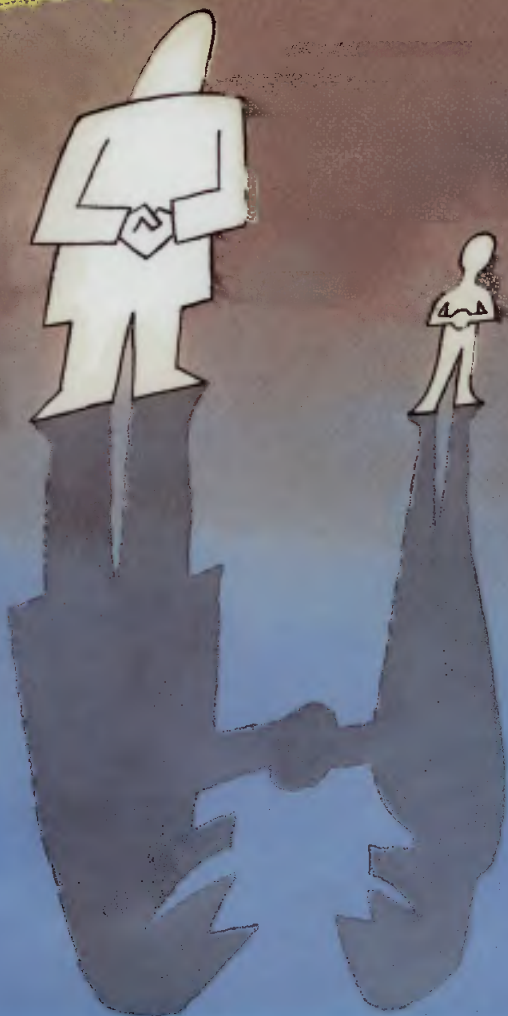
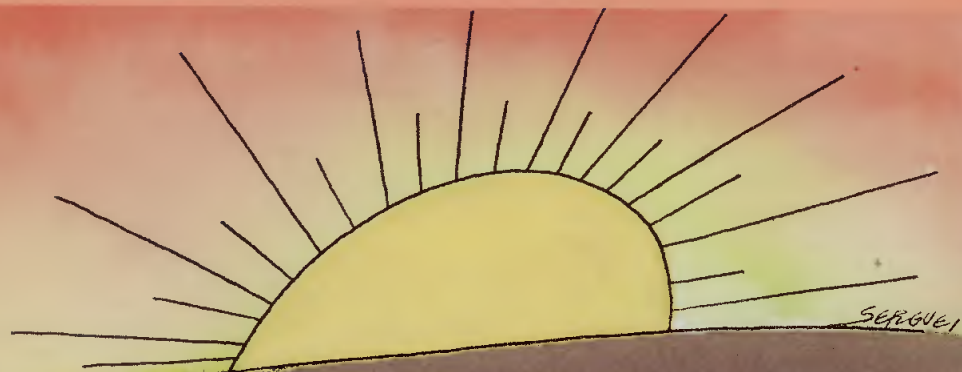


20 QUESTIONS AND ANSWERS

The Lomé Convention
between the European Community
and the African, Caribbean and Pacific States

DEVELOPMENT



CEE: VIII / 53

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A POLICY INSTRUMENT

Since its founding by the Treaty of Rome in 1957, the European Community has been anything but isolationist; it has constantly striven to establish relations with other geographic and economic groupings around the globe. From the outset, it was determined to lend its support to the poorest peoples of the world.

Of course, in the nearly four decades since the Treaty was signed, the world map has been redrawn and international relations have undergone profound changes. One such change has been the accession to independence of what, at the time of signing, were colonies and overseas possessions of European nations.

The Community has successfully adjusted to this new situation. From a unilateral policy with the title "Implementing Convention on the Association of the Overseas Countries and Territories with the Community", which was aimed more at ensuring a continuation of preferential trade and aid relations that were geared to serve its own interests, the Community has moved on to a system of genuine partnership which today finds its expression in the Lomé Convention.

A POLICY INSTRUMENT

1

What is the Lomé Convention?

In 1975 the nine Member States of the European Community (Germany, Belgium, Denmark, France, Ireland, Italy, Luxembourg, the Netherlands and the United Kingdom) and 46 African, Caribbean and Pacific (ACP) countries signed the first Lomé Convention in the Togolese capital. The objectives and founding principles of this Convention clearly set out and illustrate the desire for cooperation and true partnership that motivated the signatories.

