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ETHIOPIA - EEC RELATIONS

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EEC-ETHIOPIA RELATIONS

INTRODUCTION

With a population of almost 43 million, a land area of 1.2 million square kilometres and a Gross National Product per capita of \$ 115, Ethiopia is considered to be one of the most needy members of the ACP-EEC Lomé Convention. Classed as a "least developed country" among the 66 ACP States, Ethiopia is the largest recipient of EEC funds under the Lomé indicative aid programme. Ethiopia also receives Community funds allocated for regional operations and the system for stabilizing export earnings (Stabex). The main products covered by Stabex have been coffee, hides and skins and, more recently, beans.

Following the serious famine which affected some 8 million people in 1984/5, Ethiopia has also received a considerable amount of emergency and food aid from the EEC; in 1984/5 these forms of aid were equivalent in value to 56.3% of all aid given under the Lomé I and II indicative programmes. The EEC is very conscious of the fact that Ethiopia's requirements to enable it to recover and develop are pressing and, in line with the priorities set by the Government for the next decade, the EEC intends to place more emphasis on agricultural development and food production in the country.

EEC aid to Ethiopia since the start of EEC-Ethiopia cooperation, including aid under the three Lomé Conventions, totals 608 million ECU (1 thousand million birr).

ECONOMIC BACKGROUND - FROM REVOLUTION TO DEVELOPMENT?

Ethiopia is situated in East Africa, with its northern coast bordering the Red Sea. To the west lies Sudan, while Kenya and Somalia flank its southern and eastern borders. The tiny state of Djibouti, which lies in the north between Ethiopia and Somalia, provides the closest link across the Red Sea with South Yemen and the Arabian peninsula. The capital of Ethiopia is Addis Ababa, which is in the centre of the Ethiopian highlands.

A census carried out in 1984 (1) estimated the population at some 42 million, of which 88% live in rural areas and 12% in the towns. With an annual growth rate of 2.9%, the population is growing by over a million each year. In terms of population, Ethiopia is the second largest ACP State after Nigeria. Population density, however, is low (29 inhabitants per km²). Life expectancy is 46 years. The literacy rate rose from 7% in 1974 to 45% in 1982. There is one doctor for every 58,000 people and only 2% of the rural population and 32% of the urban population have access to clean water.

The military regime, represented by the Provisional Military Administrative Council (PMAC), gained power in September 1974. The Government has concentrated its efforts on obtaining political and territorial unity and promoting social and economic progress. The tenth anniversary of the revolution (12 September 1984) was marked by the institutionalization of the political system through the setting up of the Workers' Party of Ethiopia (WPE). A constitution is being drawn up. Three phases can be identified in recent economic development: the period 1974-78 was characterized by economic stagnation and depression, with average growth in the GDP less than 0.4% a year. The main causes of this deterioration were the wars in Eritrea and the Ogaden, and severe drought. The turning point for the Ethiopian economy came in late 1978 when hostilities abated and the security system improved. In January 1979, the Government launched the National Revolutionary Campaign with the aim of boosting the country's economic growth.

(1) See table p. 32: "Total population of Ethiopia by region, urban and rural", May 1984

For two years Ethiopia's GNP rose by nearly 5% a year.⁽¹⁾ The main contributions to this recovery came from agriculture, thanks to good weather conditions, and industry, following the recovery of economic activity in Asmara and neighbouring areas. The services sector also recorded notable progress. However, economic growth slowed considerably between 1981 and 1983. The average growth rate fell from the 5% of previous years to below 3% following poor harvests, a slowdown in industrial activity and stagnation in the construction industry. Since 1984, following the drought, growth has even become negative.

At the same time Ethiopia's foreign trade situation deteriorated sharply as coffee prices slumped (coffee accounted for 63% of its exports in 1984) and the price of imports rose steeply. Overall, the GNP rose by an average of 2.2% annually over the period 1974-78 (in real terms) while the annual population growth rate was between 2.5% and 2.9%.

Agriculture is the mainstay of the Ethiopian economy, accounting for nearly 45% of the GNP, 90% of exports and 85% of employment. Three main categories may be distinguished in this sector: peasant farms, which predominate, state farms and nomadic pastures. Only a fifth (some 16.7 million hectares) of arable land is cultivated and more than three-quarters of the farms are more than half a day's walk from a main road. Ethiopia's major crops include teff, maize, wheat, millet, sorghum, oilseeds, pulses, coffee, cotton, sugarcane, fruits and vegetables. The Ethiopian highlands usually receive sufficient rainfall during most crop growing seasons to permit widespread cropping. Several commodities are grown on a two crop per year basis; the main crop is usually planted so as to make the best use of the heavy rains which normally occur from June to September.

Drought, however, is a permanent threat in vast regions of north east Ethiopia. History shows that Ethiopia can expect to suffer seven serious droughts each century. This last catastrophic drought of 1984/85 followed three years of below average rainfall.

(1) See table p; 33: "Changes in GDP and sectoral growth 1978-83"

Livestock production is of major importance, especially in the central high-land areas. Under normal weather conditions Ethiopia has the largest livestock herd of all the ACP countries (27 million cattle and 23 million sheep).

Coffee is the country's major export crop, accounting for 60% of all export earnings. In recent years the target for coffee exports has been set at 100 000 tonnes a year but the best performance to date was the 1982/83 coffee year when 93 000 tonnes were exported. The decline in world coffee prices over the past few years has had a serious effect on the Ethiopian economy.

Hides and skins, pulses, oilseeds, sugar and cotton are other main export products. But while cotton might rapidly become a much more important export earner and pulses and oilseeds may regain the export levels achieved after the revolution, coffee is still forecast to earn over half the country's 1985/86 export earnings. The large livestock herd means that hides and skins are likely to remain the country's second export earner.

Ethiopia's industrial sector is small and underdeveloped, accounting for only 16.3% of GNP. The manufacturing sector, however, plays an important role in supplying consumer goods to the domestic market. More than 90% of industrial output comes from state-controlled firms with production concentrated in textiles, food processing, beverages and building materials. Most industrial concerns are concentrated around Addis Ababa and Asmara. The sector recorded a high level of growth until 1979/80 but since then growth has slowed as maximum capacity was reached with insufficient resources to maintain and expand it.

In 1983/84 investment in Ethiopia was still lower (12% of GDP) than in other LLDCS (average 14%).

This lack of resources also explains why other important industrial sectors such as artisanat and construction have not succeeded in maintaining high steady growth rates. The Ethiopian Government is thus trying to mobilize additional domestic and external resources.

Ethiopia also has a considerable hydro-electric power potential of nearly 60 billion kilowatts, although to date only some 1.2 billion have been exploited for the benefit of just 10% of the population.

Ethiopia's external debt in 1983 amounted to some \$1 370 million and debt repayments stood at 20% of export earnings in 1983/84 (11% in 1982) with the trend being markedly upwards. The internal debt stands at nearly Br 3 3 880 million (Br 1 340 million in 1980).

