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PRESS RELEASE

EUROPEAN DEVELOPMENT FUND: 10 MORE PROJECTS FINANCED

TOTALLING OVER 24 MILLION UNITS OF ACCOUNT

On 26 November the EEC Commission decided to finance 10 more projects by EDF grants totalling 24 199 000 units of account (= US dollars). The projects, which had been endorsed by the EDF Committee at its twelfth meeting on 16 November 1965, concern the following:

1. Second annual tranche of aid to production in Cameroon: 415 300 000 Frs. CFA or some 1 682 000 u.a. The first tranche of the five-year programme of aid to production and diversification in the Cameroon had been fixed at 2 694 000 u.a. at the EDF Committee's first meeting in July 1964.
2. Second annual tranche of aid to production in Chad: 280 million Frs. CFA or some 1 134 000 u.a. The first tranche of the five-year programme of aid to production and diversification in Chad had been fixed at 473 million Frs. CFA at the EDF Committee's third meeting in October 1964.
3. Surveys for the Tsevie-Blitta and Lomé-Palimé roads in Togo: 144 million Frs. CFA or some 583 000 u.a. This pre-investment assistance is concerned with the technical plan of work for two stretches of Togo's central highway and is complementary to the Lomé-Tsevie road project approved by the EDF Committee in June 1965.
4. Road surveys in the Congo (Brazzaville) and the Central African Republic: 130.5 million Frs. CFA or some 528 000 u.a. In the Congo the surveys will cover: (1) a particularly difficult section of the north-south Brazzaville-Ouesso road between Olombo and Obouya (28.5 million Frs. CFA); (2) the Nsah-Djambalo-Lekana road (27 million Frs. CFA). In the Central African Republic surveys will be made to improve the country's five main roads (national roads Nos. 1, 2, 3, 6 and 9) at an estimated cost of 75 million Frs. CFA.
5. Improvement of secondary roads in Lobaye, Central African Republic: 400 million Frs. CFA or some 1 620 000 u.a. This economic investment project covers surveys for and work on the improvement of two secondary roads totalling about 116 km. in length. Transport costs will be reduced by 50% in this area, which has highly productive farm and forest land and a population of 80 000.

6. Sinking of 154 wells in the Kanem area, Chad: 550 million Frs. CFA or some 2 228 000 u.a. This economic investment project completes the programme to provide water for the vast Kanem area (8 million hectares), the first part of which (248 wells) was carried out with French bilateral and EDF aid. It will improve appreciably the water supply in this area, which has a population of 215 000 and about 2 million head of cattle.

7. Second "Human Science" block at the University of Lovanium in Leopoldville, Congo: 369 million Congolese francs or some 2 460 000 u.a. With the new building provided under this social investment scheme the Faculty will be able, in 1970, to take approximately 1 400 students, or 46% of the student population by that time.

8. Improvement of the Mayaga region, Rwanda: four new areas of farmland: 45 million Rwanda francs or some 900 000 u.a. The main object of this economic investment project is to create a number of small farms, each of 2 hectares, and to cultivate them by more rational methods in order to improve the living standard of the peasants in the area. The scheme represents the culmination of a number of surveys and programmes for agricultural reorganization in the Mayaga region which have already been receiving aid under the first EDF since 1959.

9. Development of the Mangoky delta (second tranche), Madagascar: 2 400 million Malagasy francs or some 9 722 000 u.a. This is a combined economic investment and technical assistance scheme concerning the irrigation and drainage of 3 730 hectares in the Mangoky river delta and follows upon a first instalment of works financed by the first EDF in 1962. Some 10 000 hectares will be developed, mainly for cotton growing, which has priority under the Malagasy development plan.

10. Urban development of 67 hectares in Tananarive, Madagascar: 825 million Malagasy francs or some 3 342 000 u.a. The aim of this social investment scheme is to develop three districts in the western part of the Malagasy capital and provide modernized services so that it will be possible to build low-cost dwellings for some 12 000 persons. The scheme is intended to meet the demand for housing resulting from Tananarive's very rapid growth.

The commitments of the second European Development Fund since it began operations in July 1964, including the projects which have just been approved, amount to some 192 810 000 u.a. for 93 projects.

Annexe : I

CAMEROON REPUBLIC: SECOND ANNUAL TRANCHE OF THE
PRODUCTION AID PROGRAMME

On 26 November 1965, the EEC Commission approved the financing, by a non-repayable grant from the second European Development Fund (EDF), of the second annual tranche of the five-year Cameroon production aid programme. The amount was 415 300 000 Frs. CFA, or approximately 1 682 000 u.a. (=US dollars). The decision had received the prior approval of the EDF Committee at its twelfth meeting.