- * "The Community and its Member States, of the one part, and the ACP States of the other part (hereinafter referred to as the Contracting Parties), hereby conclude this co-operation Convention in order to promote and expedite the economic, cultural and social development of the ACP States and to consolidate and diversify their relations in a spirit of mutual solidarity."
- * "ACP-EEC co-operation, underpinned by a legally binding system and the existence of joint institutions, shall be exercised on the basis of the following fundamental principles: equality between partners, respect for their sovereignty, mutual interest and interdependence; the right of each State to determine its own political, social, cultural and economic policy options; security of their relations based on the 'acquis' of their system of co-operation."
- * "The ACP states shall determine the development principles, strategies and models for their economics and societies in all sovereignty."

The Convention was revised and renewed in 1980, 1985, 1990 and 1995. The Convention now links 15 Member States of the European Union and 70 ACP countries representing a total of some 500 million people.

Half of all the aid received by developing countries is given by European citizens, and of this 15% is administered by the European Commission. Half of this Community aid goes to the ACP countries. If the United States and Japan contributed a similar share of their gross national product, the amount of official development assistance would increase by 50%.

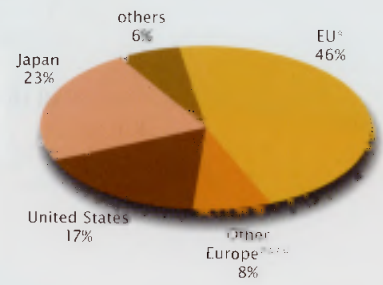
DEVELOPMENT AID: WHAT IS IT FOR?

Official Development Assistance (ODA)	1994 ODA as a % of GNP
TOTAL EU*	0,40%
TOTAL DAC	0,29%
United States	0,15%
Italy	0,20%
Ireland	0,24%
New Zealand	0,24%
Spain	0,26%
Portugal	0,28%
Austria	0,29%
Japan	0,29%
Belgium	0,30%
U.K.	0,30%
Finland	0,31%
Germany	0,33%
Switzerland	0,36%
Australia	0,38%
Luxemburg	0,40%
Canada	0,42%
France	0,64%
Netherlands	0,76%
Sweden	0,90%
Denmark	1,03%
Norway	1,05%

Country	Total DAC (billions of USD)
Belgium	0,68
Denmark	1,45
France	8,45
Germany	6,75
Ireland	0,11
Italy	1,97
Luxembourg	0,06
Netherlands	2,53
Portugal	0,25
Spain	1,25
UK	3,09
(total EU*	26,59)
(of which EC***	4,83)
Other Europe****	4,67
United States	9,85
Japan	13,24
others	3,4
Total DAC	57,75

Disbursements of DAC countries in 1994 (total: 57,75 billions of USD)

* Total of the EU countries at end 1994 (excluding Austria, Finland and Sweden), excluding Greece which is not yet a member of the DAC.
 ** DAC = Development Aid Committee of the OECD (Organization for Economic Co-operation and Development).
 *** i.e. that portion of EU Member States' total ODA channelled through the Commission (EDF & general Community budget), included above.
 **** Including Austria, Finland and Sweden which were not yet members of the EU in 1994.