PRIORITY FOR AGRICULTURE IN THE TEN-YEAR PLAN

The most important task facing the Ethiopian Government is to deal with the effects of the worst drought in the country's history. The drought has also affected the implementation of the ambitious ten-year plan. Drought and famine have obliged the Government to divert a great deal of financial (private and public), human and material resources from other activities in order to try and ensure the simple survival of part of the population. The Government's number one priority in 1985 was once again immediate measures to cover the most pressing requirements for food, medicines and clothing, and ensure the best possible recovery in agricultural production (mainly by transplanting many families from famine-stricken regions to fertile areas).

The drought has had very negative effects on the whole of the country's economy. The scale of the damage still has to be estimated, particularly as regards the ten-year plan. While the main guidelines remain unchanged, some of the initial forecasts on which the plan was based will have to be revised.

After long preparation, the Ten-year Plan was presented on the occasion of the tenth anniversary of the revolution and approved on 10 September 1984 by the WPE. It contained a review of the 10 years since the revolution and set objectives, priorities and strategies for the next decade. It is as much a political as a socio-economic document. The aim of the plan is to mobilize all possible resources, domestic and foreign, in order to improve the material and cultural well-being of the people and achieve as rapidly as possible the structural transformation of society (self-reliant development, job creation, a fairer distribution of the benefits of development, a socialist society) as laid down in the National Democratic Revolutionary Programme (NDRP).

The plan is not confined to a description of objectives, principles and strategies but quantifies overall targets and the major sectoral targets in terms of production, investment and requirements.

It is planned to raise the GNP from Br 9.8 billion to Br 18.3 billion over the next ten years. Taking into account population growth, this would raise per capita income by 50%. However, this requires increased productivity from all sectors of the economy and according to the plan, agriculture, industry and services would contribute 28.6%, 32.9% and 38.4% respectively. Industry (with a 10.8% annual growth rate) will be the main factor of growth. But agriculture (4.3% annual growth) will be the main back-up and the plan gives it number one priority for investment: 22.5% - the biggest share - of all investments.

The total investment required to reach these targets (public, private, national and foreign) was estimated at Br 41.8 billion.⁽¹⁾ The sectorial priorities are set out in the annex on pages 35-36.

EEC - ETHIOPIA COOPERATION

Cooperation between the EEC and Ethiopia began in 1973 when the EEC financed a food aid programme to help deal with the serious drought affecting the country at that time. The Imperial Ethiopian Government entered into negotiations with the EEC for the first Lomé Convention but the final document was signed by a representative of the new revolutionary government. The EEC delegation to Ethiopia was established in 1976 ⁽²⁾ and Ethiopia's Permanent Mission to the EEC opened in 1979. The present ambassador is His Excellency Mr. Ghebray Berhane, who chaired the ACP Committee of Ambassadors from March to August 1983 and was spokesman for the ACP ambassadors on the key chapter of financial and technical cooperation during the Lomé III negotiations.

(1) At constant prices (Br 32 billion in real terms, namely constant investment costs).

(2) It is currently headed by Mr. John Wallner.

Since 1977 there have been numerous visits in both directions. Successive Members of the Commission responsible for development have visited Ethiopia, and been received by President Mengistu, regularly, indeed, almost yearly. Mr. Claude Cheysson started the tradition in 1977, a tradition continued by Mr. Edgard Pisani from 1982 on. The present Commissioner responsible for development, Mr. Lorenzo Natali, made his first official visit to Ethiopia in April 1985, only three months after taking office in January 1985.

A number of delegations from the European Parliament have also visited Ethiopia. The first, in June 1981, was led by Mr. Michel Poniatowski (Lib) and the most recent, in July this year, by Mrs. Katharina Focke (Soc). The Irish Minister of State for Foreign Affairs, Mr. Jim O'Keefe, the then President of the Council, visited Ethiopia in November 1984. Visits to the commission from Ethiopia have included: Mr. Tissema Desta, Vice-Chairman of the Ethiopian Council of Ministers (June 1981), Mr. Hailes Yemenu, Prime Minister (November 1982), Mr. Meisie Ejigu, Minister of Planning (October 1984) and Mr. Goshu Wolde, Minister of Foreign Affairs (March 1985). Following the tremendous efforts made by the EEC and the people of Europe to aid Ethiopians hit by drought and famine, Major Wolde Giorgis Dawitt, the general manager of Ethiopia's Relief and Rehabilitation Commission (RRC) met Mr. Lorenzo Natali and Mr. Dieter Frisch, Director-general for Development, in Brussels in February this year. He expressed his gratitude in the following terms:

"The serious drought condition in Ethiopia has been only too vividly brought to your attention by conscientious and responsible journalists and you responded generously and swiftly. We at the Relief and Rehabilitation Commission have received help and donations from people from all walks of life - from a small child to a pensioner, from the rich to the unemployed as well as the poor, and we are very grateful indeed. Although still needed, what has been received through your assistance has been put to use in saving the lives of thousands of mothers, children and the aged.

On behalf of the people who are in the process of receiving your assistance and on behalf of the Ethiopian Government, let me express my most sincere gratitude to you all."

Two major concerns have always dominated these reciprocal visits and relations between the EEC and Ethiopia in general, namely how best to organize aid for social and economic development on the one hand, and food and emergency aid and relief operations on the other.

The Lomé Convention provides the main instruments (trade and tariff preferences, Stabex, trade promotion, the financial package for economic and social development programmes and projects, technical assistance and regional cooperation) available to the EEC for its contribution to Ethiopia's economic and social development. The next chapter will describe what has been achieved in the development cooperation carried out within the framework of the Lomé Convention over the last 10 years.

In addition to the Lomé Convention (under which emergency funds are also available) the Community has other instruments it can call on to meet food deficits, natural disasters and other emergencies. Ethiopia has been a major beneficiary of such aid.

DEVELOPMENT COOPERATION

THE EUROPEAN COMMUNITY - ETHIOPIA'S BIGGEST TRADING PARTNER

Under the Lomé Convention, Ethiopia enjoys, as do the other ACP States, preferential trade arrangements which are more favourable than the trade arrangements the EEC accords non-member countries. Apart from a few exceptions, the EEC does not impose customs duties or quantitative restrictions on imports of ACP products, which enter into free competition with those of the Member States. The EEC thus guarantees that ACP products have a definite advantage over those from other non-member countries, so contributing to the ACP States' development. These arrangements carry no obligation of reciprocity.

More than a third of Ethiopia's foreign trade is with the EEC, which is thus Ethiopia's leading trading partner, ahead of the United States, Comecon and Japan.

