

### THE EUROPEAN COMMUNITY

BELGIUM DENMARK FRANCE **GERMANY** (Federal Rep.) IRELAND ITALY LUXEMBOURG **NETHERLANDS UNITED KINGDOM** 

### THE ACP STATES

BAHAMAS **BARBADOS** BENIN **BOTSWANA** BURUNDI **CAMEROON CAPE VERDE CENTRAL AFRICAN** REPUBLIC CHAD COMOROS CONGO **DJIBOUTI** DOMINICA **EQUATORIAL GUINEA MAURITIUS ETHIOPIA** FIJI

GABON

GAMBIA

**GHANA** 

GUYANA **IVORY COAST JAMAICA** KENYA KIRIBATI LESOTHO LIBERIA MADAGASCAR MALAWI MALI **MAURITANIA** NIGER **NIGERIA PAPUA NEW GUINEA RWANDA** 

ST. LUCIA

GRENADA

**GUINEA-BISSAU** 

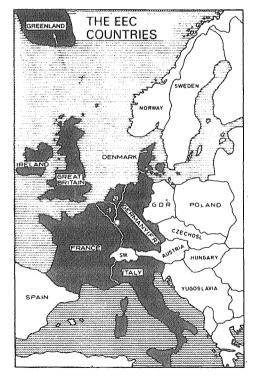
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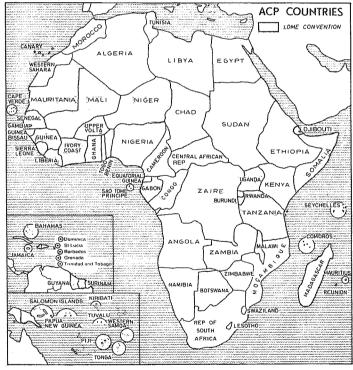
SENEGAL SEYCHELLES SIERRA LEONE **SOLOMON ISLANDS** SOMALIA SUDAN SURINAME **SWAZILAND** TANZANIA TOGO TONGA TRINIDAD and TOGABO TUVALU

SAO TOME PRINCIPE

**UGANDA UPPER VOLTA WESTERN SAMOA** 

ZAIRE ZAMBIA





### FRANCE

(Overseas departments) Guadeloupe Guiana

Martinique Reunion

St Pierre and Miquelon

(Overseas territories)

Anglo-French Condominium of the New Hebrides Mayotte New Caledonia and depedencies

French Polynesia French Southern and Antarctic Territories

Wallis and Futuna Islands

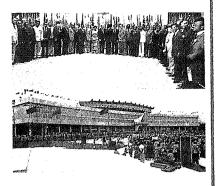
### **NETHERLANDS**

(Overseas countries) Netherlands Antilles (Aruba, Bonaire, Curação; St Martin, Saba, St Eustatius)

### **UNITED KINGDOM**

(Overseas countries and territories) Anglo-French Condominium of the New Hebrides Antigua Belize British Antarctic Territory British Indian Ocean Territory British Virgin Islands Brunei Cayman Islands Falkland Islands Montserrat Pitcairn Island St Helena and dependencies St Kitts, Nevis and Anguilla Turks and Caicos Islands

Signing ceremony — At the end of over a year of negotiations, the new convention on cooperation between the European Community and the ACP states was signed in Lomé on 31 October 1979. It was difficult to reach an agreement, but the final outcome was a major victory, achieved through the political will of the ACP and European partners. This special issue of the Courier carries the complete text of the second Lomé Convention (yellow pages), a report on the signing ceremony, the views of the main negotiators, and brief profiles of the signatory countries. Pages 3 to 19

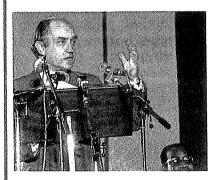




The ACP Group — The President of the ACP Council of Ministers, Bernard St John, made a long speech in Lomé during the signing ceremony in which he spoke of the "satisfaction" of the ACP countries in having reached an agreement. But he also spoke of a certain number of points where the ACP countries felt "a deep sense of frustration" with the general content of the Convention. However, the president of the ACP Council also believed that Lomé II was an act of "hope". Page 4

European Community — Michael O' Kennedy, President of the Council of the European Communities, spoke briefly of the history of the negotiations. He then gave his view of the policy undertaken under Lomé, a policy which was bound to continue. Lomé II and Lomé I were "solid steps" along the road. Page 7





Claude Cheysson — On behalf of the Commission of the European Communities, development commissioner Claude Cheysson spoke of his great belief in the reasons for close cooperation between the EEC and the ACP countries. If, as things stand, the ACP states depended economically on the industrialized countries, particularly for technology, for Europe the future would in part depend on relations with the Third World where raw materials were produced. Page 8

Lomé — The signing of the ACP-EEC Convention provided a chance to discover, however briefly, the charm and hospitality of the Togolese capital and its people. The signing of the new agreement between the ACP and EEC countries was accompanied by an enjoyable round of receptions and by songs and dancing by young men and women in organized displays. Page 10 to 19



### THE COURIER

AFRICA - CARIBBEAN - PACIFIC — EUROPEAN COMMUNITY

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YELLOW PAGES: Complete text of the second ACP-EEC Convention with Protocols and annexes

## From Lomé I to Lomé II

The new ACP-EEC Convention signed in basic reasons makes this an important stage Lomé on 31 October is another major step for us. forward in the strengthening of co-operation between the EEC and 58 countries of Africa, the Caribbean and the Pacific.

Like any agreement reached after long and difficult negotiations, Lomé II is a compromise that does not fully satisfy either party. The EEC had to concede more to the strength of the ACP arguments then it had anticipated and did not get what it wanted on several points it held dear. The response made to the ACP countries' requests did not always meet their expectations, either. But compromise is the inevitable conclusion of any well-balanced negotiations.

Let us not waste time listing the omissions and points of friction like cold-hearted accountants. We could lose sight of the considerable progress that was made.

The new agreement contains improvements in most areas which are far more then mere window-dressing or tinkering with details. And it contains innovations that augur well for the future, the most significant of which are the guarantee system for ACP economies largely dependent on mineral exports and a series of measures to develop the mining and energy potential of the ACP countries. A succinct description of these various innovations and improvements appears in this special issue.

The basic nature of the first Convention has not, of course, been changed. Lomé II carries on and builds on its achievements.

For my part, far from seeing the less than prolific number of innovations as a sign of a lack of ambition or foresight, or a harbinger of a decline in our cooperation, I see both a consolidation and a deepening of Lomé I, which for two

First, if we judge Lomé II and trends in co-operation from the point of view of the changes alone, we would thereby discount the maintenance of past achievements and the consolidation of those aspects of the first Convention which were only experimental and will now be consolidated in day-to-day implementation: the change, in fact, from an experiment to a policy.

By embodying the achievements of Lomé I, the new Convention ensures that ACP-EEC relations retain that unique quality that is lacking and will continue to be lacking in North-South relations-namely the security and reliability of the contract over its fiveyear period of validity, its permanent and versatile nature and the close ties and dialogue that the institutional provisions provide between the partners; the acceptance of different economic and political systems in the ACP States and the respect for their sovereignty, their cultural identity and the type of development to which they aspire.

Second, the undeniable progress contained in Lomé II reflects both a desire for solidarity and a kind of political maturity in the two groups of partners.

This is all the more impressive in view of the unfavourable international environment that has blighted the major international negotiations between North and South

and cast a shadow on the economic and social prospects of the EEC.

So the ACP and the EEC countries can face the future with confidence. Their pact of solidarity has stood the test of time and emerged from the negotiations all the stronger.

JEAN DURIEUX

The rostrum in the main hall of the "Maison du Parti" (party HQ) where Lomé II was signed

# THE SIGNING IN LOMÉ

# A ceremony worthy of the Convention

In Lomé on 31 October 1979, in the heady atmosphere of festivity African-style, moving yet joyful, 58 ACP and nine EEC plenipotentiaries signed the second ACP-CEE Convention that will govern relations between the two groups of countries from 1 March 1980 to 28 February 1985.

Three or four thousand people were crammed into the vast hall at the Maison du Parti for an unforgettable ceremony that fully reflected the great interest the Togplese government has in Lomé II and in its principal objective-the economic development of the ACP

A warm welcome was extended to the many representatives of the 67 ACP and EEC countries and the pressmen were equally appreciative of the technical facilities provided for coverage of the event.

Throughout the trip to Togo, and particularly during the ceremony itself, thousands of young people singing and dancing created a festive atmosphere and generated a youthful enthusiasm that no one could resist.

So Lomé II was born. There were problems, right up to the last minute. But the determination of the ACP countries (all of whom were represented in Lomé) to refrain from signing any text that was not a fair reflection of their vision of cooperation was also an indication of their desire to maintain and strengthen their ties with the EEC.

For Lomé II may now be the basis of a process that could gradually bring about fundamental changes in the relations that industrialized countries have so far had with the developing countries that are their main suppliers of raw materials, as well as in relations between the ACP countries themselves.

This idea of redefining and altering the approach to ACP-EEC relations was the main theme of all the speakers at the Lomé ceremony.

This is why, as the extracts from the main speeches make clear, the ACP countries are concerned both with setting up a system of trade that is profitable to them, and with ensuring certain economic rights for countries of the Third World. As Bernard St John, chairman of the ACP Council of Ministers, put it: "the convention we have signed is full of hope—but we must not lose sight of the fact that a whole series of demands and desires for the economic life and the progress of the ACP countries still need to be examined in a favourable light..."

And Togolese premier General Gnassingbé Eyadéma said that what must be remembered is "the worldwide need to guarantee every individual living conditions ranging from personal protection to the basic necessities of life which ensure a decent existence".

On the Community side, Michael O'Kennedy, President of the Council of Ministers, said that, although Lomé I and Lomé II were only moments in time, they were nevertheless firm steps along the path of cooperation. Development commissioner Claude Cheysson commented on the contractual aspect and the reliability of the Convention, although he admitted there were gaps. But he stressed the solidarity now established between the ACP group and the EEC.

A lot had been said about human rights during the negotiations and Mr Cheysson broached the subject, mentioning the resolutions adopted at the Commonwealth meeting in Lusaka and the OAU in Monrovia, saying that "the commitment that the highest authorities of all the ACP countries have made echoes what the Europeans have decided to apply in their own countries and in their relations with all the other countries of the world, without exception".

Simone Veil, President of the European Parliament and joint President of the ACP-EEC Consultative Assembly, was invited to Lomé by the Presidents of the ACP and the EEC Council. She stressed the importance of this ceremony which, she said "will go down in the history of our continents." She went on to congratulate the negotiators, emphasizing their "generous wisdom", their "will" and their "determination", which "when harnessed in a great cause, will overcome many an obstacle".

### H. Bernard St John

# "The groundwork of our continued cooperation in the 1980s"

The President of the ACP Council of Ministers, Bernard St John (Barbados), gave a clear expression of how the ACP countries felt about the negotiations. They had been "long and arduous" and their results were "satisfactory" but nonetheless left "a sense of frustration", he said. Mr St John went on to examine the scope of the new convention and its significance to the ACP countries in the context of "the new international order".

"We of the ACP countries", Mr St John said, "have come here to renew the community which we jointly undertook with the European Economic Community nearly five years ago—a commitment to establish a new model for relations between industrialized and developing countries, a model for cooperation on a basis of complete equality of partnership, a cooperation whose ultimate objective was the fulfillment of those over-riding aspirations that are of importance to all mankind.

"When the 46 ACP countries, on 28 February 1975, signed the first Convention of Lomé, they were hopeful then of making a significant contribution to that objective. And indeed, we believe that we did so, gauging from the recognition by the international community of the exemplary nature of the Convention and from the importance which the contracting parties-a grouping of nearly six hundred million people-attach to the satisfactory conclusion of the negotiations for a successor agreement. These considerations assure us that the first Convention of Lomé was indeed a first step, albeit a significant one, towards a fundamental restructuring of the international economic system and global power relations. Today we take the second step, this time not a great leap forward, but hopefully a firm stride towards our common and urgently needed goal.

# "The advances made in the new Convention"

"The second Convention of Lomé is being launched on the eve of the third development decade. We of the ACP States believe that in Lomé II we have laid the groundwork for our continued cooperation in the 1980's. This groundwork fully recognizes the increasing mutuality of interests which has led us

### H. Bernard St John

"The world is in a state of turmoil and travail, much of it is the result of the inequities and disequilibria that characterizes the present economic order"

to this juncture of history today. The world is in a state of turmoil and travail, much of it the result of the inequities and disequilibria that characterize the present economic order. Our efforts at devising a more just and more relevant vehicle for the progressive development of our economic relations with a major part of the developed world would hopefully provide an example of the progress that might be made given, and I repeat, given, the necessary political will.

"The advances we have made in this new Convention deserve at least a passing mention. In the general area of trade cooperation, conditions of access to the EEC market have been improved for some products. More diversified goals have been set for trade promotion and the special arrangements for certain problem products have been liberalized. The coverage of the Stabex system has been

widened, the resources increased, the qualifying mechanism made more easily attainable, and the conditions for replenishment have been modified and better clarified. A system covering a limited number of minerals and designed to deal with certain special problems affecting their supply and export to the Community has been introduced.

"While it is true, and indeed well-known, that every negotiation demands compromise, it is no less well-known that every compromise does not necessary imply a surrender of principle. None of us—as negotiators—has obtained all we sought and we have all left the bargaining table with unfulfilled expectation.