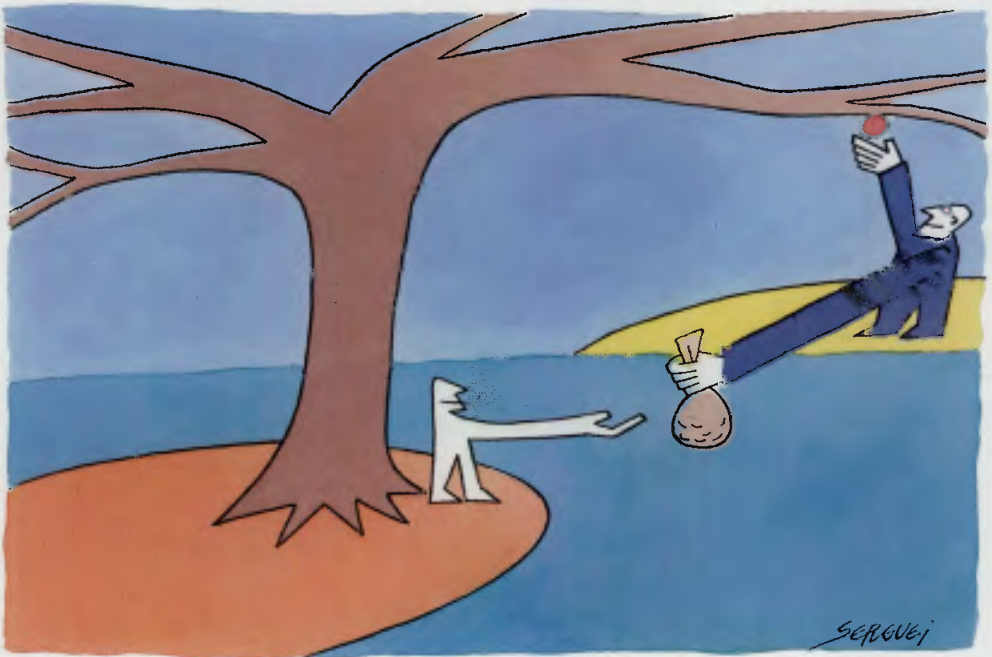
Source: DAC/OECD/Commission

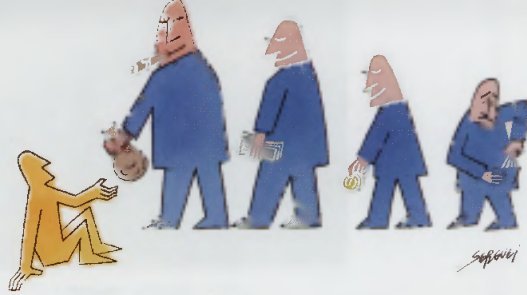
DEVELOPMENT AID: WHAT IS IT FOR?

2

Why doesn't the European Community concentrate on humanitarian aid instead of getting involved in development?

Helping the victims of natural disasters and those wounded in or fleeing civil war is an act dictated by conscience and feelings of common humanity. The European Community has been particularly active here through its humanitarian aid arm, ECHO. The Community is the single largest donor of international humanitarian aid. However, this type of assistance cannot be an end in itself. Today, most natural disasters and many armed conflicts could be prevented, or at least mitigated, if appropriate measures were taken in time. Not by chance do most situations calling for international aid arise in the least developed parts of the world. There is indisputably a direct correlation between underdevelopment and relief requirements, and the two must be addressed jointly.





3

Why finance development aid when unemployment is on the rise in Europe?

To appreciate fully the importance of development, we must keep in mind that the Community is not exclusively an aid donor but also a trading partner of the countries receiving aid. And while Europe provides a vital market for developing countries, a greater share of Community exports destined for these nations than for the United States or Japan. Experience has shown that over the medium term development in countries receiving aid leads to increased consumption, which in turn produces growth in their imports of goods and services from donor countries. In other words, development aid for poor countries can only benefit our own economies. Reducing or cutting off this aid would deprive us of promising markets. For every ECU 100 spent on aid, the Community recovers ECU 48 in the form of projects, supplies and technical assistance purchased from European companies.

		1980		1991		1992		1993	
		ECU	%	ECU	%	ECU	%	ECU	%
EU exports to developing countries, 1980 and 1991-93 (in billions of ECU and as a percentage)	TOTAL	92	100	148	100	161	100	182	100
	<i>of which to</i>								
	ACP countries	17	18	16	11	17	11	16	9
	OPEC	39	42	39	26	42	26	40	22
	Gulf Cooperation Council	13	14	17	11	18	11	20	11
	Mediterranean Basin	26	28	34	23	32	21	38	21
	Latin America	13	14	18	12	20	12	24	13
	Asia	16	17	51	35	56	35	71	39
<hr/>		<hr/>		<hr/>		<hr/>		<hr/>	
		1980		1991		1992		1993	
		ECU	%	ECU	%	ECU	%	ECU	%
EU: imports from developing countries 1980 and 1991-1993 (in billions of ECU and as a percentage)	Total imports	132	100	166	100	163	100	164	100
	Mediterr. countries	22	17	36	22	33	18	31	19
	ACP (Lomé Convention)	21	16	19	11	18	11	15	9
	Latin America	16	12	26	16	24	15	22	13
	Asia	20	15	69	42	72	44	80	49
	OPEC	77	58	47	28	43	26	40	24
	Gulf Cooperation Council	39	30	13	8	12	7	12	7

Source: Eurostat



4

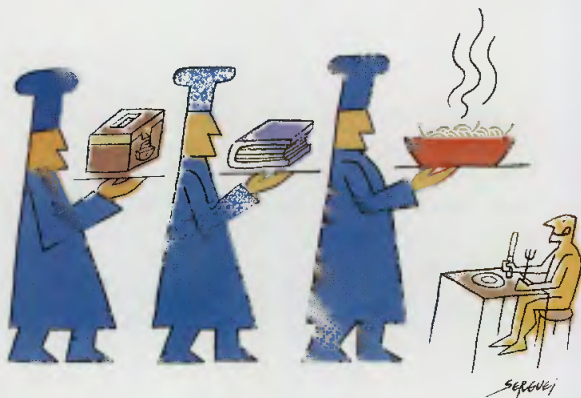
Why go on providing development aid when the results are disappointing?
Why go on helping countries where the lack of progress is flagrant?