ETHIOPIA'S OVERALL TRADE (WORLD, EEC) 1974-83

Br million (1 ECU = Br 1,45)

| | TOTAL TRADE | | | TRADE WITH EEC | | |
|-------|-------------|---------|---------|-------------------|-------------------|---------|
| | EXPORTS | IMPORTS | BALANCE | EXPORTS | IMPORTS | BALANCE |
| 1974 | 556.2 | 590.2 | - 34.0 | 165.0 (29.8%) | 253.0 (42.9 %) | - 87.4 |
| 1980 | 878.2 | 1494.0 | - 619.5 | 275.5 (31.4%) | 494.1 (33.1 %) | - 218.7 |
| 1981 | 805.1 | 1528.9 | - 723.8 | 244.2 (30.3%) | 622.4 (40.7 %) | - 278.2 |
| -1982 | 835.5 | 1652.8 | - 817.3 | 262.9 (31.5%) | 600.7 (36.3 %) | - 337.8 |
| 1983 | 669.9 | 1356.6 | - 686.7 | 249.2 (37.4 %) | 534.1 (39.4 %) | - 284.9 |

ETHIOPIA'S IMPORTS AND EXPORTS BY REGION, 1981-1983

| REGIONS | EXPORTS | | | IMPORTS | | |
|-------------------------------|---------|-------|--------|---------|---------|---------|
| | 1981 | 1982 | 1983 * | 1981 | 1982 | 1983* |
| Total all regions of which | 805.1 | 835.5 | 669.9 | 1,528.9 | 1,652.8 | 1,356.6 |
| EEC | 224.2 | 262.9 | 249.2 | 622.7 | 600.7 | 634.1 |
| COMECON | 67.2 | 56.7 | 54.6 | 374.3 | 529.5 | 342.3 |
| US | 166.0 | 216.0 | 155.1 | 117.2 | 63.6 | 79.1 |
| JAPAN | 59.4 | 62.2 | 52.6 | 108.8 | 145.4 | 133.2 |

* 9 months (January- September)

Ethiopia's exports to the EEC rose from 87.5 million ECU in 1976 to 227.3 million in 1984. The main products exported to the EEC in 1984 were still coffee (69 %) and raw or worked hides and skins (14 %). There was, however, a diversification in the products exported over this period, the number of products rising from 25 to 29, the latest additions to the export list being flowers (1981) and marble (1985). Over the same period, Ethiopia's imports from the EEC quadrupled, rising from 100.7 million ECU in 1976 to 446.3 million ECU in 1984. The main exports are machinery and transport equipment, foodstuffs, manufactured goods and chemicals.

Germany, France and Italy are Ethiopia's major trading partners within the Community, accounting for 77.1 % of all Ethiopia's exports to the Community in 1984. As regards Ethiopia's imports from the EEC, the United Kingdom, Italy and Germany are the main suppliers: nearly 72.6 % of all EEC exports to Ethiopia in 1984.

Since 1974 the EEC has always had a surplus on its trade with Ethiopia, a surplus which has risen from year to year, with the exception of 1979 and 1980 when the surplus was reduced by nearly 40 % compared with 1978. Without wanting to cut back on its imports from the EEC, vital for its people and its economy, Ethiopia is trying to boost its exports. The EEC is encouraging these efforts, notably within the framework of trade promotion. In 1984, Ethiopia participated in seven trade fairs in Germany, Belgium, France, Italy and Spain, its participation being financed by the European Development Fund (EDF).

EEC-ETHIOPIA TRADE 1976-84

(million ECU)

IMPORTS FROM ETHIOPIA

| YEAR | TOTAL EEC | GERMANY | FRANCE | ITALY | NETH. | BENELUX | U K | IRELAND | DENMARK | GREECE |
|------|--------------|---------|--------|-------|-------|---------|------|---------|---------|--------|
| 1976 | 87.5 | 15.7 | 13.9 | 20.3 | 7.6 | 4.2 | 23.9 | 0.1 | 2.6 | 0 |
| 1977 | 75.9 | 21.4 | 17.1 | 19.2 | 7.0 | 2.8 | 7.2 | 0.0 | 1.4 | 0 |
| 1978 | 58.7 | 14.2 | 10.3 | 17.7 | 6.9 | 1.9 | 6.9 | 0.0 | 0.8 | 0 |
| 1979 | 104.4 | 18.9 | 14.5 | 34.1 | 7.7 | 5.0 | 18.5 | 0.1 | 5.5 | 0 |
| 1980 | 113.0 | 24.3 | 26.6 | 33.5 | 4.0 | 3.3 | 16.5 | 0.0 | 4.7 | 0 |
| 1981 | 117.6 | 35.6 | 23.6 | 26.5 | 4.3 | 4.8 | 13.9 | 0.0 | 6.8 | 2.3 |
| 1982 | 139.8 | 54.8 | 27.6 | 25.8 | 5.3 | 2.7 | 18.0 | 0.0 | 4.0 | 1.5 |
| 1983 | 180.8 | 74.1 | 38.8 | 31.0 | 5.2 | 7.7 | 16.5 | 0.4 | 5.1 | 2.0 |
| 1984 | 227.3 | 96.1 | 39.3 | 39.8 | 14.0 | 15.7 | 16.7 | 0.1 | 2.0 | 3.6 |

EXPORTS TO ETHIOPIA

| YEAR | TOTAL EEC | GERMANY | FRANCE | ITALY | NETH. | BENELUX | U K | IRELAND | DENMARK | GREECE |
|------|--------------|---------|--------|-------|-------|---------|-------|---------|---------|--------|
| 1976 | 100.7 | 35.3 | 6.8 | 26.6 | 9.0 | 3.7 | 16.6 | 0.3 | 2.3 | 0 |
| 1977 | 132.0 | 30.5 | 12.4 | 38.4 | 13.4 | 3.9 | 29.3 | 1.4 | 2.8 | 0 |
| 1978 | 150.4 | 35.6 | 18.2 | 53.2 | 8.6 | 7.5 | 23.8 | 0.9 | 2.5 | 0 |
| 1979 | 156.7 | 45.0 | 19.2 | 47.0 | 7.5 | 8.7 | 24.5 | 0.1 | 4.8 | 0 |
| 1980 | 171.7 | 40.2 | 16.2 | 59.8 | 9.3 | 4.6 | 35.9 | 1.6 | 5.0 | 0 |
| 1981 | 238.0 | 48.8 | 20.8 | 91.2 | 12.1 | 22.9 | 35.4 | 0.4 | 5.3 | 1.2 |
| 1982 | 269.3 | 56.6 | 42.5 | 77.1 | 12.1 | 15.4 | 49.1 | 2.0 | 12.5 | 1.9 |
| 1983 | 353.0 | 84.9 | 47.4 | 119.4 | 15.5 | 13.7 | 58.1 | 2.6 | 6.2 | 5.1 |
| 1984 | 446.3 | 100.2 | 50.0 | 112.6 | 28.3 | 25.9 | 107.2 | 3.8 | 11.3 | 2.9 |