### Where "we are unhappy"

"Even accepting this self-evident truth, we of the ACP—no stranger to disillusionment and disappointment—could not escape a feeling of deep frustration that the community could not finally respond positively to our legitimate claims for unhindered access for our agricultural products, insignificant as they are, to the European market, and for greater liberalization in the structure of the rules of origin for our semi-processed goods.

"We are unhappy that neither Stabex nor the scheme for minerals meet many of our major concerns. For those ACP economies heavily dependent on the export of services we are still left without any cushion to the fluctuations in our export earnings. Even in the case of minerals, where undoubtedly some progress has been made, the key concerns of the ACP States have yet to be fully incorporated.

"These setbacks were unfortunately by no means offset by the quantum of the volume of aid which in real terms will make a smaller contribution per head of our population than was made by Lomé I.

"Probably the greatest fear of the ACP is the lurking danger of enduring another five years with a chapter on industrial cooperation which could find itself devoid of operational content due to lack of adequate financial resources.

"We have great hopes in the joint commitment we have agreed on to seek at the beginning of this convention adequate means to escape this lurking danger.

"But we have come here to sign a convention-a convention of hope. We will sign that convention without losing sight of the fact that a whole range of legitimate demands and requirements for the economic survival and advancement of the ACP States stand in urgent need of sympathetic responses. Despite this, we must not let our disappointment on both sides blind us to recognizing the substantial achievement we have made and deny us from taking credit, both for what it promises for ourselves, in terms of cooperation between our states, and for what it offers to the world within the framework of the wider search for international consensus on the conditions for human survival.

### Human rights, investments...

"I would be shirking my duty if I did not refer now to two issues which have received widespread publicity in the course of our negotiations. The first is the question of human rights. Members of the European Community, you would know that as a group, our concern for human rights is no less than yours. Every signatory state here today is a member of the United Nations. All of us subscribe to the charter of that body and to the resolutions which have been passed in a forum which has the necessary legal competence. Those of us who are members of the Organization of African Unity have reaffirmed that intention at the level of heads of State in the now famous resolution in Monrovia in July 1979, and those of us who are members of the Commonwealth, which, as you know, spans the three regions of the ACP and includes over one half of the ACP States, adopted, also at the level of heads of State, a resolution expressing a similar concern in Lusaka in August this year. Thus, we too are militants for human rights and as such our relations continue to be founded on the principles which form the cornerstone of justice, liberty, peace and respect for human dignity.

"The second issue is the matter of investment guarantees. This issue, which was advanced by the EEC as a mechanism for attracting investment to ACP States, has been the subject of long and arduous negotiations as more and more it became a mechanism for conferring certain preferential conditions on investments from EEC member States into ACP States.

"We are not opposed to the adoption of instruments to attract investment to our countries provided the terms and conditions on which we do so allow us to protect our sovereignty and advance our economic well-being. Once, therefore, we judge these criteria to be guaranteed, we shall be disposed to enter into effective arrangements in this domain.

# "Put into train every mechanism necessary for its early ratification"

"The entire promise of achievement which our signatures symbolize will stand or fall on our political and technical commitment to the implementation of these arrangements. As we all know, the negotiations were long and



Songs of hope in Lomé to welcome the ACP/EEC delegations

arduous-indeed longer and more arduous than we anticipated-and consequently we overran our timetable. As such, we must now proceed to ratification with the greatest possible speed. All of us are politicians and we all know the pressures on our domestic institutions but, as we have said so many times in our relationship, priority of importance requires priority of consideration and the second Convention of Lomé is of great importance to all our States—ACP as well as EEC. It behoves all of us therefore to put into train every mechanism necessary for its early ratification.

"As regards the implementation, I need stress neither the importance nor the fact that we of the ACP are not fond of the notion of breach of promise. Many a time during this present Lomé Convention we have had cause to be seriously concerned about the manner, and at times the lack, of effective implementation of the Convention, given its letter and spirit. This can virtually vitiate the substantial promise of Lomé II. I am happy to observe a growing realization of this danger and I look forward with great hope to our joint efforts in this critical sphere. We may need to review our procedures and rejuvenate our institutions.

### Looking at the "weakest link"

"Equally, as our chain cannot be stronger than its weakest link, we need to look closely and urgently at our technical services in particular our secretariat—whose effective operation or malfunctioning redounds on the efforts of all of us, ACP and EEC alike, to ensure the effective implementation of the Lomé II Convention.

"I know the problems of finance and manpower which we of the ACP face in building and maintaining such institutions, but we cannot, on the one hand, seek to obtain the benefit of cooperation with you, our partners in the EEC, without, at the same time, providing adequate structures to effect the necessary technical contact and coordination.

"One of our major constraints in the area is the provision of adequate financial resources to attract and sustain competent expertise. We thank our partners for the present assistance and for the commitment for the future. We sincerely hope that future assistance would take into account the potential increased need and cost of expertise including that of some technical staff during the full lifetime of the Convention. We ourselves in the ACP must be prepared to draw from our limited pools of highly competent cadres. If we



Hans-Dietrich Genscher, German foreign minister and his Jamaican counterpart Percival Patterson, who as respective presidents of the EEC and ACP Councils of Ministers officially opened the negotiations on Lome II

cannot do that, then no assistance would be enough. I am therefore looking forward to the recommendation of our ambassadors who have been mandated to look into this fundamental question of the structure of our secretariat for the new Convention and the 1980s.

### Intra-ACP cooperation

"In the preamble of our new convention we have recognised one of the fundamental dimensions which the 1980s will bring home most dramatically to us. I am referring to the fact that the progress of the ACP States will call as much for the development of cooperation and trade among ourselves as it requires cooperation with the EEC.

"This recognition, which is already translated into action with EEC support, as is evidenced by the ACP/EEC conference on ACP trade development and promotion in Nairobi (7-17 November 1979) may well become the signpost pointing the way to the development of the developing world.

"ACP States and their institutions cannot afford to lose or squander this historic opportunity. No more can our EEC partners pursue policies which could endanger the great promise which is itself a product of our cooperation.

### **ACP** sugar

"In the latter regard, let me, as an example, draw to the attention of the

Community the fear of ACP countries regarding the treatment of their sugar to the EEC. The ACP States have been noting with increasing concern the mounting pressures on their fixed supplies of sugar delivered to the EEC under the solemn and legally binding provisions of protocol No 3 of the Lomé Convention.

"Despite the numerous assurances from the Community, its institutions and Member States, we have been observing with increasing alarm proposals being made by these very institutions to change the position of sugar in that market without any discussions with the ACP and with unknown implications and consequences.

"Such measures belie the spirit of cooperation and true partnership on which our relationship is built and without which it cannot survive.

But on this historic occasion. though we must avoid the heady superlatives of some times past, we must however celebrate and play tribute to those who have contributed unselfishly towards our achievements. I wish to make special mention of first, my predecessors in office: minister Patterson of Jamaica, whose eloquent restatement of the principles which guide our group at the formal ministerial conference opening these negotiations did so much to ensure a successful outcome; to minister Tapa of Tonga, whose patience and forebearance at a difficult time encouraged us to strengthen our unity and intensify our resolve; and to minister Anchouey of Gabon, whose indefatigable efforts on our behalf did so much to promote our cause."

# Michael O'Kennedy "Solid steps along the road of our cooperation"

By chance, it was again Ireland, in the chair of the EEC Council of Ministers, that represented the Community at the signing of the new ACP-EEC Convention in Togo, just as in 1975 for Lomé I. Foreign minister Michael O'Kennedy, who has the laborious task of finalizing the global agreement reached in June shortly before Dublin took over the chair of the EEC Council on 1 July gave a resume of negotiations which are generally admitted to have been difficult. Mr O'Kennedy gave the following personal view of Lomé policy.

"The economic foundations of the industrialized world have shifted, resulting in a greatly narrowed margin for manoevre in all countries' economic policies and programmes.

"The Community's development cooperation policies as a whole, which we are trying with great care to build up and expand so that they can be of meaningful assistance to developing countries in their efforts towards growth and well-being, can be frustrated—could even be swept aside—by the international recession whose breath we feel about us.

"The Community and its governments are faced with the spectre of increasing unemployment, spiralling costs, grave balance of payments difficulties, growth curbs, curbs on investment, curbs on consumption.

"It was in this climate that we began last year to look at the Lomé Convention to consider what should replace it on its expiry. This model, this experiment—how did we evaluate it? We did not reject it as an interesting laboratory success which withered when tested against the harsh weather of reality.

"During the first years of its operation, new states asked to join the ACP Group in order to partake in its programmes and benefit from its provisions.

"When we all prepared for negotiation of its successor, we were all agreed that its frameworks should be at least the basis of its successor. And witness the vigour of these negotiations whereby each salient and cranny

### Michael O'Kennedy

"Let us take up the instruments for development and cooperation which we have made for ourselves and apply them fully"

of Lomé I was re-examined, re-tested in the light of our experience and our overall aspirations.

# "Solid steps along the road of our cooperation"

"Lomé I and Lomé II are but moments in time. No one would claim that either, or both together, could be held to answer all the development problems of the ACP States. They could not do so. We make no such claim. But I hold that they are two solid steps along the road of our cooperation.

"Together we assessed the prevailing international factors, and those within the Community and ACP States; and taking them into account we negotiated hard and long to arrive at the Convention we sign today."

### "We invite the full exploitation by the ACP States of the Community's markets"

Mr O'Kennedy then went on to be

substance of the new Convention, expressing "the trust the Community has in it, and our desire that it should be implemented in a dynamic manner, for the greatest benefit of all those who are party to it..."

"In the trade sector, we invite the full exploitation by the ACP States of the Community's markets, which are virtually open to you on a non-reciprocal basis. The trade promotion provisions are there to be used fully so that access to the world's greatest market-place can benefit the ACP States' balance of trade and payments, their employment situation and, ultimately, their overall well-being.

"Stabex was an interesting experiment, and one which in its operation proved most valuable and durable. The Lomé I provisions have been added to and improved. In addition, the new system for mineral products, which represents one of the major innovations of Lomé II, could certainly afford considerable benefits to ACP States which as yet have not benefited from the Stabex system.

"Industrial cooperation under Lomé I could have yielded greater results.

However, I have confidence that modernization of the instruments of cooperation, together with our common desire to succeed, will result in major advances in this sector under Lomé II.

"It was, I believe, a judicious decision on the part of the ACP States to use 40% of the fourth European Development Fund to improve agricultural structures. The Community is particularly pleased with the new chapter on agricultural cooperation.

"We hope that the joint ACP-EEC sub-committee on agricultural cooperation will prove to be the focal point of agricultural development and will constitute a powerful instrument of progress in this sector."

On the volume of aid, the subject of long discussions during the negotiations, Mr O'Kennedy said "we have sought to maintain (it) in real terms... despite the difficulty we had in doing so."

### The institutional provisions

"We also have joint bodies on institutional matters in order to ensure that the provisions of the Convention are satisfactorily implemented.

The ACP- EEC Council of Ministers is a permanent meeting place for the representatives of all the governments concerned. The Consultative Assembly and Joint Committee provide invaluable contributions to the Council's work.

In view of the significance for the European Community of having now a directly elected Parliament, I am particularly pleased that Madame Veil, the first President of that Parliament, represents here today the constant interest and sense of obligation which the directly elected Parliament has demonstrated toward the Community-ACP relationship."

The President of the EEC Council ended his address with a reference to human rights, the Declaration of Monrovia and the UN Charter, saying that Lomé, "built on the solid foundations of these truths, expresses our respect for those principles...

On the basis of those principles let us therefore take up the instruments for development and cooperation which we have made for ourselves, and apply them fully in the future which as equal and free partners we have chosen to share together in the framework of our very special relationship."

### **Claude Cheysson**

# "Our experiment has been converted into a policy, the Lomé policy"

#### Claude Cheysson

"A common existence, and solidarity are most evident when together we have to deal with the problems of the least well off".

Development commissioner Claude Chevsson represented the Commission of the European Communities at the signing ceremony for the second Lomé Convention. In a speech full of conviction he explained the necessity of cooperation between the Community and the ACP countries. Lomé II is not sinply "a return of Lomé I", the EEC commissioner said. With measures on minerals, the recognition of the importance of agriculture and the strengthening of the Stabex system, the new Convention was "an incomparable instrument, unique in the world and in history", Mr Cheysson felt. He outlined what has now become the Lomé "policy".

"Our experiment has thus been converted into a policy, the Lomé policy. And this weighty decision has been reached after mature reflection, in the course of long and hard negotiations—because the participants feel themselves to be on an equal footing, and because the decisions taken will have immediate, specific, practical consequences for hundreds and thousands of people around the world. None of us are untouched by the severe problems of the current crisis.

"The first time we celebrated the beginning of what we all looked forward to as a successful relationship.

Today, the singers and dancers of Togo have set the seal on our continued solidarity.

"The experience of the past four years has shown us what was fundamental, while at the same time making us aware of inadequacies and omissions.

# Respecting individuality, striving for security

"What is fundamental, I think, is the contract between the two groups of countries—the European Community, and Africa with its Caribbean and Pacific brothers. Both groups have a single voice, so that neither can the one side interfere in the issues uniting or opposing Europeans, nor the other in those linking or dividing the ACP. Thus all of us are bound to respect each other's individuality, the right to differ, to choose alliances, economic systems and cultural patterns freely.

"What is important, I believe, is the striving for security in the workings of all the mechanisms of our association: the security of our Convention itself, and then on a more specific level, the security offered by the sugar protocol, by Stabex and Minex and security of market access and investments.

