987	1988	1989	1990	1986/90	1986	1987	1988	1989	1990	1986/90
<i>Southern Africa</i>	2.5	47.0	16.0	36.0	9.0	110.5	5.0	27.7	30.0	4.0	8.7	75.4
Angola								4.0				4.0
Botswana		11.0	13.0			24.0		5.0				5.0
Lesotho							3.5			3.0		6.5
Malawi	2.5	4.0	3.0		1.0	10.5	1.5	2.5	8.0		1.5	13.5
Mozambique								3.0	6.0		6.0	15.0
Swaziland				6.0		6.0		3.0	3.0	1.0		7.0
Zambia								10.2	13.0		1.2	24.4
Zimbabwe		32.0		30.0	8.0	70.0						
<i>Western Africa-Sahel</i>							13.5	41.3	37.4	12.0		104.2
Burkina Faso									4.5	6.0		10.5
Cape Verde									3.0			3.0
Chad									2.2	6.0		8.2
Gambia									5.7			5.7
Mali									20.5			20.5
Mauritania								15.0	1.5			16.5
Niger								14.3				14.3
Senegal							13.5	12.0				25.5
<i>Coastal W. Afr.</i>	41.2	46.9	45.0	43.0	100.0	276.1		13.5	16.5	38.8		68.8
Benin								6.5		7.0		13.5
Ghana	17.0				4.0	21.0		7.0		13.0		20.0
Guinea Conakry									16.5	6.0		22.5
Guinea Bissau										3.5		3.5
Ivory Coast	24.2	16.9			46.0	87.1						
Liberia												
Nigeria		30.0	45.0	43.0	50.0	168.0						
Sierra Leone										9.3		9.3
Togo												
<i>Eastern Africa</i>	15.0	37.0	28.0	18.5		98.5	18.8	71.0	36.7	30.4	21.2	178.0
Burundi							3.0		2.5	6.5		12.0
Comores								2.0				2.0
Djibouti									2.0			2.0
Ethiopia								21.0	10.0			31.0
Kenya		27.0	25.0	17.0		69.0		7.5				7.5
Madagascar							3.3	15.5	5.7		5.2	29.6
Mauritius	15.0	10.0	3.0			28.0	3.5	3.0				6.5
Rwanda										12.0		12.0
Seychelles				1.5		1.5				1.5		1.5
Somalia								13.0		2.4		15.4
Sudan							9.0		13.0			22.0
Tanzania								7.0	3.5	8.0	3.0	21.5
Uganda								2.0			13.0	15.0

— 58 — (Annex Table 5)

Region/Country	Own Resources				Risk Capital							
	1986	1987	1988	1989	1990	1986/90	1986	1987	1988	1989	1990	1986/90
<i>Central Africa</i>	50.0					50.0	14.0	2.1	16.0	10.0		42.1
<i>Cameroun</i>												
<i>Cen. Afr. Rep</i>									10.0			10.0
<i>Congo</i>							10.0		16.0			26.0
<i>Equ. Guinea</i>							4.0					4.0
<i>Gabon</i>												
<i>Sao Tomé e Príncipe</i>								2.1				2.1
<i>Zaire</i>	50.0					50.0						
<i>Total Africa</i>	108.7	130.9	89.0	97.5	109.0	535.1	51.3	155.6	136.6	95.2		438.7
<i>Caribbean</i>	21.5	16.9	6.0	31.0	4.2	79.6	2.0	8.1	2.8	13.4	1.0	27.3
<i>Antigua & Barbuda</i>										1.5		1.5
<i>Bahamas</i>	8.5	9.1				20.6						
<i>Barbados</i>				3.0	4.2	7.2			0.1	1.0		1.1
<i>Belize</i>		2.5				2.5		1.0				1.0
<i>Dominica</i>								3.8				3.8
<i>Grenada</i>								1.8		1.0		2.8
<i>Guyana</i>										4.0		4.0
<i>Jamaica</i>	10.0	5.3		16.0		31.3					1.0	1.0
<i>St. Christ. & Nevis</i>								1.5				1.5
<i>Ste Lucia</i>	3.0		3.0			6.0	2.0					2.0
<i>St Vinc. & Grenadines</i>			3.0			3.0			2.8			2.8
<i>Suriname</i>										3.0		3.0
<i>Trinidad & Tobago</i>						12.0	12.0			2.9		2.9
<i>Pacific</i>	20.5		12.0	21.0		53.5	1.0	1.6	7.7	0.3	2.0	12.6
<i>Fiji</i>	3.5			19.0		22.5	1.0					1.0
<i>Kiribati</i>												
<i>Pap. New Guin.</i>	17.0		12.0			29.0			3.5			3.5
<i>Solomon Islands</i>								0.1			2.0	2.1
<i>Western Samoa</i>									4.2			4.2
<i>Tonga</i>				2.0		2.0		1.5		0.3		1.8
<i>Tuvalu</i>												
<i>Vanautu</i>												
<i>Regional Projects</i>		6.0	15.0			21.0		21.0	19.7			40.7
TOTAL	150.7	153.7	122.0	149.5	113.2	689.2	54.3	186.2	166.8	108.9	32.9	549.1