BALANCE WITH ETHIOPIA

| YEAR | TOTAL EEC | GERMANY | FRANCE | ITALY | NETH. | BENELUX | U K | IRELAND | DENMARK | GREECE |
|------|--------------|---------|--------|-------|-------|---------|------|---------|---------|--------|
| 1976 | 13.2 | 19.6 | -6.2 | 6.3 | 1.4 | -0.5 | -7.3 | 0.1 | -0.3 | 0 |
| 1977 | 56.1 | 9.1 | -4.7 | 19.1 | 6.4 | 1.2 | 22.2 | 1.4 | 1.4 | 0 |
| 1978 | 91.7 | 21.4 | 7.9 | 35.5 | 1.7 | 5.6 | 16.9 | 0.9 | 1.8 | 0 |
| 1979 | 52.3 | 26.0 | 4.7 | 12.9 | -0.2 | 3.7 | 6.0 | 0.0 | -0.7 | 0 |
| 1980 | 58.7 | 15.8 | -10.4 | 26.3 | 5.2 | 1.3 | 18.5 | 1.6 | 0.3 | 0 |
| 1981 | 120.4 | 13.2 | -2.8 | 64.7 | 7.9 | 18.1 | 21.5 | 0.4 | -1.5 | -1.1 |
| 1982 | 129.5 | 1.8 | 14.8 | 51.3 | 6.8 | 12.7 | 31.1 | 2.0 | 8.6 | 0.4 |
| 1983 | 172.2 | 10.8 | 8.6 | 88.4 | 10.3 | 6.1 | 41.6 | 2.2 | 1.1 | 3.1 |
| 1984 | 219.0 | 8.1 | 10.7 | 72.8 | 14.3 | 10.3 | 90.6 | 3.7 | 9.2 | -0.7 |

ETHIOPIA AS A BENEFICIARY OF STABEX

Over the past decade, 42 ACP countries have received 939 million ECU earmarked for Stabex in the EDF under LOME I and II. Ethiopia is one of these countries and has received transfers totalling 25.2 million ECU to compensate for shortfalls in export earnings from five products: in 1975 coffee (9.3 million ECU) and hides and skins (5.1 million ECU); in 1981 coffee again (1 million ECU); in 1983 cotton (1.7 million ECU) and sesame seeds (3.1 million ECU); in 1984 beans (5 million ECU). These five products covered by Stabex traditionally account for 85 % of Ethiopia's exports.

Stabex is the first system for stabilizing export earnings set up under a cooperation agreement between regions of the North on the one hand, and the South on the other. Between 1975 and 1985, the number of products covered rose from 26 (including iron ore) to 48 (without iron ore, now covered by Sysmin, a new financing facility created under Lomé II for ACP States which are heavily dependent on their mining sector). Stabex offers two further advantages for LLDCs such as Ethiopia: the dependence threshold (i.e. the degree of dependence on these exports) triggering the right to claim transfers is 2 % rather than 6.5 % and the sums transferred do not have to be repaid. Furthermore, for Ethiopia the system covers exports to all destinations.

FINANCIAL AND TECHNICAL COOPERATION

Financial and technical cooperation is the main instrument for implementing development operations. Thanks to the EDF appropriation and loans from the European Investment Bank (EIB), the EEC can contribute to Ethiopia's efforts to develop when the country requires external injections of capital.

A total of 274 million ECU has been devoted to development operations, of which 82.3 % in the form of grants and 13.1 % in the form of special loans. Priority has been given to economic and social infrastructure (69 % of the Lomé I and II indicative programmes).

Significant contributions have also been made to agricultural and rural development (24 %). Nor have training programmes been neglected. The Lomé Conventions are putting increasing emphasis on the regional integration of the ACP countries. A number of regional integration operations involving Ethiopia and neighbouring ACP countries have been financed under Lomé I and II.

FINANCING OF DEVELOPMENT OPERATIONS BY SECTOR, 1976 - 85

in million ECU

| OPERATIONS | LOME 1 | LOME 2 | TOTAL |
|--|--------|--------|-------|
| Economic and social infrastructure | 78.1 | 104.2 | 182.3 |
| Agricultural and rural development | 31.9 | 30.1 | 62.0 |
| Training | 6.0 | 5.0 | 11.0 |
| Microprojects | 0.9 | p.m. | 0.9 |
| Other (studies, technical assistance) | 3.1 | 1.6 | 4.7 |
| Subtotal | 120.0 | 141.0 | 261.0 |
| Regional cooperation | 16.0 | 15.3 | 31.3 |
| E I B | - | 12.5 | 12.5 |
| C D I | | 0.2 | 0.2 |
| Total | 136.0 | 169.0 | 305.0 |

DEVELOPMENT OPERATIONS

ECONOMIC AND SOCIAL INFRASTRUCTURE

Of all development aid given to Ethiopia under Lomé I and II, 60 % (181 million ECU) has gone towards economic and social infrastructure. The operations undertaken are as follows:

ECONOMIC AND SOCIAL INFRASTRUCTURE PROJECTS FINANCED UNDER LOME I & II

in million ECU

| OPERATIONS | LOME 1 | LOME 2 | TOTAL |
|---|--------------|---------------|---------------|
| Ghimbi-Shebele road | 22.00 | 4.40 | 26.40 |
| Geothermal energy | 13.19 | - | 13.19 |
| Cotobie-Combolcha-Dessie power project | 13.00 | 11.50 | 24.50 |
| Amarti diversion (to boost output of Finchaa power station) | 4.00 | 33.00 | 37.00 |
| Rural water supply | 14.18 | 1.9 | 16.08 |
| Addis Abeba water supply | - | 53.45 | 53.45 |
| Healthcare infrastructure | 10.19 | - | 10.19 |
| Low-cost housing | 1.50 | - | 1.50 |
| Total | 78.06 | 104.25 | 182.31 |

Ghimbi-Shebele-Gabele road

Under Lomé I, 22 million ECU were allocated to build 251 km of road linking Ghimbi to Shebele in the south-west part of Wollega. The road was opened to traffic at the end of 1984. In October 1984 4.4 million ECU was allocated under Lomé II to build a further 40 km linking Gabele to Shebele. This work should be completed by the end of 1985. Through this road, which serves a population of 300 000, the area's economic potential can be better exploited.

Geothermal energy

The United Nations Development Programme's research campaign to identify Ethiopia's real potential in geothermal energy has been allocated 13.2 million ECU. The Community supplied the necessary drilling equipment for the second phase of research into the possibility of building a 30 megawatt geothermal station. The eight holes drilled in the south-eastern part of Aluto Caldera in 1983 and 1984 gave positive results, which seemed to confirm that the Aluto Caldera site has a geothermal potential of 25 to 45 MW for the next 25 years. Other tests remain to be carried out this year.