### Inadequacies and omissions

"What is important is our working together. But before leaving this subject I should like quite frankly to mention also the inadequacies and omissions our experience has revealed.

"Clearly, there was not enough money available under Lomé I—think of the scale of the problems. There is not enough under Lomé II either, but is it not a remarkable achievement that in such a period of crisis the sum has been increased in real terms? And then, are not many others sources of financing accessible to you by virtue of our cooperation, from foreign friends, particularly the Arabs, and on the capital markets in Europe and elsewhere?

"Obviously, it is to be regretted that some of your exports still bear duty in the Community, but might I point out that under Lomé I this affected only 0.6% of your exports to Europe, and will affect even less in future?

"Naturally, we would have preferred it if a fall in export earnings from minerals could have automatically been compensated, as happens with agricultural products, but the structures of those markets made this impossible. And the guarantee which you now have of being able to maintain employment and productive capacity in the mining sector, even when adverse economic conditions threaten export earnings, production or transport, is a great step forward.

"I have already said that Lomé I had its shortcomings. While in the rural sector there are grounds for pride at what can be achieved, thanks to your determination to give priority to the development of agriculture, I must admit that the ambitious statements on industrialization which we made in 1975 have not followed by the desired results. Therefore, this time we shall go to the root of the problem, stepping up massively the sums available for industrialization by calling for private investment in the sectors where you think fit, particularly mining and energy.

# The importance of working together

"The most important thing of all is probably our determination that our two groups of countries should work together. In your capitals and in Brussels this will is expressed by ambassadors and ministers, and, most strikingly, by the European Parliament. Where else, as Madame Veil, President of the Parliament, said recently, can we find such an undertaking as this?

Thus the cement that binds our relations is hardening. And this it must continue to do since, although it is natural that we should be divided and in opposition in the course of the negotiations, we must join forces and pool our goodwill when it comes to implementing the Convention.

People in the Togolese capital sang and danced to herald the success of the new Convention

"The experience of working together—solidarity—emerges most strongly when we have to deal together with the problems of the poorest—who are rightly given priority in Lomé—and when we have to provide immediate aid for those suddenly stricken by drought, floods, war or epidemics.

"We are aware that we shall have to carry on combating these scourges which, more often than not, strike at those who are already the most badly off.

"May I be allowed, on this happy occasion, to mention the hundreds of thousands of refugees wandering in different part of southern and East Africa and to appeal to the world, above all to Europe, on their behalf? And also for the starving and homeless people of South-East Asia?

"Man, no matter where he may be, is entitled to respect for his dignity and his person; he is entitled to life and to hope. This principle was put forcefully into words in July by the African Heads of State in Monrovia and again in August by the Commonwealth Prime Ministers in Lusaka.

"They emphasized the importance that the peoples of Africa have always attached to respect for man's dignity and his fundamental rights, and stressed that human rights cannot be reduced to civil and political rights only, but also include economic, social and cultural rights.

"The undertaking thus solemnly given by the highest authorities of all the ACP countries parallels that given by the Europeans, both as regards their own countries and in their relations with every other country in the world, without exception.

"Perhaps this should have been stated in our Convention. It is even more important that it should be stated so clearly and formally, by you in your own countries and among yourselves, and by us in Europe and among ourselves, and now here by all of us together.

### Europe's future partly depends on its relations with the Third World

"This Convention of solidarity which we are signing today can therefore take its place at the very core of our countries' policies. The development to which we hope to contribute in the ACP countries must be rooted in the reality of your societies, it must form an inseparable part of cooperation between neighbours-and I welcome the fact that regional projects will in the future be even better served by our partnership than in the past. We in Europe are aware, more so than anywhere else, that our future depends in part on our relations with the Third World; we are also aware that it would be hypocrisy or blindness on our part if we claimed to foster your industrial and agricultural development without making room for your exports on our markets. The Lomé Convention must be systematically related to your and our concerns and ambitions in other areas.

"Lastly, we are aware that the experience we have already gained and what we are celebrating today will have no real meaning unless the world order changes. And I must confess my anxiety; a constantly widening gap is opening up between the style and content of the Lomé policy-imperfect though they may be as yet-and the climate, the progress (if one may so put it) of negotiations at world level. We hoped, through our shared experience, to try out new methods together, to provide stimulation-in a word, to act as a leaven in the search for a new and fairer economic order. If a new order does not come into being, there is a serious danger that the leaven itself will perish. Let us therefore prove together the worth and effectiveness of the solidarity that binds the signatories of Lomé II and is the outward sign of their interdependence. Let us work together in helping to build an international order which is so vital an endeavour. Let us forge the links of the armour that is to clothe our solidarity.'

- Ži

General Eyadéma opens the signing ceremony for Lomé II. Beside him are Michael O'Kennedy (left) and H. Bernard St. John

### President Eyadéma:

# "World trade on a fair and equitable basis"

In his closing speech at the end of the signing ceremony, General Grassingbé Eyadéma expressed great satisfaction with the spirit of resolution which had enabled the ACP states and the EEC to conclude the agreement.

Before giving his views on the new Convention, the Togolese head of state thanked the delegates and other guests at the ceremony for again choosing Lomé for the signing of the second Convention.

"As you are in Africa, where hospitality is natural and famed for its spontaneity, I dare hope that in spite of the heat and whatever omissions there have been, you will feel at home in Togo and that this meeting, which is after all that of a family, will not require rigid formality", he declared.

General Eyadéma then moved on to some of the aspects of the new Convention. "The greatest cause for concern is the rich countries' tendency to greater self-interest"

He reckoned first of all that the Lomé Convention constituted not only an expression of continuing interest but also a means of bringing people and ideas closer together. He then mentioned, in particular, the provisions relating to commercial and financial aid, emphasising the importance of international trade.

In this area, the President said "we are aware that some of our partners are still wary of the arrangements in the Convention, fearing that their markets will be flooded with our products. This has resulted in the past in more or less overt measures to circumvent the provisions of the Convention.

"The most worrying thing, in our view, is not that products of third countries which are not signatories to the Convention have access to the Community market, because we do not want to make Europe our preserve just as Europe cannot secure exclusive rights to our raw materials. But, the tendency towards self-interest of rich countries which do not

realize that world trade, organized on a fair and equitable basis, would benefit both producers in the developing countries and consumers in the industrialized countries.

"What we will have to do in implementing Lomé II will be to reaffirm once more the merits of world trade, free from all impediments, tariff barriers or whatever, and which would eliminate the cascade of profitgreedy middlemen, in the exclusive

### Lomé

# International conference and tourist centre of the future?

For the second time Lomé has been chosen for the signing of an ACP-EEC cooperation agreement. It was a close decision. Perhaps those who tipped the balance in its favour thought particularly of the convenience of the Togolese capital.

Indeed, the visitor to Lomé, which has none of the drawbacks of a big city, is not only struck by the natural warmth of the Togolese welcome but also by the wide range of high standard hotels at his disposal. The four main hotels (the Hôtel de la Paix, the Sarakawa, the Bénin, and the



Part of the official rostrum

interest of the producers and consumers, who constitute our people. That is the meaning of our struggle for a new international economic order."

# The ACP Group— "a sound institution"

The Togolese head of state believes that the ACP Group has

32-floor Hôtel du 2 Février due to open early next year) make Lomé, with its 200 000 inhabitants, one of the best equipped towns in Africa.

It must be added that apart from these top hotels there are more modest ones, like Hôtel Ahoefa, which are very good indeed. Likewise, Lomé has a number of good restaurants which serve national dishes, an increasingly rare pleasure in Africa.

If the present trend continues, Lomé, which already receives a good number of tourists, particularly Germans, could become in the near future a centre for international conferences and tourism—and this indeed is part of the objective of the authorities, in their ambitious hotels programme.

The only cloud on the horizon is the level of prices, which are far beyond the reach of the average African purse. But that is a common problem in the African continent □ L.P.

become, "a sound institution that can speak with one voice..." and that, in this respect, it is essential that ACP unity be safeguarded above all. "What we must remember (from these negotiations)" pursued President Evadéma. "is the need for the whole of humanity to guarantee every individual proper conditions of life, from personal safety as a human being to basic necessities that would ensure him a decent existence; this was the duty of people everywhere, particularly those who today live in affluence and who often are ignorant of the immensity of the poverty afflicting more than 75 % of mankind. In other words, it is high time that we, as partners in the Lomé Convention, frankly tackled the issue of the right of the people to a decent and worthy life and made it our priority.

# "I suggest we set up an ACP chamber of commerce"

General Eyadéma believes that international development aid, is a "contributory" factor which should only complement the developing countries' drive for economic and social development. The Togolese President called for the continued solidarity of the ACP countries and for increased consultation betweenthem. In order to speed up intra-ACP trade (one of the principal conditions for real economic development) he suggested, notably "the setting up of a system which will enable us to be fully informed of our potentialities, of ACP products and of the markets available within the ACP Group.

"A system of this kind would allow the breaking of the traditional circuits and bring ACP products at reasonable prices, to the ACP consumer.

"I suggest we set up an ACP chamber of commerce to promote trade within the ACP group and, why not, between, the ACP and EEC countries. We should also combine forces to effectively fight against the energy crisis, in view of the effect it is having on all our economies", he said.

President Eyadéma ended his speech by referring to the foundations of ACP-EEC cooperation. "The path has been marked out" he declared. "It is geography that binds us to it and history that reminds us of the privileged partnership of Africa, the Carribbean and the Pacific states and, without doubt, of Europe."

"What it all amounts to is staking a bet on ourselves," President Eyadéma concluded. □



A further view of the official rostrum with the representatives of France (Robert Galley centre, and Pierre Bernard-Reymond, left) and of Germany (Klaus Von Dohnanyi)

### Simone Veil

# "The date of this ceremony will go down in the history of our continents"



Simone Veil

Simone Veil, President of the European Parliament and joint President of the ACP-EEC Consultative Assembly, attended the Lomé Convention signing ceremony at the invitation of Bernard St John and Michael O'Kennedy, respective Presidents of the ACP and EEC Councils of Ministers.

"It is a great honour", she said, "for the President of the first elected European Parliament to address this huge gathering for the signing of the second Lomé Convention.

"But, above all, it is a great pleasure to be here today for this ceremony, which confirms the special ties that bind the ACP countries to our European Economic Community. "First of all, it is a great personal pleasure for me to know that such an ambitious plan has been seen through at a time when we are faced with so many problems in the world today, when the international balance is so precarious and when Europe's prosperity and therefore its social progress is threatened. It is a great, indeed exceptional, ambition to get 58 countries from different continents on the one hand to come to an agreement with nine other countries on the other.

### "A very great reason to hope"

"And it is even more ambitions if one looks at the aims of these agreements and what their implications are for all the peoples concerned. The fact that this agreement, this second Lomé Convention, is being signed at a time when the crisis we are going through could have led each country to be inward-looking is a very great cause for hope. So I want to express not just my gratitude, but to convey my congratulations to all those who, with imagination and

realism and with a desire for effectiveness and conciliation, have helped prepare and produce this Convention we are here to sign today.

"My special thanks go to the President of the Republic of Togo, for welcoming us here and for the warm hospitality that is so typical of Africa and of Togo in particular.

"I should also like to thank the Presidents of the ACP and the EEC Councils for giving me the opportunity to attend this ceremony today, the date of which will go down in the history of our continents".

Reviewing ACP-EEC relations and the "human dimension which the Consultative Assembly has wanted to give to them", Madame Veil said that the European Parliament was deeply committed to "the defence of human rights". She concluded by emphasizing the "hope" which young Europeans place not only on the construction of Europe but also on cooperation with the ACP States.

The president of the European Parliament welcomed in Togolese national dress

### The structure of ACP-EEC negotiations

### (Sessions of May and June 1979)

### A. Ministerial level

#### Plenary sittings

ACP President: Michel Anchouey (Gabon)
EEC President: Jean François-Poncet (France); Michael O'Kennedy (Ireland) on the last night

#### Presidents' group

ACP & EEC Presidents + Mr Cheysson + joint secretaries, Messrs Konaté & Lesort

Industrial coop., agri-

cultural coop., fisheries

Trade & customs cooperation

ACP chairman:

May: Mr Patterson

(Jamaica) June: Mr Boolell (Mauritius)

EEC chairman:

Mr Van Dohnanvi (Germany)

Stabex and minerals ACP chairman:

Mr Seck (Senegal)

FFC chairman:

Mr Bernard-Reymond (France)

ACP chairman: May: Mr Osisiogu (Nigeria) June: Mr Lumena

& sea transport

(Zambia) EEC chairmen:

May: Mr Marten (UK) June: Mr Hurd (UK)

Financial & technical cooperation

ACP chairman: Mr Naah

(Cameroon)

EEC chairman: Mr Eyskens (Belgium)

Institutions & general affairs (subgroup) ACP chairman:

May : Mr Ouko (Kenya)

EEC chairman: Mr O'Kennedy (Ireland)

### B. Commission — ACP Ambassadors level

### Plenary sittings

EEC chairman: Mr Klaus Meyer, director-general

ACP chairman: Mr Asante, ambassador (Ghana); Mr Rain-

ford, ambassador (Jamaica) from 1 Feb. 1979

### **Negotiating groups**

Trade cooperation

EEC chairman: Mr Durieux, deputy director-general

ACP chairman: Mr Diarra, ambassador (Ivory Coast)

Customs cooperation (rules of origin)

FEC chairman: Mr Durieux

ACP chairman: Mr Chasle, ambassador (Mauritius)

Stabex and mineral products

Stabex: EEC chairman: Mr Hauswirth,

deputy director-general

Minerals: EEC chairman: Mr Klaus Meyer

Stabex: ACP chairman: Mr Sy, ambassador (Senegal)

Minerals: ACP chairman: Mr Sy, assisted by Mr Traoré, ambassador (Mali) and Mr Afolabi, ambassador (Nigeria)

Industrial cooperation & fisheries

EEC chairman: Mr Klaus Meyer

ACP chairman: Mr Afolabi, ambassador (Nigeria)

Agricultural cooperation

EEC chairman: Mr Durieux

ACP chairman: Mr Ilboudo, ambassador (Upper Volta)

Financial and technical cooperation

EEC chairman: Mr Hauswirth

ACP chairman: Mr Traoré, ambassador (Mali)

Regional cooperation

EEC chairman: Mr Foley, deputy-director-general

ACP chairmen: Mr Nko'o Etoungo, ambassador (Cameroon),

followed by Mr Kazaura, ambassador (Tanzania)

Least-developed, landlocked and island countries

EEC chairman: Mr Wirsing, director

ACP chairman: Mr Kombot-Naguémon, ambassador (Cen-

tral African Rep.)

