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#### PRESS RELEASE

# EUROPEAN DEVELOPMENT FUND : TWELVE MORE SCHEMES FINANCED TOTALLING NEARLY 19 MILLION UNITS OF ACCOUNT

On April 5 the EEC Commission decided to finance twelve projects approved by the EDF Committee at its seventh meeting on 25 March 1965 to a total of 18.788 000 units of account (\*).

These are as follows:

- 1. Bolifamba-Kumba road (Bolifamba-Ranga section) in Cameroon: 725 million Frs. CFA or some 2.937.000 units of account. The scheme concerns the rebuilding, widening and asphalting of a 36.6-kilometre stretch of the north-south route, which is the principal road in the country. It serves the whole of Western Cameroon and passes through the coastal region, now the richest and most densely populated in the country.
- 2. Improvement of cetton productivity in Chad: 374 300 000 Frs. CFA or some I 516 000 units of account. The object of the scheme is to improve the yield of cotton cultivation, which occupies nearly 600 000 persons, almost half the total working population in Chad, and already accounts for 65 to 80 % of the country's exports. Improved productivity will make it easier, in the near future, to bring Chad cotton prices into line with world prices, which is the ultimate aim of aid to production under the Yaoundé Convention.
- 3. Completion of the village water supply scheme in Chad: 500 million Frs. CFA or some 2 026 000 units of account. The scheme which covers the sinking of I65 wells, was criginally approved by the Commission in I964, but was not carried out because the first EDF did not have enough money available to meet all its commitments in Chad. The financing of the I65 wells will therefore be shared between the first and second Funds, but the undertaking will still be considered as a single project.

- 4. Enlargement of the technical and commercial lycée at Fort-Lamy in Chad: 26 million Frs. CFA or some IO5 000 units of account. The scheme provides for the conversion and enlargement of a lycée, built under the first EDF in order to train medium-level supervisory staff for public administration, commerce and accounting. The project therefore forms part of the Africanization of such personnel. The teaching staff will be provided by external technical assistance.
- 5. Two irrigation schemes in Niger: 58 500 000 Frs. CFA or some 237-000 units of account. The project concerns the irrigation of two areas, with a total cultivable surface of 393 hectares, situated in the River Niger valley: the Koutoukale plain and the Tillabery terrace. These are the first of nine basins and ten terraces, totalling 4-500 cultivable hectares, which have been allotted priority by the Niger Government on the basis of surveys financed by the first EDF.
- 6. Water supply for Port-Etienne in Mauritania: I 000 million Frs. CFA or some 4 05I 000 units of account. The aim of this large economic and social investment is to provide all the necessary installations for supplying the town of Port-Etienne with drinking water (3 000 cubic metres a day) from underground sources at Boulanouar some 80 kilometres distant. Water will also be provided for the mining centre of Fort-Gouraud, which is linked to Port-Etienne by a railway. With the growth of mining and the development of industry (fishing and fish-canning) Port-Etienne has expanded considerably in recent years.
- 7. Completion of the Segou-Bla-San road in Mali: 8I2 million Mali francs or some 3 289 000 units of account. The building of this road was approved by the Commission and Council under the first EDF, but has not yet been carried out because the first EDF had not enough money available to meet all its commitments in Mali. The financing of the project will therefore be shared between the first and second Funds, but the work will still be considered as a single project. The road will form part of Mali's central communication system; it will be the trade route for the western, northern and southern areas and the main artery of the most prosperous region with its half-million population.
- 8. Road survey in the Congo (Leopoldville): 375 million Congolese francs or some 250 000 units of account. Three agricultural improvement schemes in Madagascar: IZI million Malagasy francs or some 490 000 units of account.

The Congo (Leopoldville) survey is the final one before the building of the I24-kilometre road from Mwene to Mbujimayi via Ditu and includes the preparation of calls for tender.