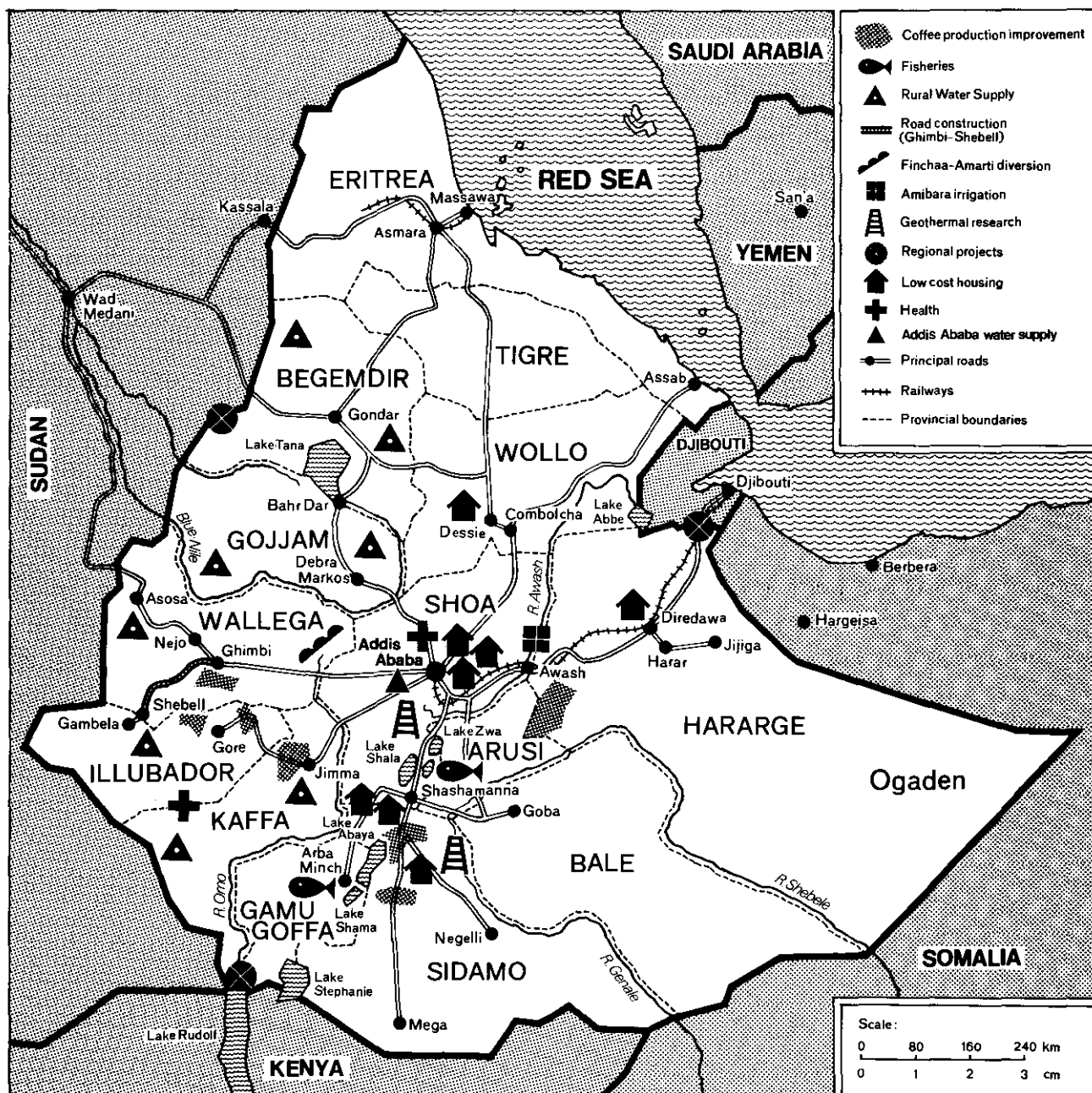
Dessie power project

This project received 13 million ECU from the fourth EDF and 11.5 million ECU from the fifth, approved in December 1982. The aim of the project is to extend the hydro-powered electricity network to regions that are not yet connected. A 295 km transmission line has been built between Cotobie (near Addis) and Combolcha (Wollo) and sub-stations have been built at Debré Berhan, Robi, Combolcha and Dessie. The works were awarded to French, Italian, German and Ethiopian firms. The project was completed recently and is in operation.

Diversion of the Amarti river

The aim of this 32 million ECU project, most of it financed from the fifth EDF, is to increase the energy output of the Finchaa hydropower station by an additional 170 MW a year. This is to be achieved by diverting water from the Amarti River into the Finchaa reservoir.

COMMUNITY-FINANCED PROJECTS IN ETHIOPIA



Work started in the second half of 1983 and construction of the dam, the tunnel driving and excavations for the up- and downstream portals have been completed. By the summer of 1985 the support and concrete lining works were well under way and excavations for the spillway had started.

Rural water supplies

The Ethiopian Water Resources Authority has been allocated 14.2 million ECU to help set up two regional offices at Bahar Dar and Jimma. The aid has been used to provide technical assistance, build workrooms, supply drilling equipment, construction material and trucks. The project, already at an advanced stage, aims to supply water to some 560 000 people in rural areas. Started in late 1978, it was extended until October 1984. A request for a further extension, requiring 1.9 million ECU from the fifth EDF, to cope with the exceptional requirements created by the serious drought, is being decided on.

Addis Ababa water supply

This project to supply the population of Addis Abeba with drinking water was allocated 53.4 million ECU in July 1981. The project involves the modernization of existing water supply systems and an increase in their capacity to 180 000 m³ a day, the laying of a pipeline between the Lagadadi plant and storage tanks, and the laying of some 20 km of new distribution mains. The project, entirely financed by EDF grants (85%) and special loans, is now close to completion.

Healthcare programme

10 million ECU for the building and equipping of a rural hospital at Mizan Teferi and a school to train laboratory technicians - due to be completed this year.

Construction of low-cost housing

This revised programme, to which 1.5 million ECU was allocated, has led to the building of 1 178 houses in nine Ethiopian towns. Some of the funds were used to purchase equipment, including two trucks and two brickmaking machines, to increase the government's capacity to aid the self-help housing programme (460 houses in 1985/86).

Agricultural and rural development operations

Under Lomé I and II, 20.4 % (62 million ECU) of all development aid allocated to Ethiopia concerned the agricultural sector. The operations financed were all designed to boost production and concerned three products: coffee, mainly for export, cotton (required for Ethiopia's textile industry) and fish for domestic consumption.

| OPERATIONS | LOME 1 | LOME 2 | TOTAL |
|-------------------------------------|--------|--------|-------|
| Coffee improvement | 12,9 | 27,2 | 40,1 |
| Amibara irrigation project (cotton) | 17,2 | 2,9 | 20,1 |
| Fisheries development | 1,8 | - | 1,8 |

Coffee improvement programme

40.1 million ECU have been allocated to a project designed to improve coffee production through the introduction of advanced techniques. In phase one (12.9 million ECU) the operation involved the provision of credit facilities, technical assistance, assistance for research and improvements in infrastructure. This phase lasted four years and was aimed at aiding some 33 500 producers over a total area of 125 000 hectares. In view of the results, it was agreed to launch the second phase under Lomé II; 27.2 million ECU were approved in March 1982. The programme, which originally covered only eight geographical areas under Lomé I, was then extended to seven new regions. Measures to improve productivity include the planting of resistant strains, nurseries, stumping and crop spraying and the distribution of tools. Cooperative shops and experimental plantations will also be established. The building of farm roads and the extension of credit facilities are also planned. Because of the difficulties caused by the drought - producers concentrated mainly on growing food - this second phase of the programme, with a planned duration of four years, met with delays in 1984/85.