The diversification and production aid programme submitted by the Cameroon Republic was examined by the Committee in July 1964, when the first annual tranche of production aid, for the marketing year 1964/65, was fixed at 2 694 000 u.a. (665 100 000 Frs. CFA).

Like the first tranche, the second tranche will be devoted to price support (110 500 000 Frs. CFA) and to structural improvements (304 800 000 Frs. CFA), for cotton, groundnuts, and coffee. Price support will be given only in the case of groundnuts, and will gradually enable them to be sold at world prices. The grant for structural improvement will affect the three crops mentioned, and will finance a diversified programme involving the use of fertilizers and insecticides, the disinfection of seed, the improvement of farming methods, the reorganization of marketing systems and agricultural research. In the case of cotton, part of the grant will be set aside as a crop bounty.

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ANNEXE / II

CHAD: SECOND ANNUAL TRANCHE OF PROGRAMME OF AID TO PRODUCTION

On 26 November 1965 the EEC Commission decided to finance by grants from the European Development Fund (EDF), the second annual tranche of the five-year programme of aid to production in Chad. The decision had received the prior approval of the EDF Committee at its twelfth meeting. The tranche will cost 280 million Frs. CFA or some 1 134 000 u.a. (= US dollars).

The programme of aid to diversification and production submitted by Chad and the first annual tranche (473 million Frs. CFA) for the marketing year 1964/65 had been endorsed by the Committee in October 1964.

Almost the whole of the second tranche of aid to production, some 264 million Frs. CFA, will be used for supporting cotton prices so that it will gradually be possible to market the product at world prices. The balance of 16 million Frs. CFA intended for structural improvement will be spent on the development of cotton by-products; for example a number of mobile cotton gins will be bought. This sum was set aside for this purpose, but not used, in the first annual tranche.

Annexe : III

SURVEYS OF THE TSEVIE-BLITTA AND LOMÉ-PALIMÉ ROADS, TOGO

On 26 November 1965 the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund (EDF), of an economic investment scheme concerning road surveys in Togo and costing 144 million Frs. CFA or some 2 204 000 units of account (= US dollars). The project had been endorsed by the EDF Committee at its twelfth meeting.

Final detailed surveys will be made to complete the technical dossiers prior to the building of the Tsevie-Blitta and Lomé-Palimé roads. This completes the project, endorsed by the EDF Committee in June 1965, for financing the Lomé-Tsevie road.

Togo's transport structure consists mainly of a number of railway lines, which show a chronic deficit, and a system of main roads, the more important of which run parallel to the railway and are in a poor state of repair. A thorough survey of Togo's roads and means of transport, carried out by a group of French and German experts financed by the EDF, established the improvements and changes in the national transport system needed to remedy this situation. It was found that the economic and financial reorganization of the railway system is practically out of the question. An analysis of the choice between maintaining the railways and transferring all traffic to the roads running parallel to them clearly showed that the latter solution is by far the more economical for the country.

The central Tsevie-Blitta road (238 km), together with the first stretch from Lomé to Tsevie, is the country's lifeline; it serves 20% of the total area, two-thirds of national production, and a population of some 700 000. The Lomé-Palimé road (121 km) serves an area with a population of about 170 000. The aim of the surveys financed by the present scheme is to provide Togo with detailed technical projects for the building of these two priority roads.

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Annexe : IV

Road surveys in the Congo (Brazzaville) and the Central African Republic

On 26 November 1965 the EEC Commission decided to finance, by grants from the second European Development Fund, a technical assistance project linked with investment in the Congo (Brazzaville) and the Central African Republic. The scheme, which will cost Frs. CFA 130.5 million or some 528 000 units of account (= US dollars), had been endorsed by the EDF Committee at its twelfth meeting.

The Congo scheme will consist of:

1. Surveys with a view to the preparation of invitations to tender for a particularly difficult section of the north-south Brazzaville-Ouessou road between Olombo and Obouya (57 km). This is the last bottleneck in the Congo's principal road now that extensive work financed by the EDF and the Congo Road Fund has eliminated the worst stretches. This stretch is difficult because two rivers have to be crossed. The road links four prefectures and serves an area with a population of over 160 000. The surveys will cost Frs. CFA 28.5 million or some 115 000 u.a.;
2. A survey for the Nsah-Djambalo-Lekana road, which also has two difficult places - the Nkeni pass and the Mpama valley. This stretch is used by traffic from two areas, one being the Koukouya plateau, which is the most densely populated and active rural district in the whole of the republic. The improvement of this road will facilitate food supplies to the capital. The survey will cost Frs. CFA 27 million or some 109 000 u.a.

In the Central African Republic surveys will be made of the country's five main roads, national roads Nos. 1, 2, 3, 6 and 9, in order to improve them so that they can take heavy transport, since this is an important factor in reducing transport costs per ton/km. It is proposed to asphalt the approaches to bridges, improve or replace ferries, and eliminate difficult stretches. The surveys will cost Frs. CFA 75 million or some 304 000 u.a.