Annex Table 6

EDF6: Total Approvals, Commitments and Disbursements at 31 December 1990 classified by Major Sectors and subsectors and by main beneficiary ACP States

<u>Sector/Subsector and main * beneficiary ACP States</u>	<u>Approved</u>	<u>Total aid Committed mio ECU</u>	<u>Disbursed</u>
<u>Rural Production</u>	2079,6	1002,0	571,1
<u>General</u>	389,7	184,9	122,7
Angola	38,6	31,8	26,6
Kenya	88,7	46,7	40,6
Liberia	27,0	8,3	5,0
Nigeria	138,7	26,7	4,9
Sudan	10,1	6,5	3,6
<u>Plantations</u>	87,1	45,6	29,6
Ivory Coast	20,9	20,2	15,2
Ethiopia	38,1	9,7	5,4
Uganda	21,9	11,8	6,1
<u>Farm Drainage</u>	176,9	52,7	24,5
Chad	15,0	7,6	5,6
Madagascar	21,3	9,7	7,3
Mali	62,0	0,8	0,2
Niger	63,6	26,9	7,1
<u>Agriculture</u>	299,4	161,6	114,9
Cameroun	15,0	11,9	11,8
Ethiopia	53,5	19,8	14,0
Malawi	49,3	35,3	29,0
Mozambique	10,3	3,4	0,9
Sudan	27,7	17,8	14,5
Togo	12,3	4,0	0,9
Zambia	24,8	8,5	4,0
Regional	57,0	38,1	26,8
<u>Cooperatives</u>	23,5	21,5	11,0
Zimbabwe	23,5	21,5	11,0
<u>Livestock rearing</u>	48,7	20,0	10,0
Cent.Afr. Republic	10,0	6,1	3,3
Regional	19,2	8,1	4,6

* Beneficiary ACP States are listed where the amount approved is 10 mio ECU or more.