Institutions, general and legal affairs

EEC chairman: Mr Foley

ACP chairman: Mr Nandan, ambassador (Fiji)

# The signing in pictures

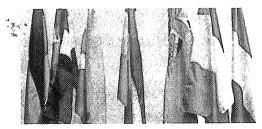
The following six pages give an idea in pictures of the signing ceremony of the second Lomé Convention.

Right, before calling an the plenipotentiaries of the Community and the ACP states to sign, the Togolese head of state, General Eyadéma, and the current President of the EEC Council, Michael O'Kennedy, exchange a few words. Further right, the Community's official rostrum.

Right, the representatives of the EEC sign: (1) Belgium (Paul Noterdaeme); (2) Denmark (Niels Ersbøll); (3) Germany (Klaus Von Dohnanyi); (4) France (Robert Galley and Pierre Bernard-Reymond); (5) Ireland (David Andrews); (6) Italy (Guiseppe Zamberletti); (7) Luxembourg (Jean Dondelinger); (8) Netherlands (D.F. van der Mei); (9) United Kingdom (Douglas Hurd); (10) The Community (Claude Cheysson and Michael O'Kennedy)

Below, Togolese dancers and some of the flags of the ACP and EEC countries.

### UNITED KINGDOM



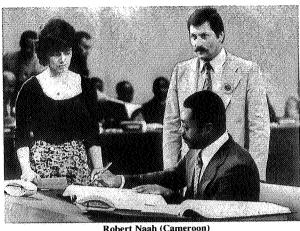
Council of the European Communities and Commission

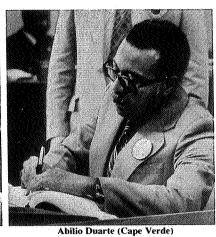


















A.I. Abdi (Djibouti)

Teferra Wolde Semait (Ethiopia)



Dr Amon Nikoi (Ghana)



Fennis Augustine (Grenada)



N'faly Sangare (Guinea)



Vasco Cabral (Guinea Bissau)







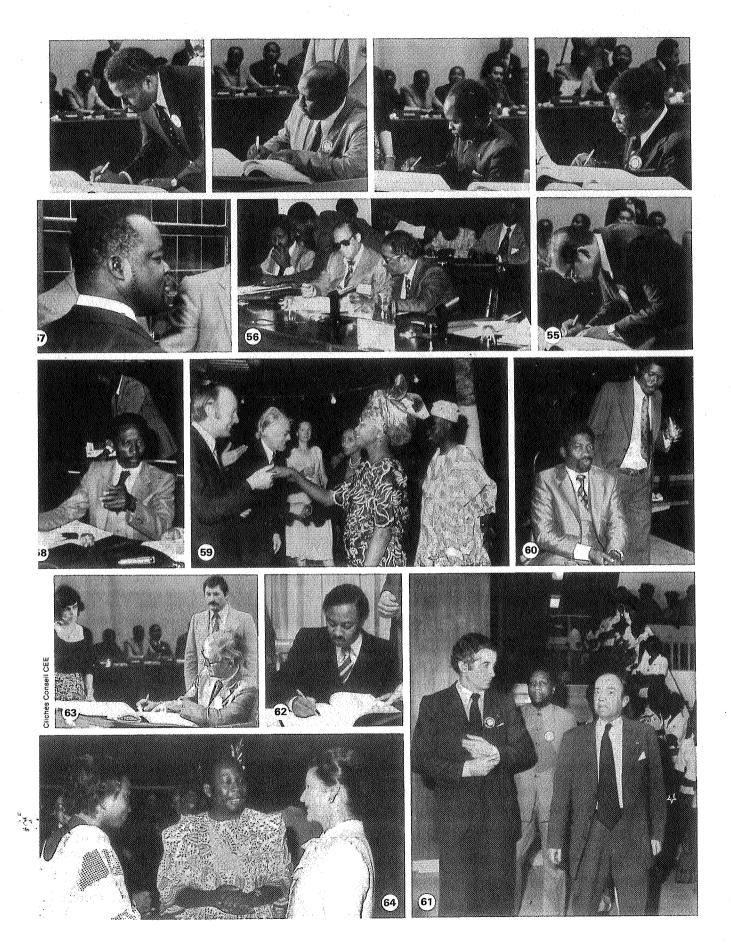








On this page, from left to right: Sir S. Boolell (Mauritius); Abdellah (Juld Daddah (Mauritania); Mai Maigana (Niger); Chief Peter Afolabi (Nigeria); Frederick Reiher (Papua New Guinea); A. Mulindangabo (Rwanda); George Odlum (St. Lucia); Filipo Vaovasamanaia (Samoa); Maria Amourin (Sao Tome Principe); Ousmane Seck (Senegal); Maxime Ferrari (Seychelles); I.M. Fofana (Sierra Leone); Omar Sahal Ahmed (Somalia); Irredin Hamed (Sudan); L.C. Zuiverloon (Suriname); D.H.S. Nhlabathi (Swaziland); A.M. Rulegura (Tanzania); Issaka Ramat Alhamdou (Chad); K. Dogo (Togo); H.R.H. Prince Tupouta'a (Tonga). Page on the right: E. Seignoret (Trinidad and Tobago); Ateker Ejalu (Uganda); Kiziki Kiakwama (Zaire); 55. Nanda (Fiji) signed for Tuvalu: Some ambassadors: 56. Raymond Chasle (Mauritius); 57. D. Gbaguidi (Benin); 58. Seydou Diarra (Ivory Coast); 59. M. O'Kennedy and G. Lesort; 60. Lambert Mesan (Niger); 61. C. Cheysson and his head of cabinet, Ph. Soubestre (on the left); 62. Arden Shillingford (Dominica) signed on 15 November 1979; 63. D. Hurd signed for Solomon Is.; 64. Mme Veil meets Togolese



### **Michel Anchouey**

# "The search for and the start of a new style of relations"

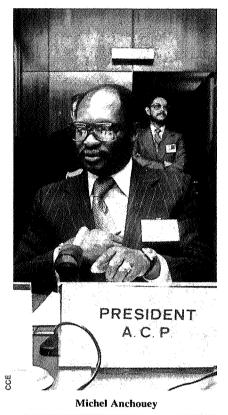
Michel Anchouey, Gabonese planning minister and chairman of the ACP Council of Ministers during the first half of 1979, gave his view of the negotiations and the new ACP-EEC agreement shortly after the signing ceremony, as follows:

At last, the ACP Group and the European Community have succeeded in reaching agreement and signing a new Convention, signed in Lomé on 31 October. It is a fine example of the political resolve of the ACP and EEC partners in overcoming major difficulties which at one stage looked as though they might seriously compromise future cooperation between the two groups.

The new agreement, due to take over from Lomé I on 1 March 1980, will certainly not generate as much enthusiasm among the ACP countries as the first one did in 1975, because, when the negotiations started, the ACP countries expected the Community to do much more for their development.

However, the outcome can be considered as satisfactory. It is, in any case, an acceptable minimum in what is a particularly difficult international economic situation.

Among the main aspects of the new Convention, it is not so much the innovations that are of interest as the improvements to the provisions of Lomé I on Stabex, commercial and industrial cooperation and financial cooperation.



"The new system
for minerals
is intended to maintain
and develop
production capacity,
thereby guaranteeing
mineral supplies
for one side
and export earnings
for the other."

Moreover, it is important to note the emphasis now laid on developing the agricultural sector. We must hope that there is no delay in setting up the Centre for Agricultural Cooperation, which the ACP countries are looking to for vital information adapted to their particular needs.

Special attention has also been paid to mining. The new system for minerals is intended to maintain and develop production capacity, thereby guaranteeing mineral supplies for one side and export earnings for the other. This is surely the first step towards the ACP goal of a minerals Stabex similar to the classic agricultural Stabex, with greater emphasis on stabilizing export earnings and, therefore, on guaranteeing and improving the standard of living of our people.

Mention should also be made of the ACP guarantees for investments from the EEC countries. The open-mindedness so typical of the Convention has been translated here into greater awareness and a desire to strike a proper balance between the interests of our various partners.

So the new Convention has been signed, and it is another feather in the cap of ACP-EEC cooperation. The scale of the achievement emerges more clearly if the agreement is seen in the general context of the search for and the start of a new style of relations between developed and developing countries. Clearly Lomé II will, like Lomé I, be seen as a model.

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### Jean François-Poncet®

# "This agreement is the only example of a five-year programme of co-operation"

▶ As joint President of the ACP/EEC Council of Ministers during the decisive period of the negotiations, what is your overall judgement of them now that they're over?

- You want my opinion on the negotiations which, formally at least, began with the official ceremony of 24 July 1978 and ended with the signing ceremony in Lomé on 31 October 1979. As you know, the work really started in earnest at the ministerial meeting in Brussels on 21 December, with Mr Von Dohnanyi and Mr Tapa in the chair, and ended at the last negotiating session on 25 and 27 June, also in Brussels. The conferences in between, on 22 April in the Bahamas and 24 May in Brussels, allowed for more profound examination of the issues and identification of the answers to highly complex questions. And between these ministerial meetings there were intense negotiations going on at ambassadorial and EEC Commission level.

What strikes me above all is the intensity of the negotiations and the relatively short time it took to produce the Convention, which will be the charter for cooperation between nine EEC Member States and the 58 countries of the ACP group for the next five years. The complexity of the items on the agenda and, to be honest, the different positions we held at the outset, could have cast doubt on quite how reasonable it was to expect a satisfactory outcome.

But we got results. The Community has increased its aid considerably, in spite of our economic difficulties and particularly sudden and repeated rises in what economists call "advance oil prices". The aid in any case is far greater than that given by other industrialized countries.

Our ACP partners probably hoped for something different, a perfect Conven-

tion and even more aid, but I think, very sincerely, that we have achieved the best possible results in the circumstances

### Considerable improvements

Of course the Community has to guard against self-satisfaction, but I think it is reasonable to say that this agreement is the only example of a five-year programme of cooperation between industrialized and developing countries. And I am convinced that Lomé II is substantially better than Lomé I. It develops and rounds of a sound and pragmatic kind of cooperation, based on constant efforts and original in its principles to the point of being envied in other circles.

We must go further with this remarkable — I was going to say exemplary — kind of relationship between a growing Europe and a group of developing countries which have chosen to speak with one voice and to cooperate with us.

The French presidency gave me the opportunity to see the political will to reach a successful conclusion, by which I mean a resolve to find practical solutions for what were often difficult problems. You know how we valued success both in the presidency and as a national delegation. I feel that it was all possible because the negotiators were aware of just how much was at stake

I should like to congratulate the ACP negotiators on their skill and high standards. The intensity of the discussions was proof of the seriousness and the care with which the two sides had prepared their positions.

▶ What were the main difficulties in the negotiations?

— First of all the type of partners involved. Each side consisted of a certain number of sovereign states with a joint position to define. It is easy to see that the large number of ACP states, the far-flung areas they come from and

the diversity of problems each faces, make it particularly difficult for them to agree on a common position. But I am struck by the fact that, with political will, they always manage it, sometimes faster than the nine members of the Community do. And they display a great deal of confidence in their spokesmen at the negotiations. This solidarity is certainly one of the achievements of the Lomé Convention.

The second difficulty is obviously tied up with the fact that negotiations of this kind can easily affect the vital interests of the parties involved. The candour that was the hallmark of these negotiations made it possible to avoid this kind of difficulty and to respect always the essential interests of all concerned.

The third problem has to do with the misunderstandings that can spring up when so many people are negotiating. But here again, dialogue and candour and a search for a common language always enabled these difficulties to be overcome.

Sometines one or other of the parties was tempted to take up a position of principle on a particular subject, which called for respect but was an impediment when it came to finding practical solutions. But I have to say that pragmatism always prevailed—which is why we were able to succeed.

The fact that a large part of the negotiations was devoted to determining a financial package was clearly likely to produce considerable tension at one stage. But our partners appreciated the limits of the maximum effort that the Community and its member states were able to make in the prevailing economic crisis.

Agriculture is no doubt the area where there was least room for manoeuvre in the negotiations since the Community had already gone practically to its limits in 1975. There is a residual sector here which is more an area of conflicting interest than one of complementarity, but we were able to find solutions that were acceptable to all.