Confidence in development and its achievements has been undermined. But the picture is not as gloomy as popular belief would have it. Many ACP countries have successfully completed what we might call the first phase of development, which means they have broken the vicious circle of deprivation. All of the indicators - increased life expectancy, access to safe water, spending on health and adult literacy and falling infant mortality rates - place them squarely on the path to a brighter future.

In strictly economic terms, market principles are being implemented by new generations of managers who are part of the current process of institutional and structural renewal. The spirit of enterprise, like the market economy, is part of popular tradition and once individual initiative becomes generalized, a developing economy takes on its own momentum.

The signs of recovery abound and priorities have been revised to take these factors into account.

Economic reforms are under way everywhere, while political change is finally becoming possible with the end of ideologies pitting one "block" against another. Once the process is unleashed, nothing is likely to halt it, as positive signals from the market and solidly rooted democratic values will inexorably put an end to the predatory practices and profiteering that too often weaken the economies of ACP countries.



Forecasts of per capita real-income growth between 1990 and 2000 are positive for the first time in many years (0.3% compared to -2% for Africa in 1990) and justify some degree of optimism.

WHO IS INVOLVED AND WHAT KIND OF DEVELOPMENT ARE WE TALKING ABOUT?

5

Why is the European Commission involved in development when the EU Member States all have their own development policies?

The Member States' development policies, which are based on the historic links and special relations they have formed with certain ACP States, are often one of the main planks of their foreign policies and so each has its own character and goals.

The development policies of the Member States and of the Community are complementary, each with its own dimension, *raison d'être* and objectives. In face of the "globalization" of international relations and the scope and complexity of the problems at hand, any isolated attempt to establish sustainable development is obviously doomed to failure. Without an umbrella cooperation agreement such as the Lomé Convention, the success of infrastructure projects involving a number of recipient countries and different donors - such as major road networks - would be seriously jeopardized. Similarly, the environmental and health problems common to most of the 70 ACP signatories to the Convention can be better appraised, addressed and monitored within the framework of a uniform policy. Other examples abound. No individual EU Member State, even the most powerful, has the response capability to master and keep track of the problems arising from the new forms of interdependence between North and South. They would be materially incapable of handling properly all aspects of development aid, with all that it entails by way of study, implementation, monitoring, evaluation and, most importantly, coordination of activities involving a multitude of international participants. Hence the value of Community aid administered by the Commission, because it can fulfil a role here which is its main justification and purpose. Community development policy offers specific benefits and is an essential complement to the development policies of the individual Member States with which the Commission coordinates its efforts.

6

What can the Community's development aid offer that the Member States' bilateral policies do not?

Community development aid has expanded considerably over the years: there is more money (now 15% of all aid from the Member States), the geographical coverage extends to the entire developing world and the instruments of aid are much more varied. Title XVII of the Maastricht Treaty on European Union is a landmark in this process; for the first time, the Community's development aid activities are covered by provisions of a constitutional nature. Despite these changes, Community development aid continues to offer undeniable advantages over bilateral aid and this is particularly true of the aid given under the Lomé Conventions that have linked the Community and its Member States with the ACP countries for more than 20 years.

For example:

- Aid given under the Lomé Convention, consisting mainly if not exclusively of grants, does not increase the debt burden of the recipient countries.
- The Lomé institutions are jointly administered and together they form a complex yet balanced system which has no equivalent in North-South relations.
- Aid provided under the Lomé Conventions runs over a number of years, so providing both political insurance for the ACP recipients and a stable administrative framework for the Community which acts as administrator of the aid.
- Despite changes in the system, it is essentially a contractual relationship in which the ACP countries are free to express their opinions and to table their demands.
- The system functions in a remarkably transparent way.
- The Lomé Convention is above all particular national interest and is a permanent link between the Community's development policies and those of the EU Member States.
- The Community has never financed arms and carefully avoids any involvement with aid of a political nature.

- Lomé allocates substantial aid for regional cooperation and this, among other things, has made the Community a de facto leader in the area of structural adjustment.
- Lomé provides impetus for the implementation of particularly innovative approaches to aid, such as decentralized cooperation.

However, Community aid clearly does not and never will prevent the Member States from playing a role at bilateral level. The two forms of aid are complementary and not conflicting.



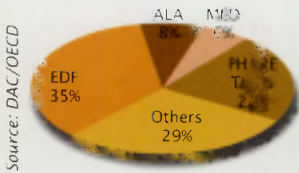
Autosala Brouard - Le Club de la VCP

7

How much Community aid do the ACP countries get compared to other regions of the world?