Sector/Subsector and <u>main beneficiary</u> <u>ACP States</u>	<u>Approved</u>	<u>Total aid</u> <u>Committed</u> <u>mio Ecu</u>	<u>Disbursed</u>
Fisheries	42,3	22,5	15,2
Regional	12,3	6,6	2,9
Forests	90,5	45,1	33,8
Cen.Afr. Republic	25,0	20,8	16,5
Uganda	11,6	4,1	2,2
Regional	30,3	2,0	1,2
Integrated Programmes	868,7	401,9	181,2
Benin	16,5	6,7	1,9
Burkina Faso	77,0	22,0	7,9
Burundi	66,8	26,6	10,5
Cameroun	27,1	23,7	12,4
Ivory Coast	11,0	2,7	1,2
Cen. Afr. Republic	20,3	12,6	7,9
Congo	36,0	18,7	2,0
Ethiopia	50,2	12,8	4,9
Guinee Conakry	70,0	32,8	15,6
Guinee Bissau	23,8	9,7	3,7
Mali	44,4	18,7	9,0
Mauritania	35,0	5,9	1,9
Niger	21,8	9,4	6,1
Rwanda	51,0	28,1	13,3
Senegal	97,0	67,1	24,8
Chad	28,0	2,9	1,8
Tanzania	94,0	52,6	34,4
Zaire	61,0	31,9	13,2
Zimbabwe	14,0	0	0
Other	52,8	45,3	28,2
Sudan	18,2	17,2	17,1
<u>Transport & Communications</u>	998,9	635,7	325,9
General	46,3	32,9	24,7
Guyana	19,8	16,2	14,0
Roads and Bridges	674,9	396,1	214,9
Benin	30,5	27,6	20,1
Burkina Faso	15,8	11,4	0,7
Burundi	17,8	15,6	7,2
Cameroun	32,9	0,0	0,0
Chad	20,9	18,9	11,6
Ghana	21,8	3,1	2,6
Kenya	15,1	5,1	1,3
Lesotho	10,3	10,0	6,3
Madagascar	10,1	7,5	3,9
Malawi	30,1	22,6	19,1
Mauritania	15,0	14,2	8,5
Mozambique	11,5	2,4	0,1
Niger	15,3	9,7	7,1
Papua New Guinea	19,0	14,2	5,4
Sierra Leone	17,6	9,6	7,5
Somalia	53,9	0,3	0,3
Tanzania	21,5	0,4	0,2
Uganda	20,3	19,9	13,4
Togo	23,2	18,7	14,1
Zaire	47,0	20,2	9,3
Regional	180,9	134,3	58,9

<u>Sector/Subsector and main beneficiary</u>	<u>Approved</u>	<u>Total aid Committed mlo ECU</u>	<u>Disbursed</u>
<u>ACP States</u>			
Railways	86,9	61,2	40,8
Mozambique	25,7	22,8	20,5
Sudan	11,7	0,2	0,1
Regional	43,0	35,6	19,7
Ports and Rivers	47,3	36,2	19,7
Ethiopia	10,0	10,0	3,2
Tanzania	15,4	8,7	6,7
Airports	51,2	41,0	12,5
Regional	32,5	32,5	7,6
Telecommunications	87,1	68,0	13,2
Sierra Leone	10,0	2,7	1,0
Senegal	12,0	12,0	8,3
Togo	9,3	9,3	0
Regional	27,3	22,5	0,4
Other	5,2	0,2	0
<u>Industries</u>	779,7	621,2	321,0
General	181,3	158,9	83,1
Mauritius	12,9	5,0	3,4
Tanzania	13,3	13,2	8,6
Zambia	10,5	10,5	6,9
Regional	53,5	43,6	33,4
Extractive and Metals	170,5	75,7	40,5
Botswana	21,7	0	0
Ethiopia	21,0	21,0	16,6
Ghana	13,0	13,0	0
Guinee Conakry	48,0	13,0	6,0
Mauritania	11,5	11,5	11,1
Niger	12,5	5,3	3,0
Senegal	15,0	0	0
Togo	15,7	0	0
Chemicals	30,7	24,6	19,8
Zambia	18,2	12,1	12,0
Manufacturing	58,2	57,5	32,1
Tanzania	12,1	11,4	2,4
Agro Industry	77,2	73,6	31,5
Congo	16,0	16,0	7,3
Madagascar	11,0	11,0	5,2
Nigeria	9,2	9,2	0
Energy projects	173,1	151,5	67,3
Benin	18,4	18,3	16,4
Cen.Afr. Republic	10,0	10,0	0
Madagascar	15,5	15,5	3,3
Mali	21,0	21,0	13,3
Niger	14,3	14,3	0
Suriname	19,0	19,0	11,6
Uganda	11,0	0	0
Western Samoa	11,4	3,2	0,3