<sup>(\*)</sup> French Minister for Foreign Affairs and joint President of the ACP/EEC Council of Ministers for the first half of 1979.



Jean François-Poncet

### Realistic objectives

Lastly, I should say we must limit our ambitions to realistic targets. The Lomé Convention does not claim to provide a once-and-for-all answer to all the development problems of the ACP countries, some of which are very poor. It is a contribution, an attempt at an integrated approach, enabling a major step to be taken towards development through a kind of cooperation wanted by both sides.

▶ In what ways is Lomé II better than Lomé I?

— I must say that our first concern was to consolidate our achievements—no mean feat in the present world economic crisis.

But it is clear that substantial improvements have been made on the previous convention. Stabex, the export receipts stabilization system for agricultural commodities, is bigger and better; and there is trade promotion machinery to encourage ACP products on the Community market. We have to do more than make concessions in theory; the beneficiaries have to be able to make full use of them in practice. The role of the CID, run by a joint ACP/EEC team, has been extended and the institutions of the Convention function better (in this regard I should like to emphasize the strengthening of the role of the committee of ambassadors in reply to very insistent and, I think, very justified demands on the part of the ACP countries).

"The Community and its members states have not responded to the crisis by being inward-looking. They felt that it was important to analyse the problems and bottlenecks in the development of the world economy together and to show greater generosity."

The increase in the financial package is also proof of the desire of the Community and the member states to develop the means of this cooperation.

There are many more points on which Lomé II is better than Lomé I. I have only given one or two examples. But let me stress a number of innovations which will be typical of Lomé II.

The Technical Centre for Agricultural and Rural Cooperation has been set up to take over from the existing institutions in a field that is obviously vital for the developing countries. There are improved prospects for exporting agricultural products available in the Community to the ACP countries.

And finally, the scheme for minerals is an important innovation.

I also think it is important to emphasize what I would call qualitative improvements. The development of industrial consultation, for example, and the greater openness in the management of aid.

### New provisions on energy and mining cooperation

▶ In this new Convention, isn't the Community trying to move into new areas of cooperation which particularly concern the international community at the moment—energy and mineral supplies?

— The Community and its members states have not responded to the crisis by being inward-looking. They felt that it was important to analyse the problems and bottlenecks in the development of the world economy together and to show greater generosity.

This is how new provisions were included on mining and energy cooperation. The protection and expansion of mining potential seems the right answer for both parties. The production and exportation of minerals is the driving force behind the development of a number of ACP states, so we must join together to overcome the problems in this sector, reverse the drastic downward trend in investments, overcome the disruption affecting certain outlets and calm the erratic behaviour of world prices.

Our cooperation in this sector must set an example of complementarity and solidarity and of practical progress with in the North-South dialogue.

Interview by ALAIN LACROIX

# "Differences in approach... but satisfactory results"

by Tiéoulé KONATE (\*)



Tiéoulé Konaté

The Convention which has just been signed by 58 ACP states and 9 EEC countries (67 countries in all, with a total population of almost 600 million) is the result of more than 12 months of hard work.

The negotiations were long and hard, largely because of what might be called a misunderstanding. The EEC representatives, on the one hand, meant to adjust and to update the Lomé Convention by building on its good points. The representatives of the ACP group, on the other land, had a much more adventurous and innovatory approach in seeking to replace Lomé I with a new agreement. Inspired both by the main themes of the North-South dialogue indexation and periodic adjustment of the volume of financial aid, stabilization of mineral export earnings and rescheduling of debts, and by their practical experience of the Lomé Convention, the ACP countries proposed to the EEC, a platform for negotiations on which the Community, in view of its entirely different approach, was unable to accept. The consequences of this misunderstanding were felt until the very last day of the negotiations.

In spite of their different approaches, the two parties were ultimately able to agree on what was possible in the prevailing international economic climate. It is a sign of our times that both Conventions have been negotiated and signed in an international context marked by the world economic crisis, triggered off by the rise in oil prices.

Notwithstanding the crisis which gravely affects both sides, they have clearly resolved to renew their political will and to continue their cooperation. For, in fact, this cooperation is not so much a burden and an aggravator of the crisis as a step towards solving the problem since the ACP countries think development aid can provide a real stimulus for growth for both sides.

So, regardless of the economic crisis and the differences in approach, the outcome of the talks was ultimately successful.

The ACP countries consider Lomé II to be a substantial improvement on Lomé I and this can be verified with a quick glance at the different sections of the agreement. Take, for example,

free access to the EEC market for more ACP products, the special resources to boost regional trade promotion schemes and the special provisions for rum, beef and veal. And Stabex has also been extended to more agricultural products and the drawbacks to the system have been removed.

Rather than list the advantages of the new Convention (which are given exhausive coverage in this issue), it will perhaps be more useful to point to those provisions which, if taken further, will enable us to have a Lomé III, which will be better than Lomé II; that is what I would call, the roots of the future:

These roots are revealed in the fact that:

- For the first time the Community has agreed, if not to the principle of indexation, then to one of weighting Stabex transfers to take account of inflation.
- Secoundly, the Minex mineral system will in future go further than the restoration or maintenance of the production and export capacity of ACP mines to direct stabilization of their export earnings.
- Thirdly, there are two provisions in the area of financial cooperation that we feel to hold particular promise;
- First of all, the ACP-EEC decision to study the creation of an industrial cooperation fund, which would mean that the financing of cooperation policy in this area, which was insufficiently covered in Lomé I, could be boosted;

Next, the opening of EIB own resources (Article 18 of the regulations) is, in our opinion, a way of expanding the financial means at the disposal of the ACP countries, even if the emphasis here is to be on mining and energy.

— Lastly, the ACP countries now have the opportunity to obtain agricultural surpluses, through medium- and longterm contracts, on preferential terms. This means not only a secure supply of food products for them but also an effective way of stabilizing the prices of these staple foods on their own mar-

What we must hope is that the steps taken to implement the new Convention will enable us to achieve these ends and to consolidate them in a future Convention.

To conclude, then, Lomé II is a step in the right direction. It contains the seed of something whose growth will guarantee progress in the future, in the constantly evolving nature of ACP-EEC cooperation. □ T. K.

<sup>(\*)</sup> Secretary-general of the ACP Group.

## Lomé II: "An improvement", but it is hoped that the spirit of partnership will be "rekindled"

by Donald B. RAINFORD(\*)

As ministers of the nine member states of the European Community and the 58 countries comprising the ACP group assemble in Togo to sign the convention that will become known as Lomé II, everyone who participated in the negotiations at any level of preoccupation however minor, must reflect on the hard work, long hours and indeed the tremendous difficulties that were to become accepted as the routine of the negotiations. As one of those who was actively involved, I look forward with interest to the kind of indepth evaluation of their outcome which unfortunately is impossible here. One cannot but be aware, however, that the arrangements now being entered into by the two groups of countries to characterise their relations during the next five years will be subject of international debate; it is therefore imperative that a few points be made at this time, if no more than to correct misrepresentations and place the matter in perspective.

(\*) Ambassador, Jamaican Mission to the EEC; Chairman of the ACP Committee of Ambassadors during the negotiations.

The negotiations terminated on the same note on which they began, with the European Community and the African. Caribbean and Pacific groups of States adopting and concluding with completely divergent positions. If there were a single common factor that was predominant throughout, this was it. When the Hon. P. J. Patterson, Deputy Prime Minister and Minister of Foreign Affairs of Jamaica, in his capacity as President of the ACP Council of Ministers, formally launched the negotiations on behalf of the ACP in July 1978, he emphasized that the ACP had unanimously agreed that the Lomé Convention fell far short of the ACP's objectives and that it was necessary to make significant advances in any successor arrangement. The term "successor arrangement" was deliberately used to distinguish what was in operation from what was expected to govern the EEC/ ACP relations during the life of the next convention. The ACP negotiators, therefore, while offering no objection to concluding the negotiations within the framework of the existing Lomé Convention, had no intention of allowing this approach to



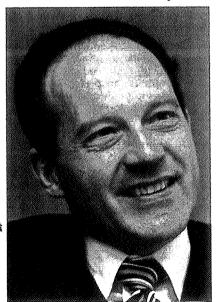
Donald B. Rainford

circumscribe the discussions so as to confine the work and its outcome to what has been referred to as cosmetic changes.

From the outset the Community's position was diametrically oppositie. It was argued that the member states were experiencing economic difficulties as part of a world trend and could not be expected to do more for the ACP; that the present Lomé Convention was satisfactory; that the four

# **Another step forward**

by Klaus MEYER(\*)



Klaus Meyer

The signing of the new ACP-EEC Convention in Lomé was the culmination of a year of intense and patient negotiations during which the ACP and EEC negotiators and their colleagues worked imaginatively and hard. I congratulate them on their achievements. Is the result a fair reflection of their labours? I sincerely believe so and I think that in spite of its inevitable limitations, this Convention is a considerable advance on the last and one of the rare successes of international economic relations, at present.

The Community approached the negotiations with the idea of "consolidating" Lomé I. Clearly, the negotiators had a broad and dynamic conception of what consolidation meant. There was no question, as events subsequently proved, of simply tidying up the text of the old Convention and making only marginal improvements.

It was a matter of building on the fundamental principles of ACP-EEC cooperation (contractual, global, ordered, in line with ACP needs and geared to both ACP trends and international concepts and situations), which all parties saw as eminently positive.

The aim was also to build on the solid and useful achievements of Lomé I and on the experience obtained from it.

Beyond these fundamentals, the idea was to seek a more efficient way of handling development problems, to face issues that were poorly perceived before and to take new international relations further in the light of specific situations in EEC-ACP relations. This, then, was consolidation, with an eye to carrying progress on from one convention to the next.

It is also clear that under pressure from the ACP negotiators and from events that made new approaches and the exploration of new fields imperative, the Community in some cases

<sup>(\*)</sup> Director-general for Development at the EEC Commission.

years experience were inadequate to form a proper assessment of the existing agreement. The numerous declarations annexed to the texts bear testimony to the divergent positions on certain key issues on which neither side has been able to compromise.

When the negotiations commenced in earnest at ambassadorial level with officials of the European Commission on 18 September last year, it was this fundamental divergence between the expectations of the ACP and the view of the EEC that only minor changes needed to be made to the Lomé Convention that led to the ensuing difficulties which will form the records for posterity and the basis of history's judgement.

As chairman of the ACP Committee of Ambassadors during the period referred to as the crucial months of the negotiations, it is fitting for me to compliment all those who participated, especially those on both sides who had the arduous task of being spokesmen on different subject matters.

It is through skill and patience that certain achievements have been made possible. The tenacity and dedication of the ACP representatives during a period of mounting tensions and pressures were one of the pillars of the group.

If small cracks were ever discernible within the ACP at any time, those in

themselves were a tribute to the cohesion of a group threatened and harassed in such a way as to create considerable divisions.

What of the outcome of the negotiations? The texts of the agreement speak for themselves. It is a tribute to the participants that despite the rigid initial stance. Lomé II will represent an improvement, though modest, on Lomé I. It is important to note that the failure of the UNCTAD Conference in Manila, the failure to set up a meaningful Common Fund, or the failure to implement any international action from which the ACP as part of the larger group of poor countries could benefit were not seen by the EEC as justification for consolidating and furthering the much propagandized model relationship with the

Indeed, the absence of measures by the developed countries, far from evoking a positive and dynamic response from Europe, were seen and used as arguments against the ACP cause. The ACP were constantly reminded of the unique position in which they were as beneficiaries of the EEC.

In fact it is hard to see how the results could have been much different, as two remarks made by different Community officials during the course of the negotiations linger in my mind as illustrative of the somewhat myopic attitude: the first equated the negotiations with employer/employee bargain-

ing, the second defined the Lomé relationship not as bilateral, but as a link between the Community and its 58 client states.

According to these views, the ACP outlines its wishes and Europe indicates what it can afford to give, an approach that should not be confused with negotiations. In commenting on this attitude I can do no better than to repeat a point made recently in a statement by President Julius Nyerere to the Group of 77 when he said: "I believe this unsatisfactory result from our efforts is because we have been making the mistake of acting as if negotiation is exclusively a matter of reason and morality, which has nothing to do with the strength of the participants.

The truth is that we need power to negotiate, just as we need power to go on strike. So far we have been negotiating as noisy and important supplicants. We need to negotiate from a position of steadily increasing power."

There is no doubt that both ACP expectations of Europe, and Europe's own potential for meaningful cooperation, remain largely unfulfilled. The Lomé Convention of 1975 was a modest start, 1980 will see some improvement; it is hoped that the spirit that informed the commencement of this partnership will be so rekindled that the realization of what must be the common imperative will not be long delayed. 

D.B.R.

went further than it had expected at the outset. In spite of its own undeniable economic problems, it recognized that the international economic crisis was far worse for the ACP countries and that growing interdependence between North and South called for open-minded and practical solutions that were in some cases highly innovatory.

Look at the system for the principal minerals—a real breakthrough. How different things would have been if this had existed when the ACP copper producers were in such dire straits!

It holds such promise for the future, this system we shall now be putting to the test and perfecting, as with Stabex under Lomé I.

A great deal of progress has been made with agricultural cooperation too, now confirmed as an essential aspect of our relations. Industrial cooperation has progressed and, in addition to the many improvements to existing machinery, the urgency of developing both new and traditional forms of energy has been stressed.

Progress has been made with the promotion of investments and the problem of the industrial adjustment that Europe has to face with the active, positive help of all its economic and social forces.