For the reference period 1996-2000, Community aid to the ACP countries has been set at ECU 14.625 billion, a significantly larger amount than that granted to other developing countries. This demonstrates the Community's particular concern for the 70 Lomé signatories, which include many of the poorest countries in the world. Community aid to Mediterranean non-member countries during the period 1995-99 will total ECU 4.7 billion (excluding loans from the European Investment Bank), twice the amount allocated between 1991 and 1995. This big increase testifies to the European Union's growing concern about the strategic implications of the problems confronting its southern neighbours. Europe is aware that unless it does something to resolve the crises faced by the states of the Mediterranean region, the resulting problems will sooner or later spill over its own borders.

Breakdown of Community aid (1994):



Source: DAC/OECD

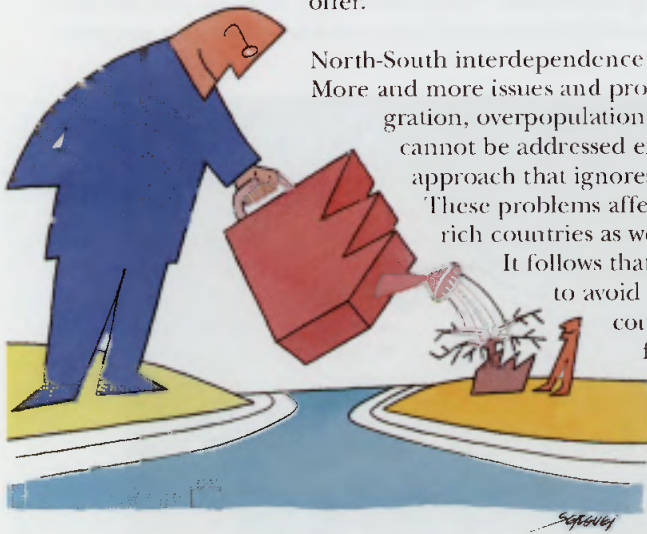
The same goes for the countries of Eastern Europe, which will receive a total of ECU 6.7 billion in aid between 1995 and 1999.

During the first half of this decade, the Community awarded a total of ECU 2.9 billion (not including EIB loans) to more than 30 countries of Latin America and Asia in the form of development aid. Community cooperation with Latin American and Asian countries is of a very specific nature. Given the increasing industrialization of these countries, this aid generally takes the form of an equal partnership between trading partners and is focused on the consolidation of these countries' economic and industrial development through such measures as support for credit schemes, the setting-up of small and medium-sized enterprises and the promotion of joint ventures. The Community also considers technology transfers and training exchanges to be of vital importance.

8

What is currently the driving force behind development aid?

For some time North-South interdependence has begun to assume new forms. With the growing mobility of people, capital, goods and information, the economic development of countries in both the North and the South must now take place in a more global context. And viewed in this context the South's underdevelopment has directly negative economic consequences for the North, where industries are deprived of markets because potential consumers cannot afford to purchase their goods and services. Development programmes are therefore directed at nurturing these currently stunted markets. At the same time, such programmes, within the framework of international agreements and treaties like the Lomé Convention, also provide productive investment opportunities for European firms, which may also become more competitive by taking advantage of the various economic advantages the developing countries have to offer.



North-South interdependence is not merely economic, however. More and more issues and problems such as drug abuse, immigration, overpopulation, the environment and AIDS cannot be addressed effectively with an isolationist approach that ignores their universal dimension. These problems affect both North and South, the rich countries as well as the least developed.

It follows that if the industrialized world wants to avoid suffering, sooner or later, the consequences of the crises now affecting the least developed countries, it must display solidarity and support these countries' efforts. Otherwise, the price to pay in a few years may well be much higher in both human and financial terms than it would cost today to stave off disaster.

9

Why does the Community always deal with governments when allocating development aid?

The Lomé Convention is an agreement between the European Community, an international institution, and the governments of the ACP countries.

But in parallel to this official agreement, the Community has been working for more than ten years to develop a dialogue with the real beneficiaries of aid. Through its offices on the spot (Commission Delegations), the Community has established ongoing relations with local people, with the Delegations serving as an intermediary between the local population and government officials. A genuine dialogue has emerged which goes beyond the confines of official procedures, and the situation "on the ground" can sometimes prevail over the initial wishes of the recipient countries' ministries.

The Community maintains informal relations not only with local people but also with non-governmental organizations (NGOs) working in the field. These NGOs may develop independent projects with Community funds earmarked for this purpose.

La Courbe de l'ACP





10

Are there strings attached to this aid?