Amibara irrigation project

In the initial phase, 17.2 million ECU was spent on the necessary infrastructure to irrigate 6 630 hectares in the Awash region for cotton production. The project involved the building of stores and workshops and the provision of machinery and technical assistance. It was co-financed by the International Development Association (44%) and the African Development Fund (10%).

The financing agreement for phase two, for the sum of 2.9 million ECU, was signed in March 1984. This amount will be used to buy more agricultural equipment. Nearly half the equipment in question has already been delivered. The land irrigated will again be planted for cotton this year for the third time in succession. So far the yields have been good, in the order of 2.5 - 3 tonnes per hectare.

Fisheries

1.8 million ECU have been devoted to developing the fisheries industry by exploiting lake and river resources. The aim of the project is to increase protein consumption in the country. The project, which is near completion, in addition to the supply of boats, involves the provision of technical assistance and credit to fishermen and the building and equipping of fish markets at Addis Ababa, Ziway and Arba Minch.

TRAINING AND RESEARCH

Under Lomé I and II, 11 million ECU were allocated to two major programmes: the practical education project (2.1 million ECU) and the multiannual training programme (8.9 million ECU, of which 5 million under Lomé II). The aim of the former project is to provide education to children and adults through the setting up of workshops and regional training centres. Teaching covers reforestation, water supplies, tool-making, office and administration skills. By the end of 1984, 19 of the 20 planned Awraja educational centres were completed and operational. Other parts of the programme have also been completed or are well advanced.

The main aim of the multiannual training programme is to alleviate the acute shortage of skilled manpower through the organization of on-the-spot training and the provision of grants to study abroad. Under Lomé I, 9 000 people took part in 29 on-the-spot training courses and about 150 went to study abroad, two thirds of them in Europe and one third in other ACP countries. Under Lomé II, some 10 000 people have participated in 19 on-the-spot courses and about 100 have been sent abroad. The programme is still under way.

Note: the financing of an agricultural research centre at Adet in Gojjam/Gondar (2 million ECU) and of another research centre at Bale/Arsi was approved in July 1983 in the framework of the special programme to combat hunger in the world.

MICROPROJECT

Two programmes have been financed to the tune of 320 000 ECU and 538 000 ECU involving a total of 24 projects ranging from irrigation (small-scale), electrification, agriculture, crafts, horticulture and low-cost housing to classrooms and kindergartens. The EDF's contributions to the various projects ranged between Br 8 000 and Br 290 000. Nearly a dozen projects were in Addis Ababa or the Shoa region and the others were spread over the Gojjam, Tigre, Illubador, Kaffa and Sidamo regions. All the projects have been completed.

REGIONAL DEVELOPMENT OPERATIONS

Regional operations concerning Erihopia have received 31.3 million ECU. The biggest of these operations is the rehabilitation of the Ethiopia-Djibouti railway (24.8 million ECU) in which France is also a partner. The EEC initially financed new equipment (engines, coaches and trucks, electric cars, inspection vehicules, etc...) and the installation of a communication system. In the second phase, approved in July 1984, it is planned to rehabilitate 60 km of track and buy 600 coaches and trucks and equipment for workshops and track maintenance. The railway is open but there were two serious derailments in January and July of this year. Some of the equipment supplied by the EEC and France has been damaged and needs repairing.

The other regional operations, notably a cattle vaccination campaign, involve Sudan and Kenya as well as Ethiopia, but are still in the early stages. Another project to build two depots to store anti-locust pesticides was completed this year.

EIB AND CDI FINANCING

The European Investment Bank (EIB) made its first loans from its own resources to Ethiopia's industrial sector this year. Of the total of 12.5 million ECU, 12 million will serve to build a textile factory at Bahar Dar, the remainder being for feasibility studies.

The Centre for the Development of Industry (CDI) has also helped develop Ethiopian industry. In 1982 it financed a study on the rehabilitation and expansion of the country's only tyre factory. Rationalization studies were also undertaken by the CDI for the printing and woodwork industries and it financed the training of a number of technicians for Ethiopian factories: three for jute mills and two for shoe factories. A tanner was given the chance of further training in Europe and, following the analysis and recommendations made by a CDI mission to Ethiopia, there will be large-scale reorganization of a major tannery this year. The CDI has also given technical advice and assistance to honey producers and to a foundry. Following recent Ethiopian legislation allowing foreign investors to enter into joint ventures with state-controlled concerns, the CDI hopes to promote a number of joint ventures this year and in the future. The total cost of the CDI's Ethiopian operations is about 240 000 ECU.

COMMUNITY HUMANITARIAN AID TO ETHIOPIA: FAMINE RELIEF

The Community did not wait for the Ethiopian tragedy to hit the international headlines before providing significant help for the country's distressed inhabitants. The first sizeable Community relief operation for Ethiopia dates back to 1973, when the country was suffering from a disastrous drought comparable to the present one. Since that date Ethiopia has regularly received food aid from the Community and its Member States, and in exceptional circumstances it has received additional emergency food aid and other relief supplies including seed, medicine, blankets, cooking stoves and vehicles.

From 1973 to July of this year Ethiopia received Community food aid and other relief to a total value of some 265.21m ECU (1). In 1984, it was the major beneficiary of the three aid programmes launched by the Community to tackle famine in Africa, the largest of which, the Dublin Plan, is currently under way (2). So exceptionally serious was the situation that in that year humanitarian relief to Ethiopia exceeded payments under the normal programmes for both Lomé I and Lomé II. Things are expected to be much the same in 1985.

The Community's three main concerns have been:

- to provide famine victims with immediate relief;
- to supply seed for the next planting season;
- to make the best possible use of existing local resources and labour by promoting "food for work" operations and purchasing supplies locally wherever possible.

(1) See table on p. 34

(2) The Community launched three successive emergency plans in 1984: one in April, for 83m ECU, one in October (60m ECU) and one in December: the Dublin Plan, under which a total of 1 200 000 tonnes of cereals or equivalent will be provided. See also p. 37

DISTRIBUTION OF AID TO THE POPULATION

The Community sends aid either direct to Ethiopia (which normally means to the Government's Relief and Rehabilitation Commission - the RRC), or in the form of contributions to the relief programmes of international bodies or non-governmental organizations active there, in close consultation with the RRC.

