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PRESS RELEASE

EUROPEAN DEVELOPMENT FUND: 11 MORE SCHEMES FINANCED TOTTALLING
13 MILLION UNITS OF ACCOUNT

On 5 July 1965 the EEC Commission approved the financing of eleven schemes or programmes endorsed by the EDF Committee at its ninth meeting on 22 June 1965, by non-repayable grants from the second EDF, to a total of 13 078 000 units of account (= US dollars). They are as follows:

1. First annual instalment of aid to production in Mali: 294 million Mali Francs or some 1 195 000 u.a. At the same time the Commission took formal note of the five-year programme of aid to production and diversification submitted by Mali, in accordance with Article 28 of Protocol No. 5 to the Yaoundé Convention.
2. Construction of the Lomé-Tsevie road in Togo: 250 million Frs.CFA (1 013 000 u.a.) The 36-kilometre stretch from Lomé to Tsevie, which is to be rebuilt as a permanent asphalted road, forms the first lap of the main highway in Togo. The present density of traffic of this road amounts to more than 200 vehicles daily.
3. Sinking of 275 wells in Dahomey: 517 million Frs. CFA or some 2 094 000 u.a. The purpose of the operation is to provide a supply of drinking water for a population of 110 000 in the central and northern areas of the country, which have a Sudan climate. The scheme forms part of a national programme (1965-1970) to sink 524 wells, the second part of which will be financed by the United Nations Special Fund.
- 4) Development of the Yatenga area in Upper Volta: 237 million Frs. CFA or some 960 000 u.a. The project consists of a large-scale operation to organize and promote the use of simple and tested agricultural techniques in an area with a population of 375 000 where an important soil conservation project, financed by the first EDF, was completed in February 1965. The EDF is now moving on to the stage of developing the improvements already achieved in order to safeguard the natural wealth represented by the soil.
5. Construction of a school for veterinary assistants and assistant breeders in Niamey, Niger: 185 million Frs. CFA or some 749 000 u.a. The school, which will take 100 pupils or so, will enable Niger to train the technical personnel it urgently needs. It is of interest to note that the courses for assistant breeders will also be open to nationals of the three other member States of the Council of the Entente: Upper Volta, Ivory Coast and Dahomey.
6. Improvement of the Farafangana-Vangaindrano road in Madagascar: 760 million Malagasy Francs or some 3 079 000 u.a. The scheme will benefit a productive and densely populated area (150 000 inhabitants). It forms part of the plan to rationalize transport facilities and consists of building a permanent road along the east coast to serve the main ports; these will be improved and enlarged, while many small second-class ports will fall successively into disuse.

7. Equipment and assistance of co-operatives in the Central African Republic: 294 million Frs. CFA or some 1 191 000 u.a. The scheme, which is of direct interest to 240 000 persons, aims at establishing or reorganizing, as the case may be, 14 agricultural co-operatives, which will endeavour to sell their members' products at remunerative prices. There will also be a school of economics for the rural population, where they will learn not only co-operation but also the rudiments of economics and saving.

8. Improvement in Brazzaville; Congo: 410 million Frs. CFA or some 1 661 000 u.a. The improvements include the completion of main drains to carry away rainwater in order to prevent the yearly flooding of large inhabited areas and to reclaim land for the building of permanent dwellings. In addition ten bridges will be constructed. The scheme is of great importance from the public health angle, since it will diminish the risk of epidemics caused by flooding and unhygienic conditions.

9. Construction of a pharmaceutical supply depot at Fort-Lamy, Chad: 160 million Frs. CFA or some 648 000 u.a. The constant increase in imports and consumption of pharmaceutical products made it essential to set up a new pharmaceutical supply depot, containing storage and office space, etc. Enjoying a certain degree of monopoly, this centre will be able to bring down the selling price of pharmaceutical preparations and encourage the wider use among the population.

10. Water supply for Fort-Lamy, Chad: 55 540 000 Frs. CFA or some 225 000 u.a. Four test borings will be made in order to study the possibility of supplying Fort-Lamy with water from underground sources. These borings and a survey of the water supply and distributions system, also financed by the EDF, will enable the Chad Government to submit in due course an economically viable project for supplying the capital with water, since the existing installations will soon be totally inadequate.

11. Technical surveys of the port of Owendo in Gabon: 65 million Frs. CFA or some 263 000 u.a. This is a supplementary amount for surveys already approved by the EDF in January 1965 and costing 200 million Frs. CFA. A team of experts visited Owendo and established that it was necessary to make certain alterations in the original programme of surveys, the object of which is to solve the problems raised by the building of a deep-water harbour at Owendo and to draw up a project for carrying out the first instalment of the work.