The European Development Fund is governed by the priorities negotiated with the recipient countries, and its operations are carried out only at their request. These countries' development policies therefore determine what type of aid the EDF provides. In practice, however, a number of considerations may influence the application of this principle.

First, the recipient countries' priorities are negotiated with the European Commission on a country-by-country basis. These negotiations culminate in the signing of a five-year "national indicative programme". Without this programme, aid operations cannot start up and no funds are released. In short, the partner countries do not receive any aid without first reaching agreement with the Commission on what to do with it. Even after the national indicative programme has been signed, the Commission can still block any project submitted by a partner country. The EDF procedure is not automatic and project approval is a specific procedure independent of the adoption of the national programme.

In practice, during both the negotiation of the five-year programme and the appraisal of project proposals, the recipient country and the Commission engage in dialogue with the aim of reconciling the government's priorities with the Commission's conditions and preferences, the conditions relating mainly to the feasibility and viability of projects.

In recent years, however, the Commission has with increasing frequency set conditions that go beyond considerations of mere economic feasibility. Without usurping the role of the partner country's political authorities, the Commission lays down general guidelines for their development policy. The European Union has stated very clearly that it will work only with countries where human rights are respected and there is a firm commitment to move towards democracy and the rule of law. This principle is so important to the Community that non-compliance may lead to the suspension of all but humanitarian aid.

11

Doesn't Lomé policy have to change in response to the globalization of the economy, the emerging needs of the former Communist countries and the new organization of world trade?

In recognition of its historical, cultural and geographical links with the countries of Eastern Europe, the European Union has reacted to the upheavals in Eastern Europe by making exceptional efforts to assist these countries to rebuild their societies and economies on new foundations and is continuing to play an important role in this process even today. But this quite natural penchant towards close economic ties with Eastern Europe should not lead to indifference to events in the rest of the world. The rapid globalization of the economy, as enshrined in the recent GATT agreement, does nothing to help the least-developed countries, which are cited in the Maastricht Treaty as deserving of priority for EU development aid. In fact, standards for economic performance as measured in terms of competitiveness on external markets may in some cases be temporarily incompatible with the development priorities of some of these countries.



Antonio Bruno - Le Courrier UE-ACP



Pascal Maitre/Cosmos

Greater regional cooperation among developing countries in the form of projects that benefit more than one country or area, can in the long term help to liberalize trade more rapidly than participation in multilateral negotiations. In some cases, it can serve as a rehearsal for full entry into global trade.

Clearly, however, no instrument of international aid, no matter how comprehensive its scope, can go on functioning without being adjusted to the changes taking place in its natural operating environment. A mid-term review of the fourth Lomé Convention in 1995 saw major improvements in the provisions on human rights compliance and - with an eye to its increasing globalization - on trade.

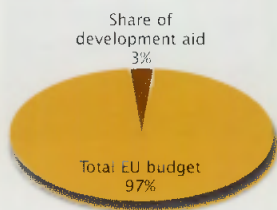
DEVELOPMENT AID: FACT AND FICTION

12

What is the cost to European citizens of development aid to the ACP countries?

The Community budget and development aid (1994)

Source: OAC/OECD



In 1994 European development aid cost the 370 million citizens of the 15 Member States of the European Union ECU 64 each. However, as this sum is merely the arithmetic average of annual expenditure on development by the European Union (15% of the total) and the Member States (85%), the actual amount varies from one Member State to the next. The burden is thus lighter for citizens of the Union's poorer countries than it is for those of the more prosperous ones. For example, each Dane paid ECU 222 towards development in 1994, while Britons paid only ECU 43 each and the Portuguese ECU 25.

The ECU 64 that development costs each European on average is more or less equivalent to the cost of a good concert ticket or about 10% of the money a one-pack-a-day smoker spends on cigarettes in a year.

In 1994 the share of this ECU 64 managed by the European Commission, i.e. the portion representing the cost of the Lomé Convention, amounted to ECU 5 or less than the price of a cinema ticket. This figure is also an arithmetic average whereas the scale of contributions is proportional to the wealth of each of the EU Member States. But in any case, it is a small price to pay to give a future to millions of the poorest people on earth. The wisdom of this investment is even clearer when we consider that it often contributes to the development of our own society as well, since the ACP countries regularly order from European manufacturers and service providers under aid contracts.

13

Doesn't development aid create a culture of dependency among the recipients?

The way that the Lomé Convention is designed and implemented makes such a situation unlikely, if not impossible. The policies implemented under the Lomé Conventions are based not on mere assistance but on true cooperation that is as comprehensive as possible. The strategy is to nurture development within the partner countries, not to export or impose what we think best for them.