The RRC was set up in 1974. Its task is to organize resettlement (which includes the management of schools, hospitals, shops and farms) and provide immediate relief to victims of natural disasters such as drought or epidemics, or war victims. It employs over 4 000 people and has over 1 000 vehicles and its own airline, and serves over 800 distribution points, feeding centres and shelters. Most Community aid goes direct to the RRC.

In 1983 and 1984, however, at the Ethiopian Government's request, the Community also sent food aid to the agriculture ministry's soil and water conservation department, to be used for a food for work project being carried out in Eritrea and Tigre.

The Community also works with most of the international organizations and voluntary agencies operating relief programmes in Ethiopia, including UNHCR, UNICEF, World Food Programme, ICRC, LICROSS, Caritas, Oxfam and Lutheran World Federation.

It monitors the transport and distribution of its aid on a continuing basis. Faced with repeated complaints that aid was not getting through to those for whom it was intended, however, it has more than once checked up on the distribution arrangements, with the 1982 and 1984 reports on food aid, a parliamentary fact-finding trip and investigations by the Commission Delegation. In every case the finding has been that the aid is going to those in need.

The way in which the distribution system is administered allows frequent checks and cross-checks. A consignment of food aid can be monitored from its arrival at one of the ports (Assab, Massawa or Djibouti) through to the stores and distribution centres in the villages. As Mr. Pisani told the European Parliament on 14 April 1983: "our system for the administration of food aid is a sound one".

Naturally, it is impossible to check what becomes of each individual sack of food once it has been distributed: from January 1981 to January 1983, the Community sent the RRC 1 554 440 sacks of wheat, 268 000 sacks of skimmed milk powder and 600 000 tins of butteroil!

Mr. Natali himself checked on delivery arrangements for the more recent emergency relief supplies to drought victims during his visit to the country in April. He concluded that given the local constraints arising from the situation in certain parts of Ethiopia and the transport problems, it was possible that losses might occur, but was nevertheless satisfied that on the whole the distribution of relief was proceeding satisfactorily.

COORDINATION OF EMERGENCY AID

The Community's experience in the implementation of the Dublin Plan has been that coordination with the Member States is working well, and international cooperation in the field in Ethiopia has been first-class.

Following the recommendations handed down by the Dublin Summit, the Commission and the Member States set up what are now permanent information units to provide early warning of crisis situations, assess the requirements, and deal with advance planning of operations, coordination of deliveries, rapid mobilization of resources and a regular updating of the supply timetable. International cooperation is particularly important in the field, to work out delivery programmes and see that the country's ports and transport facilities are not overloaded. International cooperation in Ethiopia, widely regarded as exemplary, has been supervised by Mr. Kurt Jansson, special representative of the UN Secretary General. An example of what is involved is Shipping Bulletin No 10 of 19 January 1985, which shows scheduled dockings for each of the three ports serving Ethiopia from January to May, indicating the nature, quantity and origin of the supplies. This enables donor countries to judge when bottlenecks are likely, and what the best delivery dates would be.

The system works well provided the donor countries respond promptly to the indications sent them from those on the spot. The Commission and the Member States use the procedure to decide on Community aid deliveries.

Recent decisions include the Commission's approval of a 19m ECU special programme of emergency logistical and transport aid, 8m ECU of which will be for Ethiopia; the money will be used to continue the airlift, support the UN fund for the inland transport of relief supplies by truck, and supply tyres and spare parts.

OUTLOOK FOR THE FUTURE - LOMÉ III

Drought is endemic in large areas of Ethiopia, but that does not mean famine is inevitable. The effects of drought can be mitigated by short-term measures and longer-term structural operations of various kinds.

SHORT-TERM MEASURES

Ethiopia's immediate famine relief requirements are taken care of for several months ahead, but continued vigilance is needed and the early-warning system must be kept in operation.

MEDIUM-TERM AND LONG TERM STRUCTURAL MEASURES

It will be necessary to make use of all available resources both to limit the damage done by drought and to help revive agriculture and indeed the economy as a whole.

The future direction of EEC-Ethiopian cooperation is already mapped out. It will follow the guidelines set down in the third Lomé Convention signed in December 1984, while taking due account of Ethiopia's particular circumstances. In the press conference which followed his visit to Ethiopia in April this year, Commission Vice-President Natali described the thrust of development policy embodied in the Convention.

He noted that the aid available to Ethiopia under its Indicative Programme has risen by almost 90 million ECU from 141 million ECU under Lomé II to 230 million ECU under Lomé III, and indicated the priorities: rural development and agriculture. Under previous Conventions, only 20 % of the aid had gone to agriculture, and Lomé III would be attempting to remedy this shortcoming. The Ethiopian Government, he said, has assured the Commission that agriculture would be given top priority.

That is consistent with Ethiopia's ten-year plan, and is confirmed in the proposals which the Ethiopian Government is due to discuss with the Commission shortly at a programming meeting in Addis Abeba, where the two sides will establish the broad outlines of the Indicative Programme for the next five years. Consultations have already been held with other donors to see that aid is used as effectively as possible.

TOTAL URBAN AND RURAL POPULATION OF ETHIOPIA BY REGION - MAY 1984

in million

| REGION | POPULATION | | | |
|----------------------|------------|-------|-------|--------|
| | RURAL | URBAN | % | TOTAL |
| ARSSI | 1,529 | 0,133 | 8 | 1,662 |
| BALE | 0,929 | 0,077 | 7,7 | 1,006 |
| GAMO GOFFA | 1,175 | 0,073 | 5,9 | 1,248 |
| GOJJAM | 2,981 | 0,263 | 8,1 | 3,245 |
| GONDAR | 2,682 | 0,224 | 7,7 | 2,905 |
| ERITREA | 2,208 | 0,407 | 15,6 | 2,615 |
| HARARGE | 3,837 | 0,315 | 7,5 | 4,152 |
| ILLUBABOR | 0,897 | 0,066 | 6,9 | 0,963 |
| KEFFA | 2,300 | 0,151 | 6,2 | 2,450 |
| SHEWA | 7,341 | 0,749 | 9,3 | 8,091 |
| SIDAMO | 3,541 | 0,249 | 6,6 | 3,790 |
| TIGRAY | 2,212 | 0,198 | 8,2 | 2,410 |
| WELLEGA | 2,226 | 0,143 | 6,1 | 2,370 |
| WOLLO | 3,360 | 0,250 | 7,0 | 3,610 |
| ASSEB ADMINISTRATION | 0,058 | 0,031 | 34,8 | 0,089 |
| ADDIS ABABA | - | 1,413 | 100,0 | 1,413 |
| TOTAL | 37,277 | 4,743 | 11,3 | 42,019 |