<u>Sector/Subsector and main beneficiary</u>	<u>Approved</u>	<u>Total aid Committed mlo ECU</u>	<u>Disbursed</u>
<u>ACP States</u>			
Mining & energy exploration	77,9	73,9	45,4
Mauritania	23,0	19,0	16,6
Somalia	13,0	13,0	9,6
Tanzania	16,5	16,5	7,9
Artisanat	7,1	2,0	1,3
Other	3,8	3,8	0
<u>Social Dev. (Educ. & Training)</u>	213,9	103,2	48,6
General	38,3	22,3	11,3
Infrastructure	61,4	20,9	7,7
Regional	31,4	3,0	1,6
Training	85,4	40,2	19,3
Nigeria	30,0	10,4	3,4
Regional	11,8	4,3	1,7
Other	28,4	19,8	10,3
<u>Health</u>	121,2	59,9	31,6
General	78,7	33,9	17,4
Angola	19,5	19,1	8,5
Nigeria	34,1	1,0	0,1
Chad	12,0	9,5	5,9
Infrastructure	40,0	24,0	13,5
Other	2,4	2,0	0,8
<u>Water Engineering, Urban Infrastructure & Housing</u>	173,3	104,4	26,7
Village water engineering	29,8	13,1	5,3
Water Supplies	75,9	60,9	13,2
Congo	10,0	10,0	1,4
Uganda	19,5	15,5	1,2
Urban sanitation	32,2	17,0	2,4
Angola	13,1	0,1	0,1
Urban Improvement	29,5	7,6	1,7
Cape Verde	19,8	6,2	1,2
Other	5,9	5,9	4,2
<u>Trade promotion</u>	119,6	66,3	46,1
General	21,5	13,4	8,0
Regional	17,7	10,2	5,2
Structures & Trade Policies	17,5	17,5	17,4
Uganda	17,3	17,3	17,2
Exhibitions & Expositions	20,8	13,2	9,2
Regional	19,9	12,4	8,9
Tourism	30,7	11,3	5,1
Other	29,0	10,9	6,4

<u>Sector/Subsector and main beneficiary ACP States</u>	<u>Approved</u>	<u>Total aid Committed mln ECU</u>	<u>Disbursed</u>
STABEX	1408,3	1408,3	1408,1
Benin	17,6	17,6	17,6
Burundi	25,2	25,2	25,2
Cameroun	198,8	198,8	198,8
Cent. afr. Republic	31,2	31,2	31,2
Ivory Coast	365,3	365,3	365,3
Ethiopia	98,2	98,2	98,2
Gambia	12,6	12,6	12,6
Kenya	70,9	70,9	70,9
Malawi	19,4	19,4	19,4
Mali	20,3	20,3	20,3
Mozambique	21,5	21,5	21,5
Papua New Guinea	110,0	110,0	110,0
Rwanda	61,9	61,9	61,9
Senegal	107,0	107,0	107,0
Solomon Islands	27,7	27,7	27,7
Sudan	63,9	63,9	63,9
Chad	40,4	40,4	40,4
Togo	21,1	21,1	21,1
Vanuatu	16,4	16,4	16,4
Emergency Aid	154,4	146,3	114,4
Angola	14,5	13,8	10,3
Ethiopia	43,1	39,5	31,9
Mozambique	15,7	15,0	13,0
Sudan	36,6	36,5	30,0
Regional	17,2	15,7	9,0
Other	757,0	558,7	429,9
Multisectoral Programmes	504,6	405,3	330,0
Benin	12,6	12,6	12,3
Burundi	12,0	11,9	7,0
Ivory Coast	41,0	28,1	24,8
Ethiopia	51,5	24,0	22,3
Ghana	20,5	17,0	12,2
Guinea Conakry	12,5	12,5	9,2
Jamaica	14,2	8,1	7,9
Madagascar	17,3	17,3	17,0
Malawi	12,5	12,5	12,5
Mali	15,0	15,0	13,2
Mozambique	30,0	16,2	7,7
Niger	14,0	13,4	10,3
Nigeria	10,0	9,6	5,0
Senegal	11,5	11,5	11,5
Somalia	31,0	29,3	22,5
Sudan	15,6	10,6	6,4
Tanzania	24,5	24,3	20,1
Togo	10,0	9,8	9,2
Uganda	15,0	15,0	15,0
Zaire	24,0	24,0	23,2
Zambia	20,0	14,4	5,0