And progress has been made with the Stabex machinery and coverage, in the fisheries sector, and in the recognition of the particular problems of the least-developed, landlocked and island countries.

The system of trade was already an advanced one as far as the principles and practical provisions of Lomé I were concerned and it was the first practical application of UNCTAD policy. This has been improved further where ACP interests were clearly at stake.

Lastly, the range of financial means has been extended and the total amount involved is now larger in real terms—no mean achievement in the present financial crisis.

The clearer definition of the responsibility of the various parties as far as management and the new machinery is

concerned should make implementation flexible and rapid.

Yet the negotiations, and the resulting Convention, are only stages in a longer process. It is important to realize this. Situations and ideas will change again and our achievements, still far from perfect, will benefit from experience and fresh ideas. The Community must never think it has the last word in cooperation, if only because the constantly changing future must be shaped by both parties equally.

This convention has still to be implemented, with dynamism and imagination, and the role of the ACP countries themselves will be a deciding factor in how successful the enterprise is. Those who have given so much to the negotiations must now look to this implementation.

The new machinery has to be put to the test. Commercial cooperation and industrial cooperation call for new approaches in which finesse and daring are combined. There is a lot to do. I sincerely hope that the hard work that lies ahead will be crowned with success.  $\square$ 

# The main provisions of the new ACP-EEC Convention<sup>(\*)</sup>



Leaders of the ACP negotiators

Michel Anchouey (centre), President of the ACP Council until the end of June 1979; Donald Rainford (right), President of the Committee of Ambassadors until end June 1979; and Tiéoulé Konaté, Secretary General of the ACP Group and co-Secretary of the ACP-EEC Council



Leading the EEC team

(Left to right): Gonzague Lesort (co-Secretary of the ACP-EEC Council); Jean François-Poncet (President of the EEC Council to end June 1979); Luc de la Barre de Nanteuil (President of the Committee of Permanent Representatives to end June 1979)

After negotiations lasting more than 12 months, the 58 ACP States and the European Community have concluded a new agreement. It will take over from Lomé I on 1 March 1980 and run for a five-year period ending on 28 February 1985. As the signing ceremony took place in Lomé, the Convention will no doubt be known as Lomé II.

As is to be expected with any agreement that so many partners have taken so long to negotiate, the new Convention is a compromise. It does not meet all the ACP requests on all points, but it embodies the achievements of Lomé I, makes real improvements in them (Stabex, market access for certain agricultural products, trade promotion, financial cooperation, aid for rural development, provisions for the least-developed, landlocked and island states, etc.) and makes innovations and additions that augur well for the future (Title III provisions on the protection and development of ACP mineral and energy production, the new Technical Centre for Agricultural and Rural Cooperation, the joint declaration on migrant workers from countries party to the Convention, etc.).

The following outlines the main provisions of the various titles of the new Convention.

#### CONTENTS 27 I. Trade cooperation Open Community market confirmed 27 Building on past achievements 27 Boosting trade promotion 27 Trade cooperation and balance 28 II. Stabex improved by the new 29 III. Safequarding and developing 29 mineral production "Accident" insurance 30 Promoting the development of mining 31 31 IV. Stepping up financial resources A greater financial effort 31 The breakdown of aid 31 Priority to the poorest 31 Encouraging cofinancing 32 Boosting the flow of private finance 32 V. Vast scope for cooperation 32 New areas of cooperation 33 From agricultural cooperation to industrial cooperation 33 VI. The administration of aid 34 Annexes 35 1. Background and chronology 2. Institutional structure 35 3. Products covered by the Stabex 36 4. Stabex results 1975-78 36 ACP countries as important suppliers of commodities 37 37 6. The sugar protocol

<sup>(\*)</sup> This outline is based on Commission documents.



Commission negotiators: Jean Durieux (left) and Claude Cheysson; background, Erich Wirsing (left) and Maurice Foley

### I. Trade cooperation

## Open Community market confirmed

- The Lomé Convention guaranteed free access to the Community market for 99.5% of ACP exports. The other 0.5% were mainly products covered by the common agricultural policy(1) and in this case the ACP countries got preferential treatment that was considerably better than the arrangements provided for third countries.
- So the new Convention could only really make marginal improvements here. The main one is the confirmation of the open Community market-—which absorbs an average of 50% of ACP exports.
- Certainly both the Community and its Member States were anxious to maintain the provisions that allowed for safeguard measures under certain circumstances,
- but on the understanding that they would not have recourse to them "for protectionist purposes or to hamper structural development"; moreover, there are consultation procedures which should prevent any arbitrary decision and help the parties to come to mutually acceptable arrangements.

### **Building on past achievements**

- There are new concessions on one or two agricultural products which

are of particular interest to certain ACP countries in spite of the fact that only small quantities are exported. Tomatoes produced in Senegal and onions produced in Cape Verde are two examples of this (2). However, the EEC did not agree to any concessions to further liberalize the access of milled rice.

 Special attention has been paid to two products of undeniable economic importance to several ACP countries which traditionally export them to the EEC.

First of all, beef and veal, mainly from Botswana, representing 56% of that country's exports. Note that this is the only ACP agricultural product without free access to account for such a large percentage of total exports. In

spite of the Community's meat market problems, the preferential arrangements introduced by Lomé I (no customs duties, 90% cut in import charges) have been improved (mainly by increasing the overall quota on which levies are cut) and consolidated (the reduction in the levy is guaranteed for the duration of the Convention).

— An effort has also been made to help the producers of rum, an important export for several Caribbean countries, by providing for higher annual rates of increase in the zero-rated quotas foreseen by the Convention. The most important tariff concessions are not enough, however, to consolidate the development of sales on the Community market. A great deal remains to be done in the field of trade promotion.

### **Boosting trade promotion**

- Although the Lomé Convention made it possible both to run and finance a whole range of trade promotion schemes, the ACP countries have taken relatively little advantage of the facility and only 2% of financing has gone on this so far.
- So, in addition to giving each country the possibility of proposing such schemes for financing from its individual allocation, the new Convention also provides a special fund of 40 million EUA for regional cooperation programmes.

And the scope of this sector has now been extended to include earlier and

(2) Concessions have also been made for carrots, asparagus, certain juices and preserved fruits, mushrooms and maize.

# The four fundamentals of Lomé policy

- 1. Dependable cooperation relations based on a system of entitlement laid down in a freely negotiated contract between equal partners.
- 2. One contract binding two regional groups, excluding any manipulation or discrimination inspired by unilateral assessments of the partners' sovereign choice of economic systems, political regimes and developments models. This means non-alignment and respect for national and cultural individuality.
- 3. A global approach defining and combining a whole series of instruments of cooperation which provides a well-balanced response, in the light of the priorities the ACP countries themselves define, to needs that vary with economic structure and level of development.
- 4. Cooperation based on a permanent dialogue (ensured by the institutional structure taken over from Lomé I(1) and which, now consultations have been stepped up, will be much wider in scope.

<sup>(1)</sup> Products covered by the common agricultural policy represented 8.7% of Community imports from the ACP countries in 1977. 94% of these imports are guaranteed free access and the other 6% get preferential treatment.

<sup>(1)</sup> See annex 2.

later stages in the production chain, and taking in not only the domestic market and its organization but also all foreign markets.

— A pragmatic compromise was sought for rules of origin, another field that could well hamper trade, with a view to making it easier to grant reasonable derogations, in particular for the least developed ACP countries, while also maintaining rules designed to prevent trade being deflected.

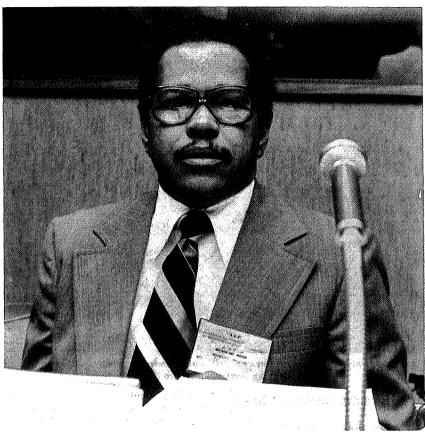
### Trade cooperation and balance

 Although Lomé I guaranteed free access to the Community market for most ACP products, no reciprocal arrangements were required.

The same is true under the new Convention, but the ACP countries may not discriminate between Member States nor give them less than the most favoured industrial nation treatment.

The Community did not grant the preferential status of most favoured third country for certain products coming under the common agricultural policy.

— This non-reciprocity in free trade is reasonable bearing in mind that the two sides are at very different stages of development, but it does not seem to have been enough in itself to ensure balanced trading patterns (see table).



H. Bernard St. John (Barbados)
The new President of the ACP Council of Ministers

Trends in EEC-ACP trade						
	1973	1974	1975	1976	1977	1978
EEC imports from the developing countries	31.9	61.4	55.0	70.0	75.2	71.2
of which OPEC	15.3	38.9	33.4	41.8	42.3	38.2
of which ACP	6.2	10.5	8.4	10.5	12.5	11.9
ACP annual growth rate	+ 28%	+ 70%	- 17%	+ 20%	+ 19%	- 59
ACP imports as % of extra-EEC imports	7.4%	8%	6.7%	6.6%	7.3%	6.79
EEC exports to the developing countries	22.9	35.2	44.1	50.9	61.8	66.5
of which OPEC	6.6	11.4	18.4	24.1	29.7	31.
of which ACP	4.4	6.1	8.1	9.8	12.5	12.
ACP annual growth rate	+ 10%	+ 37%	+ 33%	+ 22%	+ 27%	+ 29
ACP exports as % of extra-EEC exports	5.5%	5.3%	6.7%	7%	7.6%	7.39
EEC-ACP trade balance	- 1.7	- 4.4	- 0.6	- 0.6	0.0	0.

While being careful not to draw hurried conclusions from too short an observation period (the trade arrangements under Lomé became fully operative only in 1976), certain remarks can nevertheless be made:

- Although they do not benefit from preferential treatment, Community exports to ACP countries have grown steadily. The slackening off in 1978 was, however, more marked than in respect of the developing countries as a whole.
- In 1976, imports from the ACP countries increased considerably (up by 43% in two years, as against only 37% for the developing countries as a whole). There was a clear drop in 1978, although it was less marked than for the developing countries in general.
- But it should be remembered that there was not an across-the-board drop and that imports from the Caribbean, for example, increased by 50%. In the case of the countries of Africa, the decrease was due to a large extent to a drop in export earnings from certain commodities (1).

<sup>(1)</sup> SOEC—estimate based on results for January-September 1978.

Copper exports dropped by 15% in volume and 17% in price, groundnut exports by 27% and 20% and cotton exports by 17% and 20%. The price of coffee dropped by 32%.

— This shows just how important it is to seek a way of avoiding violent commodity price fluctuations at world level. It also highlights the value of the export stabilization mechanism, now strengthened and extended under Lomé II, in ACP-EEC relations.

Also, the guarantee given to the sugar-producing ACP countries under the Lomé Convention(1), concerning both the volume and the price of purchases, plays an obviously stabilizing role (see annex 6).

At the same time, any measure designed to stabilize the prices the ACP countries pay for their supplies also deserves attention. The Community has undertaken to use the instruments of the common agricultural policy to make it possible to carry out commercial transactions involving certain essential foodstuffs so that supplies can be assured all the year round at stable prices.

We should add that the new provisions are not fully in line with ACP requests in this respect.

# II. Stabex improved by the new Convention

The Stabex system introduced by the Lomé Convention is the first agreement

between industrialized and developing countries aimed at cancelling out at least part of the effects on economies and producers' incomes of sudden drops in earnings caused either by fluctuations in world prices or by sharp variations in production, which are particularly frequent in regions where the vagaries of the climate are more destructive than elsewhere.

### A greater guarantee

This experiment, which aroused great interest at international level, will be continued in such a way as to increase its scope and effectiveness. With increased financial resources (550 million EUA as against 382 million EUA), this "insurance policy against bad years" will apply to a wider range of products on more favourable terms with regard to the risks covered.

Stabex was originally intended to cover twelve products and some of their sub-products—on which the producer countries were particularly dependent and earnings were particularly unstable—but during the Lomé Convention's lifetime it has already been extended to cover additional products. With the new Convention its scope Itas again been extended: the list of products has grown from 34 to 44 (see annex 3) and now covers the bulk of the agricultural commodities that play any significant part in the economies of the ACP countries(2).

The conditions under which the system comes into play have also been improved, notably by lowering the dependence and trigger thresholds:



Front row (l. to r.): Berhane Ghebray (Ethiopia); B.O. Jobe (Gambia) and Top Sékou (Guinea). Behind: (left) J. Ntungumburanye (Burundi) and S.O. Sy (Senegal) with Annette Gonzales (Trinidad and Tobago)

### Stabex: some facts

 By 15 July 1979, 270 million EUA had been transferred in some 100 interventions to 31 ACP States (including 22 grants worth 160 million EUA).

— Stabex came into play for 21 products or subproducts in this period. In most instances this was because of a drop in production or exports caused by local circumstances (two thirds of the transfers); compensation for losses of export earnings attributable to the economic situation was paid for only a limited number of products.

See table in annex 4.

— the dependence threshold (the percentage of exports the product covered has to account for in relation to total exports to all destinations for the preceding year) has been brought down from 7.5% to 6.5% (5% for sisal);

— the trigger threshold (the drop in export earnings in relation to the average earnings from the same product over the preceding four years) has also been reduced from 7.5% to 6.5%:

— in both cases the threshold applying to the least developed, landlocked and island countries (that is 47 countries out of 58) goes down from 2.5% to 2%.