A crucial part of this strategy is the status assigned to the aid recipients. They are regarded as full partners and not merely objects of charity. They participate fully in all stages of decision-making, from the dialogue on policies to the development of multiannual aid programmes and the day-to-day management of aid. Development aid under the Lomé Conventions has a contractual foundation which is negotiated and administered jointly by the ACP countries and the Community. In the final analysis, the key to the problem of a dependency culture lies in the notion of development itself: the objective is to help countries that want to help themselves, and to help them to help themselves.



Photo: Maitre/Cosmas

14

Does aid really add to people's welfare or is it purely economic in focus?

The wide variety of aid programmes and their varying impact in different countries, and the many different ways of ranking development objectives, make any overall evaluation of the results extremely difficult. Nonetheless, aid has undeniably made a big contribution towards improving the partner countries' economies and the well-being of their populations, or has at least created sustainable conditions conducive to such improvement.

This is particularly true of aid provided by the European Community - often in conjunction with other sources of aid - above all in areas such as health, education, communications and, more recently, the building of democracy and the defence of human rights. We must acknowledge, however, that all the aid accorded so far has not yet eradicated the root causes of underdevelopment.

This is all the more regrettable since aid expressly targeting the two primary objectives has been an unqualified success in many instances. Aid given by the Community under the Lomé Convention, for example, has been an effective bulwark against the socially damaging effects of structural adjustment and currency devaluations in certain countries, sparing their populations the pains of drastic wage cuts and business earnings that result from such adjustments. European Union aid has also, in many cases, prevented famines that natural or man-made disasters threatened to provoke.



Le Courrier UE-ACP

15

Why does aid cover so many areas? Wouldn't, say, trade cooperation be enough?

The Lomé Convention covers nearly all the factors that could influence the sustained development of the ACP countries. Trade is one component of development, and certainly an important one, but between countries at sharply differing stages of economic development trade may have negative effects on the less developed. Faced with the age-old choice between trade and aid, the Community has opted for a balanced middle way. This does not mean that the Community neglects trade issues. On the contrary, it offers specific measures such as preferences, support for commodities, opening of borders, etc.



Hegel Goutier - Le Courrier UE-ACP

But here again, experience has shown that preferential tariffs alone are not enough for commercial success; aid to help these countries become more competitive on external markets is more vital than ever. Without it, the ACP countries will continue to lose market share in Europe to developing countries of other parts of the world, despite the fact that those countries enjoy fewer preferences.

The Maastricht Treaty lays down that one of the objectives of Community development policy is the gradual and harmonious integration of developing countries into the world trade system. First, however, these countries must be able to offer marketable products that are competitive. This they cannot do without the injection of additional capital into long-term productive investment and the modernization of their processing facilities.

Where significant private investment is lacking - in Africa, for example, - aid continues to play an essential role, at least for the time being.

The goal of Community development policy is to promote the development of all economic sectors, including trade, but it also embraces the cultural and political aspects that form the basis of a harmonious and balanced development of society.

16

What are the development policy priorities under the Lomé Conventions?

The first European Development Fund was created in the 1960s in an era marked by decolonization, which meant that the bulk of investment went on infrastructure that the colonial powers had not provided and the rebuilding of that which had been destroyed. Broadly speaking, this policy continued under Lomé I and Lomé II.

During negotiations on Lomé III in 1985, the Commissioner then responsible, Edgard Pisani, drew the negotiators' attention to the fact that the least developed countries were being equipped with infrastructure but their people were still dying of hunger. It was therefore decided to emphasize rural development and food security, although the infrastructure component was not completely abandoned. Lomé IV, signed in 1990, marked an essential innovation in the sectoral allocation of aid with the introduction of support for structural adjustment, whether national (restoring the balance of payments and balancing the budget) or sectoral (specific budget headings such as health or rural development).



The distinguishing feature of this new type of aid lay in the identification of target areas of social spending: health, education and all forms of human-resource development, including training. But although support for structural adjustment was the main innovation of Lomé IV, intensive aid for rural development remained one of the primary objectives.

The Maastricht Treaty also enumerates a number of priority themes which were defined in consultation with the Member States. Most have been incorporated into the revised fourth Lomé Convention signed in Mauritius in November 1995. They include the promotion of democracy and a market economy, the fight against poverty, commercial competitiveness, greater effectiveness of aid and consideration of Europe's priorities in these same areas.

Le Courrier UE-ACP





17

Does the European Commission monitor the distribution of aid to prevent corruption and embezzlement?