<u>Sector/Subsector and main beneficiary ACP States</u>	<u>Approved</u>	<u>Total aid Committed mlo ECU</u>	<u>Disbursed</u>
Refugees and repatriates Programming & General	64,2	56,5	30,1
Technical Assistance	34,1	28,5	17,8
Regional	16,3	15,2	10,6
Actions against drought and desertification	87,4	11,9	2,7
Regional	82,6	9,4	1,3
Actions against natural disasters	40,0	34,4	32,8
Mozambique	40,0	34,4	32,8
Other	26,7	22,1	16,5
TOTAL	6805,5	4706,2	3323,4

Annex Table 7

LOME III -Projects costing more than 10 Mio ECU				
Situation as at 31 12.1990				
	Date of Approval	---	mio ecu committed	---
				paid
National Indicative Programmes				

Angola				
-Boavida Hospital	11.88	19.5	19.0	8.5
Benin				
-rehab.infr.rout	10.87	24.3	23.9	16.5
-dev.rur.provMono	10.88	16.5	6.7	1.9
Burkina Faso				
-prog.int.Sourou Yatenga	2.88	44.0	17.3	6.6
-dev.rur.Sissilli	5.89	31.5	3.4	0.6
-renf.rte Yako Ouahigouya	3.90	15.5	11.1	0.5
Burundi				
-dev socec Cankuzo	12.87	34.8	19.6	8.5
-dev socec Mugamba	5.89	32.0	6.9	2.0
Cameroun				
-dev rur Benoue	12.87	25.0	22.1	12.3
-constr.route Yaounde	10.88	30.0	0.0	0.0
Cabo Verde				
-amen.villa praia	12.87	19.8	6.2	1.2
Centrafrique				
-dev.nat elevage	7.87	10.0	6.1	3.3
-Dev reg Nord	7.87	25.0	20.8	16.5
-Dev reg centre sud	6.88	20.3	12.6	7.9
Congo				
-Fedar pool+cuvette	6.88	36.0	18.7	2.0
Cote D'Ivoire				
-Plant Palm.villageoises	1.87	20.9	20.2	15.2

Annex Table 7

LOME III -Projects costing more than 10 Mio ECU

Situation as at 31 12.1990

	Date of Approval	--- approved	mio ecu committed	--- paid
-Dev elevage b ovin Ethiopia	5.89	11.0	2.7	1.2
-Rur dev North shewa	9.87	24.0	10.0	3.9
-Rur dev South Shewa	6.88	26.2	2.9	1.0
-Peasant coffee prod	12.88	38.1	9.7	5.4
-Padep central shewa Ghana	6.88	53.4	19.8	14.0
-Transport infr.prog Guinee	4.87	21.0	2.6	2.0
-dev rur Guinée Maritime	7.87	40.0	20.4	9.9
-dev rur haute Guinee Guinee Bissau	7.87	30.0	12.4	5.7
-dev rur Prov Est Guyane	12.87	23.8	9.7	3.7
-Infra.rehab IRP Kenya	5.88	17.3	14.3	12.7
-Agr Livest res progr	7.87	20.0	5.5	2.4
-North Corr Transp	7.87	14.5	4.5	1.1
-Cereals sect ref (Excl. SIP)	4.88	30.0	2.4	1.7
-South East Dev Prog Liberia	10.87	27.0	8.3	5.0
-Route RN4 Madagascar	9.87	10.0	7.4	3.8
-Blantyre -Lir road Malawi	7.86	17.4	16.6	16.5
-Prog sout strat alim Mali	11.87	17.0	13.2	7.8

Annex Table 7

LOME III -Projects costing more than 10 Mio ECU

Situation as at 31 12.1990

	Date of Approval	--- approved	mio ecu committed	--- paid
-Prog Sec Alim Sreg	3.88	21.4	4.6	0.4
-Amen HyAgr Off Nig Mauritanie	7.89	61.2	0.1	0.0
-Prog Entr Routier	9.87	15.0	14.2	8.5
-Appui reg Gorgol Mozambique	1.88	35.0	5.9	1.9
- reh Nacala railph2 Niger	1.87	25.0	22.1	19.8
-Entrtien RN1	4.87	15.0	9.6	7.1
-Prog Petite Irrig	4.87	21.6	9.4	6.1
-Irrig ValFleuve Nig Nigeria	6.88	63.6	26.8	7.0
-Oil Palm Belt rurdev	6.88	68.8	13.5	1.9
-NE Arid zone dev prog	7.88	35.0	5.4	1.0
-Sokoto desert	11.88	30.6	4.2	0.9
-Middle Belt Prog Ouganda	11.89	33.0	0.1	0.0
-North Corr Roads	10.87	19.5	19.2	13.0
-Kampala Infrastructur	11.89	19.5	15.5	1.2
-Farm.syst.support Papua New Guin.	01.90	13.0	5.1	1.1
-Br river Vermauri Road Rwanda	11.88	11.8	8.4	2.2
-Prog App Stat Alimen	12.87	51.0	28.1	13.3
Senegal				
-Prog App Reg Podor	7.87	97.0	67.1	24.8
Sierra Leone				
-Fadugu Kubala road	12.87	17.5	9.5	7.5