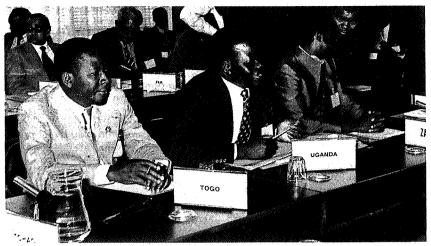
Stabex transfers to the 35 least developed countries are made in the form of grants. In other cases they are interest-free loans, the repayments on which go towards replenishing the system's resources. The terms for this under the new convention are much more flexible: repayment no longer falls due as soon as there is a "good" year; it can be spread over a period of seven years, with a two-year grace period.

# III. Safeguarding and developing mineral production

Whereas the Stabex system under Lomé ensured that the countries pro-

<sup>(1)</sup> The sugar protocol has not been renegotiated. It was concluded for an indeterminate period. Amendments may not be brought until 1981 and the contracting parties may not renounce until

<sup>(2)</sup> The question of tobacco is to be re-examined under the new Convention, as well as the case of sisal products. Iron ore, the only mineral included in Stabex, will continue to be covered in respect of exports from mines currently being worked for another five years (1979-84). After that it will be covered by the new system for minerals.



Front (l. to r.): K. Dogo (Togo), E. Odeke (Uganda) and K. Kiakwama (Zaire); behind (l. to r.): S. Nandan and Ratu Sir Kamisese Mara (Fiji)

preceding four years—as a general rule—for at least 15% of export earnings (all destinations). For the least developed, landlocked and island countries the threshold is 10%.

A brief description of the fairly complicated triggering conditions is given below:

- The "risk" to be covered is that run by a country which finds it is prevented from restoring at a normal rate or maintaining its "production plant or export capacity" by circumstances beyond its control in cases where an "otherwise viable and economic line of production" is involved.
- There must therefore have been an "accident" causing a drop in production or export capacity or in export

ducing agricultural raw materials had more stable incomes and hence increased security for both the economy and the producers, the economies of the countries producing mainly minerals (except those producing iron ore) remained at the mercy of all kinds of contingency—a sudden drop in prices or production, for example.

The new convention corrects this imbalance, which was felt particularly strongly by the ACP States since the international negotiations aimed at stabilizing the prices of raw materials—such as copper—have not achieved many results so far. Although it cannot solve the problem of price fluctuations at inter-regional level, the Community has set about seeking solutions which will at least lessen the effects of such fluctuations and, more generally, preserve the ACP countries' mining potential

The system adopted has basically the same aims as Stabex, though the methods used to achieve them are considerably different because of the peculiarities of mineral production and markets.

### "Accident" insurance

This insurance scheme is backed by financing amounting to 280 million EUA (\$ 372 million). It covers the main minerals exported by the ACP countries: copper and cobalt, phosphates, manganese, bauxite and alumina, tin and iron ore. Additions can be made to this list during the life of the convention by decision of the ACP-EEC Council of Ministers if it turns out that other products of importance to the economies of ACP States are being seriously disturbed.

As with Stabex there is a dependence threshold; for the Community to provide assistance the product in question must have accounted over the

### Main mineral exports

	Producer country	Dependence threshold (average 1972/76)	EEC share of exports (average)		
Copper	Zambia	91 %	60 %		
	Zaire	55 %	91 %		
	Papua New Guinea	51.7 %	40 %		
Phosphates	Togo	59 %	92 %		
·	Senegal	17.6 %	54 %		
Bauxite	Guinea	90 %	34 % (bauxite 76)		
Alumina	Jamaica	67 %	19 % (alumina 76)		
	Suriname	70 %	29 % (alumina 76)		
	Guyana	40 %	9 % (bauxite 76)		
Manganese	Gabon	15 %	32 % (1976)		
Iron ore	Liberia	69 %	74 %		
	Mauritania	71 %	75 %		
Tin	Rwanda	13 %	:		

# Main EEC imports from the ACP countries in 1977 (million EUA)

,	Total Community imports (net)	From		
Copper	2 341	Zaire (445) - Zambia (423) - Papua New Guinea (74)		
Bauxite/alumina	922	Guinea (90) - Guyana (23) - Jamaica (48) - Suriname (59)		
Phosphates	470	Togo (63) - Senegal (26)		
Iron ore	1 900	Liberia (256) - Mauritania (120)		

earnings from one of the products covered by the system and exported to the Community (1). The accident may be caused by local circumstances (disasters, grave political events) or economic factors (price collapse).

— The damage must be significant; it must entail a drop of 10% in production or export capacity.

Once the Community and the ACP country in question have established that these conditions have been met, that country is entitled to compensation. But here the system differs from the Stabex, as no straight budget transfers are made. Aid is provided in the form of financing for projects and programmes put forward by the ACP country with a view to countering the harmful effects to the economy of disruption in the mining sector.

The finance takes the form of special loans, repayable over 40 years with a ten-year grace period and at an interest rate of 1% (0.75% for the least developed countries). In order to be able to act rapidly, the Community may grant advances to prefinance projects.

## Promoting the development of mining

Besides safequarding the existing mining potential the new convention should encourage its development. It is obviously in the mutual interests of the Community and the ACP States to do this. The Community is heavily dependent on external sources of supply -notably the developing countries -for mining products. For the ACP countries mining can be an important factor in their economic development by virtue of the linkages it provides with other activities and the export resources it generates. This sector has dropped behind considerably over the last ten years, the phenomenon being particularly marked in Africa, where there has been practically no investment by European firms in minerals exploration since 1974.

In order to help make up the lost ground, the new convention contains provisions aimed essentially at stepping up external flows of technology and capital. The following can help to achieve this:

- (a) Increased financial and technical assistance in the fields of geology and mining, which could mean a contribution to the establishment of national or regional funds for mineral exploration, for example.
- (b) The adjustment or increased importance of certain financing mechanisms: more funds are now available for use as risk capital and the

possibility now exists (it did not under the Lomé Convention) of subsidizing the ordinary loans of the European Investment Bank (EIB).

- (c) A special EIB commitment in the financing of projects of mutual interest in the mining and energy sectors, up to a ceiling of 200 million EUA (over and above the contractual allocations provided by the convention itself). The larger EIB contributions should also act as a catalyst for private investment flows.
- (d) The possibility introduced by the convention of mining and energy protection and promotion agreements being entered into by the Member States and any ACP State concerned (2).

# IV. Stepping up financial resources

### A greater financial effort

Under the Lomé Convention a total of 3466 million EUA (\$ 4329 million) was available. This included adjustments made to take account of the accession of new members.

The means provided for ACP-EEC cooperation under the new convention have been raised to 5227 million EUA (\$ 6924 million) of which 4542 million EUA (\$ 6013 million) is for the EDF. The table on the following page gives an overall breakdown.

It also gives some new information on amounts that do not appear in the Convention. These include 200 million EUA from the EIB for energy and mining in the form of standard loans without interest rebates.

The management costs of the Commission delegations in charge of cooperation at local level in the ACP countries, so far charged to the EDF, are now to be paid from the Commission budget.

A proper assessment of the Community's financial contribution to the ACP countries must also take account of the budget costs involved in applying the sugar protocol and of aid which the ACP countries get under other Community policies.

The Community has told its partners how much aid they can expect here over the 1980-85 period, namely at least 300 million EUA (\$ 400 million) worth of food aid and 25 million EUA (\$ 33 million) as the EEC contribution to projects cofinanced with NGOs.

All in all, and also taking account of bilateral aid from the various Member States, the Community is by far the largest source of official aid for the ACP countries.

#### The breakdown of aid

As under the Lomé Convention, some of the funds available have been earmarked for special purposes. In addition to the amounts the EDF has set aside for Stabex payments and mining projects, and the EIB commitments in mining and energy, funds have also been set up for:

- (1) regional cooperation (600 million EUA, as against 300 million under the first Lomé Convention). This should mean that fresh impetus can be given to the big regional projects that are often the only real solution in infrastructure (transport—development of waterways), industrial development, training and research;
- (2) emergency aid, for which the allocation has been increased from 150 million EUA to 200 million EUA. This type of aid enables funds to be granted rapidly and thus offers a vital element of flexibility. By helping to cope with the difficulties resulting from natural disasters and other dramatic events it has been able—often in combination with food aid—to provide the means for the survival of many groups of people. Some very large-scale schemes have been launched in certain regions (southern Africa, the Sahel) and aid given to refugees generally (3).

### Priority for the poorest

The new convention devotes a special chapter to the least-developed, island and landlocked countries, the idea being to draw even greater attention to the need to provide these countries with measures designed especially for them.

This privileged treatment, which is apparent in all aspects of cooperation (Stabex, minerals, rules of origin etc.), is of particular importance in the field of financial cooperation.

Generally speaking, the very largely concessional nature of the aid (80% of EDF financing is in the form of grants, special loans and risk capital) means

<sup>(1)</sup> The system makes it possible to anticipate accidental effects, and to intervene as soon as a fall in capacity in the months to come is foreseen,

<sup>(2)</sup> The following joint declaration was adopted with this in mind: "In order to encourage European investments in mining and energy development projects promoted by the ACP States, the Community and the Member States, on the one hand, and the ACP States, on the other, pursuant to the general aims of the treatment of investments referred to in Title IV, may also conclude agreements relating to individual projects where the Community and possibly European undertakings contribute towards their financing".

<sup>(3)</sup> The various aid operations carried out since 1976 for the benefit of refugees in Africa (emergency aid, food aid, etc.) have involved over \$78

### **Breakdown of resources**

	Resource	Resources 1980-85		nvention
	Million EUA	\$ million	Million EUA	\$ million
Grants	2 928	3 894	2 155	2 692
Special loans (1)	504	670	444	555
Risk capital	280	346	94	117
Stabex(2)	550	731	382	477
Minerals (3)	280	372		· <del></del>
Total EDF(5)	4 542	6 013	3 076	3 842
EIB				<b>V</b>
Ordinary loans subsidized (4)	685	.911	390	487
Loans for mining projects (non-convention)	200	266	<u></u>	
Total under convention	5 227	6 924		
Grand total	5 427	7 190	3 466	4 329
			l .	1

<sup>(1)</sup> The repayment terms for special loans have been standardized: repayment over 40 years with a ten-year grace period. The 1% interest rate is reduced to 0.75% for the least developed countries.

It should be noted that the cost of administering aid (Commission delegations in the ACP countries) which was included in the EDF for the Yaounde Conventions and Lome I will in future be borne by the Commission's budget. As a result it will not figure in the convention, nor in the overall aid figure. The sum in question for Lome II is estimated at 180 million EUA.

that the poorest countries get a particularly good deal.

As for loans, the greater emphasis now placed on risk capital instead of ordinary loans should mean that the EIB has more opportunity to act in these countries where the financing of industrial projects can often only be ensured by combining these two types of financing.

But the privileged treatment for the poorest countries will be reflected, first and foremost, in the share they are allocated when the amounts earmarked for the national programmes are shared out.

Under Lomé I, the 32 least developed countries, representing 42% of the ACP population, got 64% of all aid programmed.

### **Encouraging cofinancing**

New provisions show the interest of cofinancing and aim to make such schemes easier to run.

Under Lomé I, almost 40 projects have been cofinanced, representing a total investment of 3000 million EUA. In addition to the contribution of the EDF, the EIB (484 million) and the Member States (458 million), there are large amounts from Arab funds (582 million) and the World Bank (364 million).

The increase in the Arab contribution, from 14% in 1977 to 20% in 1978, is particularly significant.

## Boosting the flow of private finance

Official aid on its own cannot expect to provide enough money to finance ACP development, particularly in the industrial sector where the injection of private capital and access to financial markets should be facilitated.

As well as the measures introduced to promote investment in mining and energy, the new convention also contains more general provisions aimed at encouraging economic operators from the EEC to participate in ACP industrial development.

Investment promotion will be easier, particularly now that the ACP countries which have an investment agreement with a particular EEC country, have undertaken to treat investments from all the Member States in exactly the same way.

Finally, in a joint declaration, the EEC and the ACP countries have recognized "the need to tap additional financial resources that would lead to substantial capital resources for industrial development" and agreed to run a thorough analysis of the situation and have results ready nine months after the signing of the convention.

# V. Vast scope for cooperation

There is no doubt that the scope of cooperation is being expanded from

<sup>(2)</sup> Stabex transfers are grants for the least developed countries and interest-free loans for the others.

<sup>(3)</sup> Same terms as for special loans.

<sup>(4)</sup> Interest-rate subsidies are now uniform and automatic; they lower the interest rate borne by the borrower by 3%.

<sup>(5)</sup> The EDF is financed by the Member States in the following proportions: Belgium 5.9%, Denmark 2.5%, France 25.6%, Germany 28.3%, Ireland 0.6%, Italy 11.5%, Luxembourg 0.2%, Netherlands 7.4%, United Kingdom 18%.

one convention to the next. New subjects are being broached, which means that the dialogue between the Community and its partners covering all areas of economic and social activity is gradually being widened.

At the same time, however, the policies launched by the Lomé Convention are being consolidated; taking into account past experience as well as general economic trends, certain tendencies are being reinforced, certain objectives made clearer and new instruments of cooperation introduced.

#### New areas of cooperation

### Labour

By adopting a joint declaration on the status of "workers who are nationals of one of the contracting parties and are residing legally in the territory of a Member State or an ACP State" the negotiators have tackled the problem of migrant workers for the first time.