Annexe : V

CENTRAL AFRICAN REPUBLIC: SECONDARY ROADS IN LOBAYE

On 26 November 1965 the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund, of an economic investment project in the Central African Republic. The scheme had been endorsed by the EDF Committee at its twelfth meeting, and is expected to cost 400 million Frs. CFA or about 1 620 000 units of account (= US dollars).

The project covers surveys for, and execution of the work of, improving two secondary roads in the Lobaye area, totalling about 116 km. in length. This will facilitate the transport of agricultural and forestry products away from the area. Lobaye, which has a population of about 80 000, is one of the most productive parts of the country, the main products being coffee, hevea, palm oil and palm kernels. Soil scientists were recently sent out at the EDF's expense to find out the best places for two new plantations of oil palms and hevea, each of 2 000 hectares. The EDF has also financed a programme of assistance and equipment for co-operatives in Lobaye and elsewhere. A vast programme of forestry development has recently been worked out with the help of bilateral aid from France.

Improvement of these two roads will speed up the development of Lobaye's agriculture and forestry, and thus help to achieve the regional development objectives contained in the Central African Republic's 1965-66 Development Plan. Transport costs are expected to fall by about 50%, as the price per ton/km., which is at present 20 or 25 Frs. CFA for non-maintained roads, should drop to 12 Frs. CFA on well kept roads.

Annexe : VI

CHAD: SINKING OF 154 WELLS IN THE KANEM AREA

On 26 November 1965 the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund, of an economic investment project in Chad. The project had been endorsed by the EDF Committee at its twelfth meeting, and it is estimated to cost 550 million Frs. CFA or about 2 228 000 units of account (= US dollars).

The project forms part of a programme to provide water for grazing-land and villages, to which the Chad Government attaches great importance. Chad has serious water supply problems, in view of its geographical situation in the Sahel region. The construction of 154 wells in the Kanem area is the last part of a hydraulic programme for this vast region (8 million hectares), and will allow adequate water reserves to be collected to supply the needs of the nomads (215 000 people) and of the cattle which constitute their only means of livelihood (about 2 million head).

Two hundred and forty-eight wells have already been sunk with the help of the Fonds d'Investissement et de Developpement Economique et Social des Territoires d'Outre-Mer (FIDES), its successor the Fonds d'Aide et de Coopération (FAC) and the EDF. This is equal to one well per 900 people. When the 154 additional wells are in use - at distances of about 20 km. from each other - there will be one well to every 530 people; this will be a considerable improvement and should encourage the nomads gradually to take up a sedentary mode of life and start cultivating food crops. An increase in the numbers and quality of livestock is also expected; this would be of great economic benefit, since the very busy Kanem cattle market supplies meat to Nigeria and Fort-Lamy, the capital of Chad.

In addition to the construction of the wells, the project will finance ley-farming surveys to ensure that the wells are sunk where they will be of most benefit, as well as water engineering surveys and the preparation of files for invitations to tender.

Annexe : VII

CONGO (LEOPOLDVILLE): SECOND "HUMAN SCIENCE" BLOCK AT
THE UNIVERSITY OF LOVANIUM IN THE CAPITAL

On 26 November 1965, the EEC Commission approved the financing by a non-repayable grant from the second European Development Fund (EDF), of a social project in the Congo Democratic Republic. This project, the cost of which is estimated at 369 000 000 Congolese francs, or 2 460 000 u.a. (= US dollars), had been endorsed by the EDF Committee at its 12th meeting.

A second block is to be built for the "Human Science" Faculty of the University of Lovanium in the Congolese capital. With this new building the Faculty will be able, in 1970, to take approximately 1 400 students, or 46% of the student population by that time.

The extension of university education is one of the main concerns of the Congolese Government and of the various bodies at present helping to finance recovery and development in the Congo. The survey carried out in 1963 by an EEC study mission (TORRE mission), financed by the first EDF, had also revealed the urgent need for an expansion of higher education in the Congo.

The new block at the University of Lovanium is planned to meet closely estimated present and future requirements. The secondary schools turn out 7 000 holders of school-leaving certificates every year, and it can be seen from the distribution of new students enrolled at the University of Lovanium that the Faculty of "Human Science" comprising the departments of Law, Philosophy, Arts, Psychology, Education and Politics, Economics and Social Science, attracts the greatest number.

The building will be on three levels and will comprise a central block with three wings containing eight lecture-rooms and 17 class-rooms, libraries and reading rooms, laboratories, offices, etc., covering an area of 9 920 m². The building will be erected close to the Faculty's first block.