TREND OF GNP AND SECTORAL GROWTH, 1978/79 - 1982/83

| | <u>1978/79</u> | <u>1979/80</u> | <u>1980/81</u> | <u>1981/82</u> | <u>1982/83</u> |
|--------------------------------------|-----------------------------|----------------|----------------|----------------|----------------|
| | ————— in million Birr ————— | | | | |
| GDP at Current Market Prices | 7,986 | 8,499 | 8,854 | 9,169 | 9,794 |
| GDP at Constant Factor Cost | 4,219 | 4,452 | 4,586 | 4,654 | 4,852 |
| (Growth rates in percent per annum) | | | | | |
| GDP at Constant Factor Cost | 5.2 | 5.5 | 3.0 | 1.5 | 4.2 |
| Agriculture | 2.4 | 4.8 | 2.4 | -1.1 | 4.0 |
| Industry | 12.7 | 9.4 | 3.0 | 3.4 | 3.3 |
| Of which : Large Scale Manufacturing | 27.3 | 10.5 | 5.6 | 4.1 | 6.7 |
| Craft and small business | 4.0 | 2.5 | 2.5 | 2.5 | 2.5 |
| Building and Construction | 7.7 | 16.7 | 0.5 | 0.7 | 0.3 |
| Trade and Transport | 12.1 | 5.7 | 3.4 | 4.7 | 5.6 |
| Other Services | 2.2 | 4.2 | 3.9 | 3.2 | 4.5 |

Source: 1984 World Bank Report on Ethiopia

FINANCIAL SUMMARY OF EEC-ETHIOPIAN COOPERATION

| I. LOME CONVENTION (1975-1985) | LOME I | LOME II | TOTAL |
|---|---------------|---------------|---------------|
| Structural Programme | 120 | 141 | 261 |
| Regional Programme | 16 | 15 | 31 |
| Exceptional aid and emergency aid | 7.05 | 48.05 | 55.1 |
| STABEX | 14.4 | 10.8 | 25.2 |
| E I B | - | 12.5 | 12.5 |
| C D I | - | 0.24 | 0.24 |
| | 157.45 | 227.59 | 385.04 |
| II. NON-LOME AID | 1973-79 | 1980-85 | TOTAL |
| Direct Food Aid | 27.31 | 82.79 | 110.1 |
| Indirect Food Aid | 7.05 | 58.46 | 65.51 |
| Emergency aid (Article 950) | 0.7 | 33.8 | 34.5 |
| Special campaign against hunger in the world (Article 958) | | 3.5 | 3.5 |
| Paris North-South Conference (CIEC) | 7.5 | | 7.5 |
| Non-governmental organisations | 0.2 | 1.7 | 1.9 |
| | 42.76 | 180.25 | 223.01 |
| TOTAL I + II | 200.21 | 407.86 | 608.05 |

ETHIOPIA'S TEN-YEAR PLAN: SECTORAL INVESTMENT PRIORITIES 1985-95

In agriculture the government's primary objectives are to increase the production of food grains, mostly by smallholders, and to expand and diversify export crop production by both smallholders and state farms. Self-sufficiency and a three-month reserve at the end of ten years are the target, to be attained by rapid extension of the cooperative system, modernization of peasants' production methods, and the provision of training and farm inputs. Research will be stepped up, and adequate incentives provided for both cooperatives and individual farmers. Major projects are planned, including the setting-up of 987 tractor and combine harvester hire centres for cooperatives, four comprehensive cooperative training institutes and 13 training centres for peasants, the improvement of coffee and tea plantations, and fruit and vegetable refrigeration facilities. Also planned are agricultural research stations, seed propagation and cleaning centres, a training and documentation centre and a centre for agricultural extension services.

13.6% of total investment over the decade will go to manufacturing. Of the 216 projects to be financed, about a quarter are for the food and drink sector. Another quarter is earmarked for the development of the chemical industry. Numerous projects are also planned for the textile, leather goods and footwear industries, and the metal-working and non-metal-working industries. Priority will go to small-scale manufacturing units which are relatively cheap, and provide much-needed employment. Craft industry will also receive encouragement, with particular emphasis on the formation and extension of cooperatives, and marketing will be improved.

The mining sector is to receive 6.6% of planned investment, and 69 projects are lined up for the working of new resources, plus a further 28 involving the development of existing resources.

As part of the drought and desertification control programme, 17,8% of the money will be spent on improving energy and water supplies. The emphasis will be on the development of hydro-electric power to replace imported fuel, and on geothermal energy studies. Reafforestation, soil conservation and fuel-saving measures are also planned. As regards water supplies, the stress will be on rural areas; the target is to supply 31% of the rural population with drinking water in ten years.

A further 22 224 km of roads and tracks are to be built, port facilities will be extended, and a programme of truck purchase will enable the tonnage of freight transported by road to double in ten years. A railway link is to be constructed between Addis and Assab, and a new international airport is planned.

Most of the remaining money will go on social services, including mass education, housing and health facilities. The aims include the following:

1. a literacy programme for 12 million Ethiopians, training of local instructors, and an increase in the attendance rate at primary and secondary schools, technical colleges and universities;
2. construction of 309 000 housing units; several hundred construction brigades will be set up and equipped for this and other building tasks, as will the transport brigades needed to carry out projects under the ten-year plan;
3. 15 hospitals, 239 health centres and 1 750 clinics are to be built and staffed to improve the health service; by the end of the decade the ratio of doctors to population should have been reduced from 1:58 000 to 1/20 000, and 80% of the population should have access to health services. New family planning centres, children's and old people's homes and rehabilitation centres are also planned.

THE DUBLIN PLAN

The Community launched three emergency programmes in 1984, in April (83m ECU), October (60m ECU) and December, when the Dublin Plan was put in hand. The Community's emergency aid since spring 1984, including what is programmed for the next few months, totals 400m ECU, and Ethiopia alone will have received 147m ECU - 64.8m ECU last year, and a further 82.1m ECU to be spent in 1985.

Under the Dublin Plan the seven African countries worst hit by drought were to receive a total of 1 200 000 tonnes of cereals or equivalent from the Community and its Member States plus a further 800 000 tonnes from the rest of the international community, to cover Africa's emergency requirements for the ten months up to the harvest in November 1985. The Community was to provide 500 000 tonnes paid for out of the emergency reserve and 300 000 tonnes under its normal food aid programme, with the Member States supplying the remaining 400 000 tonnes.

Most of the aid was to consist of the supply and transport of food, but other types of relief that might be necessary, such as medical care, clothing and shelter, were not excluded.

By early October 1985, the Community had nearly finished implementing its part of the plan, with 100% of its emergency aid and 88% of its food aid delivered or on the way.

OTHER PUBLICATIONS CONCERNING DEVELOPMENT

Other EEC publications about the Community's relations with the Third World can be obtained from:

Commission of the European Communities,
Directorate-General for Information, Division "Information on Development",
200, rue de la Loi,
1049 Brussels (Belgium)

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