Annex Table 7

LOME III -Projects costing more than 10 Mio ECU

Situation as at 31 12.1990

	Date of Approval	---	mio ecu approved committed	---	paid
Somalie					
-Juba valley road	7.89	50.6	0.0	0.0	
Sudan					
-Jebel Marra rurdev	2.87	15.8	9.7	8.0	
-Nuba Mount rurdev	1.88	11.5	7.6	6.2	
-Railways sup prog	11.88	11.5	0.0	0.0	
Tanzania					
-Food sec agri	1.87	21.0	12.9	9.2	
-Coffee prod mark agri	1.87	23.0	10.6	8.9	
-Vehic trac repair	1.87	16.0	11.1	8.7	
-Feeder road maint	1.87	20.0	9.2	2.2	
-Rehab Zanzib.Ports	7.87	15.8	8.6	6.7	
-Feeder roads in SW	12.90	16.0	0.0	0.0	
Tchad					
-Renfor capac entret Rout.	4.87	19.5	17.5	10.3	
-Renf syst sante	6.87	12.0	9.5	5.9	
-Dev rur Zone Concentr.	6.87	15.0	7.6	5.6	
-Ader prog appui Dev.Rur.	3.89	28.0	2.9	1.8	
Togo					
-DevRur de Bassar	7.88	10.3	3.9	0.9	
-Rehab infr Rout	4.89	23.2	18.7	14.1	
Zaire					
-DevRur Kivu	7.87	40.0	24.9	11.0	
-RehRout Mataok-Kin	12.87	22.5	15.3	4.4	
-Apek Prog Arrier pays	11.88	25.0	9.2	2.6	
Zambia					
-Smallh devpr Copperbelt	6.87	12.0	7.2	3.3	
-Smallh dev Centr prov	9.88	12.4	1.2	0.7	

Annex Table 7

LOME III -Projects costing more than 10 Mio ECU

Situation as at 31 12.1990

	Date of Approval	---	mio ecu approved committed	---	paid
Zimbabwe					
-AssAgri FinCor	4.88	23.5	21.5	11.0	
-Small scale Irr prog	11.89	14.0	0.0	0.0	
Regional Projects					

-Karonga Ibanda road	4.87	10.0	10.0	9.3	
-reh Port Beira Moz	4.87	39.0	39.0	29.2	
-North Corr Tran Kenya	7.87	22.5	1.8	0.9	
	10.89	5.9	0.0	0.0	
-North Corr Tran Uganda	10.87	25.0	18.9	11.5	
-Corr Centr Progurg	10.87	11.0	7.2	4.8	
-Pac Reg Marin Res dev	12.88	10.7	5.1	1.7	
-Amen Bass Fouta Djalou	12.88	30.0	1.3	0.3	
-Sahel energ solaire	4.89	34.0	2.1	0.2	
-Reg. Form. Infor. Enviro	5.89	10.0	2.3	0.4	
-Bequia Airport	10.89	16.5	16.5	2.3	
-Prog Désenel Trp. Bur.	12.89	22.0	22.0	2.3	
-Etud Reg Educ Caraib	3.90	10.0	0.3	0.0	
-Block Trains Tan Oug	4.90	30.0	28.5	14.9	
-Buk-Isaka Rd Tan	5.90	37.0	30.9	2.6	
-Eco syst. Forest Congo	9.90	24.0	0.0	0.0	