Annexe : VIII

RWANDA REPUBLIC: IMPROVEMENT OF THE MAYAGA REGION - FOUR NEW AREAS OF FARMLAND

On 26 November 1965, the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund (EDF), of an economic project in the Republic of Rwanda. This project had been endorsed by the EDF Committee at its 12th meeting, and its cost is estimated at 45 000 000 Rwanda francs, or approximately 900 000 units of account (= US dollars).

The main object is to create a number of small farms, each of two hectares, situated near roads or tracks, on land suited to the various crops grown in this area. Cattle-raising is also a possibility and Arabica coffee will be grown. The present average income of peasants in this area (there are over 7 000 families) using traditional farming methods, is approximately 9 600 Rwanda francs a year. When these small farms come into existence and more rational methods of cultivation are used, the gross income of farmers should increase progressively to reach 24 000 francs per household by the seventh year. The Rwanda Government has made arrangements for the peasants receiving the aid to contribute to a fund in order to promote similar schemes in other areas. This contribution, which will be about 14% of the increase in income, will be payable only from the time when the land bears crops and for a period of five years. Even allowing for this contribution, the scheme will considerably increase the peasants' purchasing power and, moreover, the bigger acreage sown to crops and the use of more diversified methods, as well as cattle-raising on a larger scale, will increase the quantity and nutritive value of their food.

For these small farms the traditional land tenure system will be abandoned and the farmers will each receive title deeds for the plots allocated to them. Pasture land will be used collectively, the farmers forming co-operatives.

This scheme represents the culmination of a number of surveys and programmes for agricultural reorganization in the Mayaga region which have already been receiving aid under the first EDF since 1959.

Annexe : IX

Development of the Mangoky delta in Madagascar

On 26 November 1965 the EEC Commission decided to finance, by grants from the European Development Fund, a combined economic investment and technical assistance scheme in Madagascar. The scheme, which will cost 2 400 million Malagasy francs or some 9 722 000 units of account (= US dollars), had been endorsed by the EDF Committee at its twelfth meeting.

The scheme concerns the irrigation and drainage of 3 730 hectares in the Mangoky delta to the north of the town of Tuléar and follows upon a first instalment of works financed by the EDF in September 1962 at a cost of 6.5 million u.a. The first "tranche" was used to provide the general infrastructure for 10 000 hectares. The purpose of the present scheme is to carry out secondary and final development work - secondary irrigation canals, drains, tracks, dykes and the like - so that over a third of the area will be ready for cultivation.

The area will be sown to cotton (2 880 hectares) and rice (850 hectares) and will be able to support 2 200 families or some 9 000 persons. The forecasts of yields which were taken as a basis for the first dossier submitted to the EDF in 1961 were exceeded in the first four seasons, especially those for cotton. The scheme is in line with the aims of the Malagasy development plan which gives priority to the development of cotton as it is one of the products where investment will bring the largest returns for the country's economy. This is not the first time that the EEC Commission has decided to aid Madagascar's cotton policy, since last July it agreed to finance the first instalment of the production aid programme, which was largely concerned with improving the structure of cotton growing.

The present scheme will also give technical assistance; the services of three engineers will be provided for a period of five years. Development of the 10 000-hectare area will be spread over some 10 years.

Annexe : X

URBAN DEVELOPMENT OF 67 HECTARES IN TANANARIVE, MADAGASCAR

On 26 November 1965, the EEC Commission approved the financing, by non-repayable grants from the second European Development Fund (EDF), of a social infrastructure scheme in Madagascar. The EDF Committee had endorsed the project at its twelfth meeting. It will cost 825 million Malagasy francs or some 3 342 000 units of account (= US dollars).

The scheme concerns urban development on 67 hectares in the western part of the town of Tananarive and consists of levelling and filling the ground and providing the necessary technical services for three new districts. It will then be possible to build dwellings for about 12 000 persons and supply the social amenities needed.

This scheme fits into Madagascar's five-year plan, which provides for measures to meet the demand for dwellings resulting from the very rapid rate of urban growth. The population of Tananarive has more than doubled in 20 years and in the next four years (1966-1980) will expand by as much as 11 000 - 19 000 a year, which means that each year 42 - 70 hectares of urban land will have to be developed. On the basis of a town survey carried out in 1960, the Malagasy Government has drawn up a master plan for the development of West Tananarive; the 700 hectares involved should meet requirements for the next 15 years or so. The land covered by the present scheme is an area in which immediate action is being taken under this plan.

An important point is that the scheme will provide the population with low-cost housing, complete with sanitary installations and modern comfort, for more or less the same rent as that now being paid for dwellings lacking every comfort in non-urban districts. The operation will also have various side effects. Apart from the immediate boost to its activity, the building industry will derive new standards from this type of construction which will include sewerage, running water, electricity, etc. This will encourage the development of small local industries. These side effects will thus be both economic (industrialization) and social (creation of jobs).