The surveys in Madagascar are as follows:

- (i) Surveys connected with the development of tea cultivation in the Malagasy tablelands: 37 million Malagasy francs or some 150 000 units of account;
- (ii) Survey for an irrigation scheme in the Madirovalo plain: 35 million Malagasy francs or some I40 000 units of account;
- (iii) Drawing up of scheme for agricultural development in the Andapa basin: 49 million Malagasy francs or some 200 000 units of account.
- 9. Direction of work connected with four tea plantation schemes; in Burundi: IO4 825 000 Burundi francs or some I.I98 000 units of account and in Rwanda: 50 53I 000 Rwanda francs or some I OII 000 units of account. The aim is to finance, during the final years, the direction of work connected with four 500-hectare tea plantation schemes which had been financed through the first EDF. The work includes planning and supervising the construction and equipping of a tea factory, building the necessary roads, and training supervisory staff who will eventually manage the plantations.
- 10. Feasibility surveys for industrialization in the Associated African States and Madagascar: 40 000 units of account. In accordance with Article 9 (c) of Protocol No. 5 (general technical co-operation) to the Association Convention, a survey will be made to seek ways of promoting in the AASM competitive industries going in for new types of production; such diversification is one of the principal objectives of the Yaoundé Convention.
- 11. Sending of experts to the Industrial Development Office in Madagascar; I6 400 000 Malagasy francs or some 66 000 units of account. Since Madagascar does not possess the necessary supervisory staff to direct the Office, which was set up to encourage and facilitate industrialization, four experts will be placed at the disposal of the Office for a period of two years, two experts being supplied by the EDF and two by the FAC (Fonds d'Aide et de Coopération français). They will also be required to train their Malagasy successors.

#### 12.

Programme of aid to production in the Central African Republic: second annual tranche of 2.992 million Frs CFA or some I.2I2.000 units of account. The five-year programme had already been approved by the Commission at its meeting of October 27, I964 as well as the first annual tranche for the I963/64 campaign.

These decisions bring the commitments authorized under the new European Development Fund since the entry into force of the Yaoundé Convention on 1 June 1964 to a total of 83 558 000 units of account.

#### Annexe I

#### BOLIFAMBA-KUMBA ROAD (BOLIFAMBA-BANGA SECTION) IN CAMEROON

On April 5th, 1965 the EEC Commission decided to finance, through the new European Development Fund, this economic investment project in Cameroon, which the EDF Committee had endorsed at its seventh meeting.

The Bolifamba-Banga stretch, some 36.6 kilometres, of the Bolifamba-Kumba road will be rebuilt, widened and asphalted. The estimated cost is 725 million Frs. CFA or some 2 937 000 units of account (=US dollars). This is the main stretch of the only north-south route, which is the principal road in the country and serves the whole of Western Cameroon.

Starting at the meeting-place of two branches coming from the capital of Western Cameroon (Buea), and the ports of Victoria and Tiko, through which the bulk of the country's trade passes, the road leads to Kumba, the largest town, after passing through the coastal region which is now the richest and most densely populated.

This is, therefore, more or less the only route for all farm produce and other goods being exported or imported. In addition, there is considerable local traffic because of the numerous lusy plantations, in particular those of the Cameroons Development Corporation (CDC), which grow mainly tananas, rubber trees (heveas), oilpalms and tea. Exports transported along this road amount to some ITO 000 metric tons a year of bananas and timber, to which must be added several thousand tons of various other products (cocoa, coffee, rubber, etc.) and almost all imported supplies and building materials (some IO 000 tons). This explains the unusual density for a Central African country of the traffic using the road; at present it ranges frome 300 to I 200 vehicles a day. Such a density justifies complete rebuilding and asphalting to a width of 6.IO metres.

The traffic will increase even further in future because the project is part of a plan for modernizing the north-south route beyond Kumba.

#### Annexe II

#### IMPROVEMENT OF COTTON PRODUCTIVITY IN CHAD

On April 5th, 1965 the EEC Commission decided to finance, through the new European Development Fund, measures to improve cotton productivity in Chad, which had been approved by the EDF Committee at its seventh meeting. The project will cost 374 million Frs. CFA or some I 516 000 units of account (=US dollars).

Fertilizers, insecticides and spraying appliances will be supplied in order to improve the yield of cotton per hectare and, as a result, to enable growers to acquire equipment for animal-drawn tilling under the aid to production programme also financed by the EDF. These materials will be supplied, according to a time-table synchronized with the programme, over the next four farming years. EDF aid will be supplemented by contributions from the growers themselves, their share rising progressively each year.