These decisions bring the commitments authorized under the new EDF to a total of some 137 million units of account for 61 schemes.

As the first meeting of the EDF Committee following the entry into force of the Yaoundé Convention on 1 June 1964 was held on 16 July 1964, it may be considered that the recent 11 financing decisions taken by the Commission after the EDF Committee's ninth meeting mark the end of the second Fund's first financial year.

An important feature of the first year is that, despite the difficulties inherent in an entirely new procedure, the Commission has been able to commit in one year one-fifth of the total resources placed at the disposal of the EDF for the five years covered by the Yaoundé Convention.

Such expedition is in accordance with the recommendation expressed on various occasions by the European Parliament and the Governments of the Associated States that the machinery of the European Development Fund should be speeded up; despite serious staff difficulties this is one of the aims to which the Commission has always given priority.

Annexes : 10

Annexe : IFIVE-YEAR PROGRAMME OF AID TO PRODUCTION
AND DIVERSIFICATION IN MALI

On 5 July 1965 the EEC Commission took formal note of the five-year programme of aid to production and diversification submitted by Mali. The programme had been endorsed by the European Development Fund Committee at its ninth meeting.

The Mali five-year programme, which will cost 5 600 000 units of account (= US dollars), falls into two sections: aid to production totalling 4 190 000 u.a. (74.8%) and aid to diversification totalling 1 410 000 u.a. (25.2%).

Aid to production, which in its turn is divided into price support (50%) and structural improvement (50%), concerns three products: cotton, groundnuts and rice.

Price support (2 095 000 u.a.) will be provided for cotton and groundnuts only, the object being to make it possible, by subsidies (on a decreasing scale) to market these two products at world prices.

The structural improvements (2 095 000 u.a.) will affect cotton, groundnuts and rice. Efforts will be made to improve cotton production in quantity and quality by the use of artificial fertilizers and of pesticides. Groundnut production costs are expected to be reduced by the use of artificial fertilizers, selected seed, and rotation with sorghum and maize. In rice-growing, the irrigation schemes already undertaken by Mali will be followed up by promotion of the use of fertilizers and selected seed.

Aid to diversification (1 410 000 u.a.) will cover two main fields (cultivation and processing of dah, a hard fibre; cultivation of tobacco for the Mali cigarette industry) and three secondary schemes (maize cultivation, development of market gardening, and extraction of oil of lemon etc.).

At the same time, the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund, of the first annual instalment of aid to production under the programme. This amounts to 294 000 000 Mali francs or some 1 195 000 u.a.

Annexe : IICONSTRUCTION OF THE LOME-TSEVIE ROAD IN TOGO

On 5 July 1965 the EEC Commission approved the financing from the second European Development Fund of an economic investment project in Togo costing 250 million Frs. CFA or some 1.013.000 units of account (= US dollars). The EDF Committee had endorsed the project at its ninth meeting.

The project concerns the final detailed surveys for and building of 36 kilometres of permanent asphalted road between Lomé and Tsevie.

An overall survey of Togo transport, carried out in 1962 by a mission of French and German experts and financed by the first EDF, showed the interest of the road Lomé-Blitta, from which the road Lomé-Tsévie constitutes the first stretch.

The Lomé - Blitta road is the main highway in Togo. From the administrative, social and commercial points of view it is of interest to 90 % of the territory, to two thirds of national production and to part of its industrial potential both present (oil mills and shelling factories) and planned (Dadjo textiles). This combination of factors means that the building of the first stretch must be given priority.

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Annexe : III

DAHOMEY: SINKING OF 275 WELLS

On 5 July 1965 the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund, of a social investment project in Dahomey costing 517 million Frs. CFA or some 2 094 000 units of account (= US dollars). The EDF Committee had endorsed this project at its ninth meeting.

The aim is to sink 275 wells in central and north Dahomey, to make the necessary geological surveys and borings and to provide the technical assistance needed to supervise the work. The operation will provide adequate supplies of drinking water for a population of 110 000. This project follows a rural water conservancy scheme financed in 1961 by the first EDF and forms the first instalment of a national programme (1965-1970) to sink 524 wells. This will benefit four fifths of the total area of the country, for Dahomey has a Sudan climate and it is very difficult to supply water in the dry season. Surveys for the second part of the programme, concerning the remaining 249 wells, will be financed by the United Nations Special Fund with a large contribution from the Dahomey Government.