The European Community's development aid is subject to numerous checks both internal (Financial Control and the Court of Auditors) and external (the opinion of the European public as expressed by its representatives in the European Parliament). These checks are the first line of defence against corruption and/or embezzlement. One example illustrates the quality of the system: the Court of Auditors has the right to check the accounts of projects and transfers of funds, but may also investigate the documentary evidence in any of the Lomé partner countries. In other words, the Court has the right to conduct an inquiry (with the permission of the government concerned) within the ministries of any ACP State in receipt of aid.

Another form of guarantee is the nature of the financial flows by which aid is distributed. Almost no physical movement of funds occurs. Once a project has been accepted and is launched, financing is carried out exclusively by banker's transfer, a paper specifying that the holder of contract X, whose bank account number is Y, should be credited with Z amount of money. The risk of misappropriation is therefore slight.

However, this does not mean that corruption and/or embezzlement never occur. There are types of aid and procedures which are more difficult to monitor and thus more open to fraud. The Commission does everything possible, however, to detect and eliminate known instances of fraud. In addition, the presence of EU Delegations in each ACP country naturally helps to prevent blatant attempts at corruption.

18

Are some countries developing thanks to aid?

Some countries are experiencing genuine development thanks to cooperation with the European Union.

Mauritius, where the revised Lomé Convention was signed in November 1995, has benefited a great deal from European aid and has become one of the ACP countries' success stories.

It has a booming sugar industry - aided by the Community - and manufacturing sector.

If we look only at GNP (gross national product) figures for the ACP States and compare their growth rates to those of comparable countries, we might have legitimate cause to doubt that aid has really helped the ACP countries to develop. However, for a valid assessment of the degree of progress achieved thanks to aid, we should examine some basic indicators that show how far these countries have advanced.

Thus, while many countries of sub-Saharan Africa receiving Community aid appear at a disadvantage when compared to Asian countries, countries such as Côte d'Ivoire, Benin, Ghana, Kenya, Zimbabwe and, above all, Botswana have made tremendous gains, as compared with the Philippines for example, which in 1960 was expected to be one of the very next members of the club of industrialized nations.



Hegel Goutier - Le Courrier UE-ACP

So it may reasonably be assumed that real development based on productivity growth - and not on the commodity earnings that have been characteristic of the past 30 years - may be achieved through aid. The Community's recent decision to make aid conditional upon results will enable certain profound changes to take place in the ACP countries.

THE FUTURE OF AID

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What does the future hold for cooperation with the African, Caribbean and Pacific countries?

Three decades of development have demonstrated that the internal policies of the partner countries, international trade and the global economic context all have a decisive influence on the performance of developing countries. The role of aid must be defined and put into perspective with these factors in mind. However, aid cannot compensate for the wrong domestic policies or a lack of export markets.

The revised Lomé Convention signed in Mauritius in November 1995 places more emphasis on political aspects, provides more support for the economic and commercial competitiveness of ACP products and shows more concern for the efficiency and coherence of cooperation.

The economic provisions of the revised Convention include more support for private-sector development and boosting economic and commercial competitiveness. The five-year programming of Community aid has become more flexible in the use of resources in order to avoid situations where large sums lie idle and offer an incentive for good performance in implementing Community-financed programmes. In the current context of globalization, these changes should make the Convention work better. In any event, the partners have four years to consider the best way to work together at the dawn of the third millennium. Provision was also made for South Africa's partial accession to the Lomé Convention, accompanied by a bilateral, essentially trade-focused agreement. This agreement is a good illustration of the changes taking place in development aid, which is slowly but surely moving from an "aid logic" to a contract approach, in other words the drawing-up of bona fide contracts involving two or more parties subject to binding terms and conditions.

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So where do I fit in?

This is the question you may be asking yourself after reading our brochure. The range of development issues is so vast and the stakes so high that they seem to dwarf the possibility of making any individual contribution. While each of us can play some kind of role in areas such as health and environmental protection, we may feel quite powerless when it comes to taking action that truly promotes development.

We must admit that between the two extremes of simply making a donation and becoming involved in practical development work, there is little or nothing we can do.

So when we ask ourselves "What can I do to help?", we are strongly tempted to answer, "Nothing". But this would be a grave mistake. Although we may find active involvement virtually impossible, there is another way - less direct, but no less effective - of making a contribution.

We can stay informed.

Simply by reading this brochure, you have already done something useful for yourself and for the cause of development. Although politicians may hold the cards, we as Europeans can influence how they play them.

To help and/or convince them to make the right moves at the right time, we need as broad and as detailed an understanding of the issues and their implications as possible.

Beyond accomplishing our duty as citizens, we can enrich our own lives by learning more about the world we live in and about those people, both far and near, who share the planet with us. By discovering these other places and peoples, we open ourselves to them, to their character, their culture and their rich heritage. By so doing, we can better understand them, care about them - and help them.





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