Cotton growing in Chad occupies between 550 000 and 600 000 of the working population, which is nearly half the total working population in Chad, and accounts for 65 to 80 % of the country's exports Any increase in production will therefore have far-reaching effects on the living standard of a large part of the population and on government revenue. At present the area under cotton is some 290 000 hectares. The use of fertilizers and appropriate sprays or dressings should make it possible very nearly to treble cotton production without using more land. Fufthermore, by encouraging a change from traditional mothods to cultivation with draught animals, this productivity programme will bring about a rapid increase in the area under cultivation and consequently in production. This will mean higher incomes for growers and an important source of foreign exchange earnings for the Chad budget. Lastly, improved yields will make it easier to bring Chad cotton prices into line with world prices, which is the ultimate aim of aid to production under the Yaoundé Convention.

Annexe III

#### COMPLETION OF VILLAGE WATER SUPPLY SCHEME IN CHAD

On April 5th, I965 the EEC Commission decided to finance, through the new European Development Fund, the completion of a scheme to supply water to villages in Chad, the final stage of which had been endorsed by the EDF Committee at its seventh meeting. The cost will be 500 million Frs. CFA or some 2 026 000 units of account (= US dollars).

The scheme covers the sinking of I65 wells to supply the population of three "prefectures" and was originally approved by the Commission in I964. On account of the time needed to complete surveys and exploratory borings, undertaken with aid from the first EDF, and to prepare the specifications for the call for tender, the project has not yet been carried out. Nor did the first EDF have enough money available to meet all the commitments; the Chad Government therefore requested that the financing of the I65 wells be shared between the first and second Funds. The undertaking will still be considered as a single project and will cost 3 624 000 units of account.

Chad has a Saharan climate with a dry season lasting six to nine months and a very short rainy season. More than in any other associated country, the water problem dominates the social and economic life of most of the population. The constant search for water explains the nomadic or semi-nomadic character of the population and accounts for the constant movement of flocks. By creating a large number of permanent water points, it will be possible to make the population more sedentary and to undertake a rational programme of livestock improvement. The water supply scheme is the first, indispensable step in the development of these areas.

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Annexe IV

### ENLARGEMENT OF THE TECHNICAL AND COMMERCIAL SCHOOL AT FORT-LAMY, CHAD

On April 5th, 1965 the EEC Commission decided to finance, through the new European Development Fund, the conversion and enlargement of the technical and commercial school at Fort-Lamy (Chad), the EDF Committee having endorsed the project at its seventh meeting.

The group of buildings was built in I96I, under the first EDF, as a training centre for junior supervisory staff in government service and private firms. At the request of the Chad Government it will now be transformed into a technical and commercial lycée, with a section for the training of technical instructors. Four new class-rooms will be constructed, the dormitory and kitchen will be enlarged, a laundry will be tuilt and the courtyards paved. The estimated cost is 26 million Frs. CFA or some IO5 OOO units of account (=US dollars).

The changeover has been made necessary by the need to provide the country with medium-level supervisory staff in public administration, commerce and accounting. The enlarged lycée will turn out an annual contingent of 42 trained personnel, which should be enough to replace over a period of ten years the foreign technicians at present working in Chad. The project therefore forms part of the Africanization of supervisory staff.

The teaching staff will be provided by external technical assistance under general co-operation agreements.

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#### Annexe V

#### TWO IRRIGATION SCHEMES IN THE RIVER NIGER VALLEY, NIGER

On April 5th, 1965 the EEC Commission decided to finance through the new European Development Fund two irrigation schemes in the river Niger valley, Niger, the EDF Committee having endorsed the project at its seventh meeting. The cost will be 58 500 000 Frs. CFA or some 237 000 units of account (#US dollars).

The schemes concern the irrigation of two areas, with a total cultivable surface of 393 hectares, situated on the banks of the river Niger above Niamey: the Koutoukale plain or basin with 270 hectares for rice cultivation and the Tillabery terrace with about I23 hectares mainly for the intensive cultivation of cotton (subsidiary products: sugar-cane, market garden produce and wheat). The schemes will affect a total population of some 7 000.