Annexe : IV

DEVELOPMENT OF THE YATENGA AREA IN UPPER VOLTA

On 5 July 1965 the EEC Commission decided to finance, by non-repayable grants from the second European Development Fund, an economic and social investment project in Upper Volta costing 237 000 000 Frs. CFA or some 960 000 units of account (= US dollars). The project had been endorsed by the EDF Committee at its ninth meeting.

It concerns the development of the Yatenga area, whose inhabitants have a particularly low income owing to unfavourable natural factors: a relatively dense population (375 000) and very poor soil; a near-Saharan climate with little rainfall; severe erosion since the natural balance of men and resources was destroyed. The only propitious element, an important one, lies in the people themselves, who are particularly hard-working, disciplined and adaptable.

For this reason the EDF, after financing in 1961 an important soil conservation project, which was completed in February 1965 (costing 3 920 000 u.a., and involving 37 000 km of channels, 23 earth dams, 98 000 cubic metres of dykes and 7 500 km of seed-beds and plantations along the channels), is now moving on to the stage of developing the improvements already achieved in order to safeguard the natural wealth represented by the soil.

Consequently the project consists of a large-scale operation to organize and promote the use of simple and tested techniques (seed-beds, disinfection and stocking of seed, introduction of selected varieties, application of insecticides and of organic and artificial fertilizers).

A technical assistance team will be at work for five years, during which time it will train local replacements to take over the application of these techniques. The administration of the scheme will be undertaken by the Yatenga Regional Development Organization (ORD), which was set up by the Upper Volta Government as a public body administered by a General Assembly and a Managing Committee consisting of elected members and technicians.

Annexe I V.

CONSTRUCTION OF SCHOOL FOR VETERINARY ASSISTANTS AND ASSISTANT
BREEDERS IN NIAMEY, NIGER

On 5 July 1965 the EEC Commission decided to finance, by non-repayable grants from the second European Development Fund, a social investment project in Niger costing 185 million Frs. CFA or some 749 000 units of account (= US dollars). The project had been endorsed by the EDF Committee at its ninth meeting.

The aim is to build a school for veterinary assistants and assistant breeders in Niamey, the capital of Niger; the school will take a hundred pupils or so and will have accommodation for boarders and two dwelling units for staff.

Although stock-raising is an important source of wealth for Niger, with 11 million head of livestock including 3.5 million cattle, the veterinary service is very limited in both staff and facilities. Niger possesses, for example, only 144 veterinary assistants, which is 1 per 70 000 head of livestock.

It is clearly necessary to train technical personnel and this is what the project aims to do. Each year the Niamey school will turn out 15 veterinary assistants (two-year course) and 19 assistant breeders (three-year course).

It is of interest to note that while the school will cater only for Niger nationals as regards the training of veterinary assistants, the courses for assistant breeders will be international in character. The four Member States of the Council of the Entente (Niger, Upper Volta, Ivory Coast and Dahomey) will each send students and share running costs; in addition, four places will be reserved each year for students from other States.

Annexe : VI

THE FARAFANGANA-VANGAINDRANO ROAD IN MADAGASCAR

On 5 July 1965 the EEC Commission approved the financing by an outright grant from the second European Development Fund (EDF) of an economic investment project, which is to improve Madagascar's highway No. 12 between the town of Farafangana and the Mananara river ferry 2 km from the town of Vangaindrano. The EDF Committee had endorsed the project, which it is estimated will cost 760 000 000 Malagasy francs or some 3 079 000 u.a. (= dollars), at its 9th meeting.

The scheme will benefit a densely populated area (150 000 inhabitants) which produces a high proportion of Madagascar's exports (coffee, cloves, pepper). It forms part of the plan to rationalize transport facilities along the East coast, to which the first Fund made an important contribution and which has been given special priority in the country's Five-Year Plan for 1964-68. Traffic will be concentrated on the best of the existing ports, which will be improved and enlarged while the many small second-class ports will fall successively into disuse. For this, it will be necessary for products previously shipped from a port that is to be closed to be conveyed to the next port at the lowest possible cost. The new road will also be of benefit to the valleys opening onto the coast, by permitting the rapid movement of their products. Thus there will ultimately be a permanent road all along the East coast, serving a small number of well-equipped ports.

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Annexe : VII

CENTRAL AFRICAN REPUBLIC: EQUIPMENT
AND ASSISTANCE FOR CO-OPERATIVES

On 5 July 1965 the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund, of a social infrastructure project in the Central African Republic costing 294 million Frs. CFA or some 1 191 000 units of account (= US dollars). The EDF Committee had endorsed the project at its ninth meeting.