ANNEX TABLE 8
EDF contracts classified by nationality of firm as at 31 December 1990

Nationality of firms	Works		Supplies		Tech. Assistance		Total	
	mECU	%	mECU	%	mECU	%	mECU	%
Belgium	67.0	5.2	26.7	4.8	29.8	7.3	123.5	5.5
Denmark	2.3	0.2	3.5	0.6	9.6	2.3	15.4	0.7
Germany	93.8	7.3	102.3	18.5	87.4	21.4	283.5	12.6
France	287.3	22.4	130.2	23.5	75.8	18.5	493.4	22.0
Ireland	1.5	0.1	0.1	0.0	9.0	2.2	10.6	0.5
Italy	104.7	11.0	76.1	13.8	49.6	12.1	266.4	11.9
Luxembourg	0	0.0	0.6	0.1	5.2	1.3	5.8	0.3
Netherlands	34.2	2.7	28.3	5.1	29.9	7.3	92.4	4.1
United Kingdom	56.0	4.4	115.4	20.8	63.6	15.6	235.0	10.5
ACP/OCT	587.1	45.9	45.7	8.3	46.4	11.3	679.1	30.3
3rd Countries	10.3	0.8	24.8	4.5	2.7	0.7	37.8	1.7
TOTAL	1,280.3	100.0	553.7	100.0	409.0	100.0	2,242.9	100.0
%	57.1		24.7		18.2		100.0	
Fifth EDF								
Belgium	38.7	3.3	25.4	3.6	45.9	9.1	110.1	4.6
Denmark	0	0.0	2.0	0.3	17.5	3.5	19.5	0.8
Germany	88.6	7.6	130.2	18.3	110.6	21.9	329.4	13.8
Greece	0	0.0	0.9	0.1	12.6	2.5	13.5	0.6
France	248.0	21.2	146.5	20.6	101.6	20.1	496.0	20.8
Ireland	0	0.0	11.0	1.5	12.3	2.4	23.3	1.0
Italy	104.0	8.9	67.9	9.5	49.4	9.8	221.3	9.3
Luxembourg	0	0.0	2.1	0.3	8.1	1.6	10.2	0.4
Netherlands	5.1	0.4	46.8	6.6	34.5	6.8	86.4	3.6
United Kingdom	85.6	7.3	182.6	25.6	82.0	16.3	350.2	14.7
ACP/OCT	575.9	49.3	87.8	12.3	29.9	5.9	693.5	29.1
3rd Countries	21.9	1.9	9.2	1.3	0.0	0.0	31.1	1.3
TOTAL	1,167.7	100.0	712.5	100.0	504.4	100.0	2,384.6	100.0
%	49.0		29.9		21.1		100.0	
Sixth EDF								
Belgium	33.5	5.8	38.7	7.4	46.7	10.9	118.8	7.8
Denmark	0	0.0	1.3	0.3	25.5	5.9	26.9	1.8
Germany	30.6	5.3	66.6	12.7	60.7	14.1	157.8	10.3
Greece	0	0.0	0.9	0.2	6.5	1.5	7.4	0.5
Spain	0	0.0	13.1	2.5	8.6	2.0	21.8	1.4
France	89.5	15.5	66.0	12.6	75.7	17.6	231.2	15.1
Ireland	0.0	0.0	1.0	0.2	9.7	2.2	10.6	0.7
Italy	64.5	11.2	32.6	6.2	37.0	8.6	134.0	8.7
Luxembourg	0.9	0.2	0.2	0.0	6.5	1.5	7.3	0.5
Netherlands	8.5	1.5	68.7	13.1	35.9	8.4	113.1	7.4
Portugal	3.6	0.6	37.8	7.2	20.1	4.7	61.5	4.0
United Kingdom	23.8	4.1	81.4	15.5	69.0	16.1	174.3	11.4
ACP/OCT	321.9	55.8	99.6	18.9	27.2	6.5	449.2	29.3
3rd Countries	0	0.0	17.7	3.4	0.1	0.0	17.8	1.2
TOTAL	576.8	100.0	525.6	100.0	429.6	100.0	1,532.0	100.0
%	37.6		34.3		28.0		100.0	