Dykes will be built and pumps installed at Koutoukale, while at Tillabery an irrigation system will be constructed, involving the building of a pumping-station and the levelling of terrain.

Extensive economic and technical surveys, financed by the first Fund, have been carried out over the last two years. A list has been made of some of the possible irrigable areas in the Niger valley, the most suitable technical solution for each of the areas has been examined and, lastly, priorities have been established for future schemes. At present nine basins and ten terraces, totalling 4 500 cultivable hectares, have been allotted priority. The Niger Government has decided to take immediate action on two fronts: it will carry out the irrigation schemes in the two areas under consideration and it will have detailed topographical surveys made before taking a decision on schemes for other areas. Such a survey has already been financed through the first EDF.

Annexe VI

### WATER SUPPLY FOR PORT-ETIENNE IN MAURITANIA

On April 5th, 1965 the EEC Commission decided to finance, through the new European Development Fund, an economic and social development project in Mauritania, which the EDF Committee had approved at its seventh meeting.

The project comprises all the necessary installations for supplying the town of Port-Etienne with drinking water (3 000 cubic metres a day) from underground sources at Boulanouar some 80 kilometres distant. Water will be provided for the normal needs of the town and for the mining centre of Fort-Gouraud, which is 630 kilometres away.

In the last few years the working of the iron ore deposits at Fort-Gouraud has caused the town of Port-Etienne to expand considerably, because of its role in the export of the ore and its position at the terminus of the railway line from Fort-Gouraud. It is intended that by 1966 6 million tons of ore will be shipped a year; there will be a labour force of some 4 500 living in the new Cansado district of Port-Etienne.

Port-Etienne also offers possibilites for industrial development in the form of fishing and fish-canning: the first step, a modern fishing port and refrigerating plant, was financed under the first EDF and will be completed in the near future, while further similar installations have been begun by private firms. Development in this direction, however, is dependent on the availability of abundant fresh water at a reasonable cost, in particular for supplying vessels with ice.

The scheme will provide the necessary infrastructure for industrialization under Mauritania's four-year plan for economic and social development (1963-1966). It is planned to instal water extraction and treatment plant in Boulanouar (nine wells, electric plant, a water tower, etc.), an 84-kilometre conduit from Boulanouar to the terminal installations at Port-Etienne. The total cost of works and equipment is estimated at I 000 million Frs. CFA or some 4 05I 000 units of account (=US dollars).

#### Annexe VII

#### COMPLETION OF THE SECOU-BLA-SAN ROAD IN MALI

On April 5th, 1965 the EEC Commission decided to finance, through the new European Development Fund, the completion of the Segou-Bla-San road in Mali, the EDF Committee having endorsed the project at its seventh meeting. The estimated cost is 812 million Mali francs or some 3 289 000 units of account (= US dollars).

The construction of this road was approved by the Commission and Council in late 1962, but has not yet been carried out on account of the time needed to make the preparatory surveys and because the first EDF had not enough money available to meet all the commitments. The Mali Government therefore requested that the financing of the project be shared between the first and second Funds. The work will still be considered as a single project and will cost 6 684 000 units of account, to be provided through the two Funds.

The continental nature of Mali, its size and the fact that it is surrounded by various other countries of the same continental type explain the importance of its internal road system, which is not only used for transport within the country but also provides a link with the sea and neighbouring countries.

Various stretches of the road system have been asphalted in the past, either out of local resources or with bilateral aid. The first Fund made a contribution by financing the road north from San to Mopti and the south cross-country connection from Bougouni to Sikasso, with an extension as far as the Ivory Coast frontier. The rest of the central system can now be asphalted in three operations: one route is being looked after by the local authorities; three stretches linking East Mali and Upper Volta are at present the subject of a survey financed by the second EDF; and lastly, the Segou-Bla-San road, the central part of the highway from Bamako to Mopti by way of the Niger valley, is covered by the project adopted.

The road will form part of Mali's central communication system; it will be the trade route for the western, northern and southern areas and the main artery of the most prosperous region with a population of half a million. Its modernization will lower operating costs, effecting a saving to the community of something like 52 million Mali francs.