The aim is to establish (or as the case may be reorganize) 14 agricultural co-operatives having good prospects of profitability and capable, after a starting-up period, of operating without government subsidies. These co-operatives, which will endeavour to sell their members' products at remunerative prices, will be of interest to 240 000 persons or some 20% of the total population of an area comprising 9 prefectures, where the agricultural economy has not been able to develop at a satisfactory pace for lack of stable marketing arrangements. The sites for the co-operatives concerned were decided upon by a mission of experts sent out by the first EDF. The Central African Government has taken steps to integrate these pilot co-operatives in new development structures, and the National Development Bank will, on certain conditions, back the development of the co-operative movement by short-, medium- and long-term loans. Furthermore, the co-operatives will be a school of economics for rural people who have no knowledge of such matters; they will learn not only co-operation but also the rudiments of economics and the virtue of savings - the accumulation of capital to be applied later for purposes of agricultural development.

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Annexe : VIII

IMPROVEMENTS IN BRAZZAVILLE, CONGO

On 5 July 1965 the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund, of a social infrastructure project in the Congo (Brazzaville) costing 410 million Frs. CFA or some 1 661 000 units of account (= US dollars). The EDF Committee had endorsed the project at its ninth meeting.

The financing of the project to construct bridges and drains to take away the rainwater in certain areas of Brazzaville had already been approved by the Commission in 1964 under the first EDF. On account, however, of the time needed to prepare the specifications and the call for tenders, it has not yet been possible to begin work on the project. Furthermore, as the first EDF did not have sufficient funds to cover all the commitments authorized in the Congo (Brazzaville), the Government applied for a supplementary contribution from the second Fund.

The scheme has two aims: to complete the main drains being built to carry away rainwater, and to improve the flow of traffic in the town by building ten bridges over the drains. The general plan for channelling rainwater, drawn up in 1955, has been strictly adhered to in constructing part of the rain channelling system with funds from FIDES (Fonds d'Investissement pour le Développement Economique et Social des Territoires d'Outre-Mer) and FAC (Fonds d'Aide et de Coopération).

The yearly flooding of large inhabited areas will be prevented and it will be possible, taking advantage of favourable sites not so far built upon, to construct permanent dwellings; the increase in the density of population will make it easier for the local authorities to make the town services pay. The bridges, furthermore, will improve the accessibility of certain districts which at present are tending to lose inhabitants. The scheme is of great importance from the public health angle since it will diminish the risk of epidemics caused by flooding and unhygienic conditions.

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Annexe : IX

CONSTRUCTION OF A PHARMACEUTICAL SUPPLY DEPOT
AT FORT-LAMY, CHAD

On 5 July 1965 the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund, of a social investment project in Chad costing 160 million Frs. CFA or some 648 000 units of account (= US dollars). The EDF Committee had endorsed the project at its ninth meeting.

The purpose of the project is to build and equip a pharmaceutical supply depot in Fort-Lamy, containing storage and office space, a garage, and annexes covering 4 000 square metres. This new centre, an adjunct to the National Pharmaceutical Office (ONP) which was set up in 1963, is to replace the present buildings which are no longer suitable from the point of view of size or lay-out as a result of the constant increase in imports and consumption of pharmaceutical products. Enjoying a certain degree of monopoly, this financially independent centre will be able to bring down the selling price of pharmaceutical preparations and encourage their wider use by a population whose monetary income is among the lowest in Central Africa.

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Annexe : X

WATER SUPPLY FOR FORT-LAMY, CAPITAL OF CHAD

On 5 July 1965 the EEC Commission decided to finance, by non-repayable grants from the second European Development Fund, a technical assistance project connected with investments in Chad. The project had been endorsed by the EDF Committee at its ninth meeting and will cost 55 540 000 Frs. CFA or some 225 000 units of account (= US dollars).

Four test borings will be made in order to study the possibility of supplying Fort-Lamy with water from underground sources. These borings and a survey of the water supply and distribution system, also financed by the European Development Fund, will enable the Chad Government to submit to the EDF in due course a technically and economically viable project for supplying the capital with water.

Water consumption in Fort-Lamy has increased considerably, from 672 000 cubic metres in 1959 to 1 million cubic metres in 1962. It is estimated that by 1968, with a population of 130 000 and if the distribution network is to serve the whole of the town, the existing installations will be totally inadequate. The present scheme therefore responds to the urgent need for new solutions.