#### Annexe VIII

## ROAD-BUILDING IN THE CONGO (LEOPOLDVILLE) AND AGRICULTURAL IMPROVEMENT SCHEMES IN MADAGASCAR

On April 5 1965 the EEC Commission decided to finance, through the new European Development Fund, surveys for the building of a road in the Congo (Leopoldville) and for three agricultural improvement schemes in Madagascar, the EDF Committee having approved these projects at its seventh meeting. The total cost will be 740 000 units of account (-US dollars).

The surveys are as follows:

- I) Final surveys for the building of an unmetalled, I24-kilometre road from Mwene to Mbujiimayi via Ditu, in the Congo (Leopoldville) including preparation of calls for tender (estimated cost: 375 million Congolese francs or some 250 000 units of account);
- 2) Surveys connected with the development of tea cultivation in the Malagasy table-lands, to cost 37 million Malagasy francs or some 150 000 units of account;
- 3) Survey for an irrigation scheme in the Madirovalo plain, Madagascar, to cost 35 million Malagasy francs or some I40 000 units of account, including expert assistance with the checking and final drafting of the call for tender, the examination of tenders, awarding of contracts and supervision of works;
- 4) Drawing up of scheme for agricultural development in the Andapa basin, Madagascar, to cost 49 million Malagasy francs or some 200 000 units of account.

Annexe IX

#### FOUR 500-HECTARE TEA PLANTATIONS IN BURUNDI AND RWANDA

On April 5th, 1965 the EEC Commission decided to finance, through the new European Development Fund, two technical assistance projects connected with investments in Burundi and Rwanda, which the EDF Committee had approved at its seventh meeting. The total cost will be 2 209 000 units of account (= US dollars), of which I 198 000 u.a. for Burundi and I OII 000 u.a. for Rwanda.

The aim is to finance, during the final years, the direction of work connected with four 500-hectare tea plantation schemes at Bugarama and Rwegura (Burundi) and at Mulindi and Cyangugu (Rwanda), which had been financed through the first EDF. These two States do not possess the necessary staff to direct the work, which includes planning and supervising the construction of a tea factory, equipping and organizing the factory, and building the necessary roads. The supervisory staff will, during the contract period, train their successors, who will eventually manage the plantations.

Annexe X

## FEASIBILITY SURVEYS FOR INDUSTRIALIZATION IN THE ASSOCIATED AFRICAN STATES AND MADAGASCAR

On April 5th, 1965 the EEC Commission decided to finance, through the new European Development Fund, a programme of feasibility surveys for industrialization in the Associated African States and Madagascar in accordance with Article 9 (c) of Protocol No. 5 (general technical co-operation) to the Association Convention, the EDF Committee having approved this programme at its seventh meeting. The total cost will be some 400 000 units of account (= US dollars).

An experimental survey, of a general nature but dealing with practical details, will be made to seek ways of promoting in the AASM competitive industries going in for new types of production compatible with the technological capacities of these countries and their natural wealth, in particular agricultural. These countries must diversify their present production if they wish to increase their pace of economic growth and improve their balance of trade, while progressively reducing their reliance on external aid. Such diversification is moreover one of the principal objectives of the Yaoundé Convention.

#### Annexe XI

#### Sending of experts to the Industrial Development Office in Madagascar

On April 5th 1965 the EEC Commission decided to finance, through the new European Development Fund, the sending of experts to the Industrial Development Office (BDI) in Madagascar. The project, which was approved by the EDF Committee at its seventh meeting, comes under the heading of general technical co-operation and will cost I6 400 000 Malagasy francs or some 66 000 units of account (-US dollars).

Since Madagascar does not possess the necessary supervisory staff to direct the Office, which was set up in 1963 to encourage and facilitate industrialization, it called for aid from the EDF and FAC (Fonds d'Aide et de Coopération français).

Two experts will be placed at the disposal of the Office for a period of two years. They will be on the same footing as two other experts provided by the FAC and, under the direction of a Malagasy official, will constitute the senior staff of the Office. These four technical advisers will also be required to train their Malagasy successors.

Industrialization is the second objective, after the development of agriculture, in the I964/68 five-year plan. The aims are to exploit local raw materials and to create employment for the surplus manpower resulting from population growth. According to the terms of the plan industrialization is to be promoted by the concerted efforts of the State and private sector.