The provisions are similar to those contained in the cooperation agreements with the Maghreb countries; workers from ACP countries residing legally in a Member State are guaranteed the same treatment as nationals of that Member State as regards working conditions and pay as well a job-related social security benefits.

The ACP States have given reciprocal undertakings. There is provision for bilateral negotiations to settle any problems (1).

### Fishing

In another joint declaration, the convention deals with sea fishing. There are two basic points to be taken into account here: the Community's established jurisdiction in this area since 1976 and the extension to 200 nautical miles of the fishing zones of most of the coastal ACP States. (The joint declaration in the Lomé Convention still referred to the Member States' jurisdiction in this matter).

Besides referring to increased coordination as regards the conservation and utilization of fishery resources, the parties to the convention outline the general framework for possible bilateral fishery agreements between the Community and the ACP States concerned (mutual advantages—non-discrimination—principle of the Community reciprocity, in addition to any EDF allocation, in return for fishing rights granted by ACP States)(2).

### Sea transport

There is also a joint declaration which paves the way for an examin-

Breakdown					
(Commitments	on 3	31 July	1979	n '00	)0 EUA)

485 910	32.2 %	
400 191	26.5 %	
312 158	20.7 %	
281 444	18.6 %	
29 260	2.0 %	
1 508 963	100 %	
2 100 234	68.5 %	
3 067 767	00.5 70	
	400 191 312 158 281 444 29 260 1 508 963 2 100 234	

ation of subjects of common interest in the field of sea transport, with the Community declaring itself prepared to develop this sector in any ACP State that may so request (the development of shipping companies—setting up joint ventures— technical assistance for training and management, etc.).

The declaration also acknowledges the importance of the Council's decision to recommend that the Member States ratify the United Nations Convention on a Code of Conduct for Liner Conferences.

Such ratification will enable the UN Convention to enter into force and the developing countries will thus be able to benefit from its provisions on the distribution of liner trade.

## From agricultural cooperation to industrial cooperation

With regard to the allocation of the funds available for financial and technical cooperation to the various areas of economic and social development, the choice of priorities and hence the sectoral distribution of the aid will, under the new convention as under the present one, remain up to each individual ACP State.

It was necessary, however, to see that these choices could be implemented by the ways and means best suited to the specific needs of each economic sector and that they could be made in the light of as clear and comprehensive a presentation as possible of the objectives and types of scheme specific to each field.

We have already mentioned the increased cooperation in the sphere of trade promotion. New instruments and the relevant funds will enable a real policy of cooperation on mining to be launched.

The new convention should also provide greater opportunities for action in the fields of industrial and energy cooperation and agricultural and rural development.

## Industrial and energy development

This type of development should benefit first of all from increased financial backing taking more appropriate and more diverse forms (see point IV above). Generally speaking, the new convention should lend more scope to the industrial cooperation activities launched under the Lomé Convention, the results of which are considered broadly inadequate by both sides despite many interesting achievements.

The negotiators were intent upon showing that interdependence was the byword.

This is not a question of facilitating ACP industrial development, but also of "taking due account of their specific needs in the formulation of policies designed to adjust the industrial structures of the Community to changes occurring at the world level".

With this in mind, arrangements have been made for a wide-ranging and highly flexible system of industrial consultations which can be held at the initiative of the Commission or the ACP-EEC Committee on Industrial Cooperation.

These efforts to arrive at better adjusted policies should result in a strengthening of the contacts between

<sup>(1)</sup> It is estimated that there are some 400 000 migrant workers from the ACP countries in the Community.

<sup>(2)</sup> The first agreement was concluded with Senegal on 30 April 1979. Negotiations are under way with Guinea-Bissau and exploratory talks are being held with Mauritania and Cape Verde.

business circles in the Community and the ACP countries. This is the main aim of the Centre for Industrial Development, set up under the Lomé Convention, and its role has now been better defined and its financing stepped up. (A budget of 25 million EUA is laid aside for it, to be taken from the allocation for regional cooperation.)

The negotiators reserved a special place in the new convention for cooperation in the field of energy (1), drawing up a list of the many schemes that could be undertaken in this crucial area, such as an inventory of energy resources, the implementation of energy policies and programmes, promotion of resarch, production of equipment in the ACP countries, development of new sources of energy, particularly in rural areas, and so on.

# Agricultural and rural development

In devoting a special chapter to agricultural cooperation the Community and the ACP countries are demonstrating the prime importance for the development process of promoting rural activities.

Besides defining the objectives of ACP-EEC cooperation in this sphere and listing the schemes that will have to be implemented to achieve them, this chapter stresses the importance of stepping up technical assistance to make the authorities of the ACP States better able to work out for themselves the rural development policies and projects that are best suited to their needs.

Thus, for example, the ACP countries can call upon the services of individual experts or teams of consultants. In the same spirit, a Technical Centre for Agricultural and Rural Cooperation has been set up for the ACP States and its main task will be to improve access to information, research, training and new innovations in this sphere.

The experiment conducted under the Lomé Convention with the financing of microprojects(2)—a formula which has proven particularly well suited to schemes in rural areas—will be continued and expanded.

It should be noted that, under the Lomé Convention, 40.% of the funds available for aid to national projects went to agricultural and rural development, although this average was greatly exceeded in numerous countries where that particular sector absorbed between 75% and 100% of the appropriations.

# VI. The administration of aid

The Lomé Convention is several steps ahead of the usual methods of aid management. In some cases, responsibility falls solely on the recipient country and in others it is shared, but no other form of aid today involves such a degree of co-management.

The new convention retains the dialogue and the participation typical of Lomé I, extending it and making it clearer.

### EIB financing under Lomé I

By 30 September 1979, the Lomé Convention had involved the EIB in providing aid worth almost 300 million EUA for 31 ACP countries—38 loans, worth 231 400 000 EUA, from own resources (plus the 3 % interest rebate provided for by the Convention) and 37 risk capital operations, with 67 400 000 EUA.

### Own resources

Approximately 65% (148 800 000 EUA) was invested in industry and agro-industry, 63 500 000 EUA of the amount being global loans which the EIB made to national developments banks, in most cases to finance small and medium-sized industries. By 30 September 1979, 36 allocations, amounting to 17 400 000 EUA, had been made from these global loans and the rest is being allocated at the moment.

Approximately 33 % (77 900 000 EUA) was invested in electricity production and distribution and about 2 % (7 700 000 EUA) in tourism.

### Risk capital

Almost all (about 92%) the risk capital operations were for industrial investments. A further 6% went on services (5% tourism and about 1.2% feasibility studies and technical assistance schemes) and 2% on holdings in development banks.

The EIB Board also approved loans of 42 200 000 EUA from own resources and 9 300 000 EUA risk capital operations before 30 September 1979, but as these had not been signed by this date, they are not included in the above figures.□

This is achieved by a new article which gives a more precise definition of EEC and ACP responsibility in the implementation of financial and technical cooperation.

The powers of the various implementing bodies are now better coordinated and emphasis has been placed on the need to speed up financing decisions (global programmes for training schemes, general technical cooperation and trade promotion, for microprojects and for other schemes where only limited amounts are involved) and implementation (decisions on all contracts under 3.5 million EUA, invitation to tender dossiers, awards etc., taken as approved by the Commission or its delegate 30 days after notification).

Last but not least, an ACP-EEC committee has been set up to investigate general and specific measures to improve the implementation of financial and technical cooperation, particularly by speeding up and streamlining the procedures.

One of the jobs of this committee will be to look into problems connected with the provisional commitment-implementation-payment timetables (now to be drawn up for each indicative programme and each project) with a view to short-circuiting blockages at various levels.

Three further points should be stressed:

- As far as aid programming is concerned, the texts have put greater emphasis on programming by objectives. This should make it possible to see how far projects fit in with the policies of the individual countries and to ensure that the most is made of the various instruments of cooperation.
- Specific criteria have been laid down for assessment.
- Firms and nationals of recipient states now have more opportunity to take part in the implementation of projects, as the ceilings for accelerated invitations to tender and the 10 % price preference for national firms tendering for works contracts have been raised from 2 to 3.5 million EUA(3). □

(3) The price preference for supply contracts remains 15%, with no financial ceiling.

<sup>(1)</sup> This sector has already received large state financing: over 170 million EUA had been committed by the EDF or the EIB by the end of 1978 for projects which, taking account of cofinancing involved a total investment of some 900 million EUA. The Community's contribution broke down as follows: hydroelectric power 74 — thermal power 8 — power transmission 14 — new sources of energy 4 %.

<sup>(2)</sup> This formula enables an overall appropriation to be allocated to a set of schemes proposed by the ACP State by way of a programme. The projects must be put forward by the communities themselves, which provide some of the financing. Thirty-five programmes involving some 1 400 microprojects are currently being implemented.

#### **ANNEX 1**

### **Background and chronology**

#### The antecedents: the Yaoundé Conventions and the Arusha Agreement

An Implementing Convention of the Treaty of Rome governed the special relations between the EEC and dependent overseas countries and territories. The first European Development Fund (EDF) was established in 1959.

The attainment of independence, between 1960 and 1962, by 18 African countries and Madagascar led to the signing of the first Yaoundé Convention, which came into effect on 1 June 1964 for a five-year period. It primarily contained trade arrangements involving reciprocal preferences and established the second EDF. It was followed by the second Convention (launching the third EDF), which was signed in Yaoundé on 29 July 1969, came into effect on 1 January 1971 and expired on 31 January 1975.

After negotiations between the EEC and the United Kingdom had started in 1970 Mauritius asked to accede to the Yaoundé Convention without further delay. It was able to do so on 30 June 1973.

In addition, as early as 1963 the Six adopted a declaration, formally issued in Yaoundé on 29 July of that year, affirming that the Community was open to requests from any third country having an economic structure comparable to that of the AASM and hoping to accede to the Yaoundé Convention or to enter into other forms of association or trade agreement.

Thus an Association Agreement was signed with Nigeria in 1966 although as it was never ratified it never came into effect. However, after a number of setbacks, an Association Agreement with the three East African States (Kenya, Uganda and Tanzania) was signed in Arusha on 24 September 1969 to cover the same period as Yaoundé II and also expired on 31 January 1975. This Agreement was, however, more limited in scope, and dealt mainly with trade arrangements. It did not include provisions on financial and technical cooperation.

#### From the enlargement of the Community to the opening of negotiations with the ACP

The negotiations with the countries wishing to accede led to the adoption of Protocol 22, annexed to the Acts of Accession, whereby the Community

offered 21 Commonwealth countries of Africa, the Caribbean and the Pacific the chance to negotiate on their future relations within the framework of association or of trade agreements. The Protocol guaranteed, moreover, that advantages already acquired by the AASM would not be lost and that any new associates would receive equal treatment. Finally, it specified that the Community had the firm purpose of safeguarding the interests of all the countries in question whose economies were based to a large extent on exporting raw materials, particularly sugar.

Besides the countries signatory to the Yaoundé Convention and the 21 Commonwealth countries, six other independent African countries (Equatorial Guinea, Ethiopia, Guinea, Guinea-Bissau, Liberia and Sudan) were invited to the opening session of the negotiations in July 1973.

# Chronology of ACP-EEC relations

#### **Lomé Convention**

July 1973: opening of negotiations

- 1 February 1975: conclusion of negotiations
- 28 February 1975: signature of the Lomé Convention by 46 ACP countries
- 1 July 1975: advance implementation of the trade arrangements
- 1 April 1976: entry into force of the Convention
- 14 and 15 July 1976: meeting of the ACP-EEC Council of Ministers (Brussels)
- 13 and 14 April 1977: meeting of the ACP-EEC Council of Ministers (Fiji)
- 13 and 14 March 1978: meeting of the ACP-EEC Council of Ministers (Brussels)
- 22 March 1979: meeting of the ACP-EEC Council of Ministers (Bahamas)

Meetings of the ACP-EEC Consultative Assembly: 1-3 June 1976, 8-10 June 1977, 28-29 September 1978, 10-12 October 1979.

# Negotiations for a successor convention

July 1978: opening of negotiations

- 21 December 1978: ministerial meeting (Brussels)
- 22-24 March 1979: ministerial meeting (Freeport, Bahamas)
- 24-26 May 1979: ministerial meeting (Brussels)

25 June 1979: conclusion of negotiations (Brussels)

# Institutional structure of EEC- ACP cooperation

The new convention maintains the existing institutional structure but certain measures have been taken to improve the operation of the institutions.

The EEC-ACP Council of Ministers meets once a year and is the top decision- and policy-making body. The new convention should make it possible to work out more detailed arrangements for holding consultations and exchanges of views between meetings.

The Committee of Ambassadors meets at least twice a year. It supervises and stimulates a large number of subcommittees (Committees on Industrial Cooperation, Trade Cooperation and so on).

The convention makes provision for new specialized committees to be set up, notably one on the administration of financial and technical cooperation.

The Consultative Assembly, consisting at present of delegates from the ACP countries and members of the European Parliament, meets at least once a year. The subjects for discussion are prepared by a Joint Committee, which normally meets twice a year.

Consultations with the two sides of industry can be arranged on the initiative of the Assembly. Ad hoc meetings can also be held under the aegis of the EEC-ACP Council "on clearly defined matters of common interest".

# The Commission delegations in the ACP States

Although they are not strictly speaking "institutions" the **Commission delegations** in the ACP countries can be considered an essential cog in the implementation of the convention.

The delegations, made up of small teams of from two to ten people specializing in various areas, are officially responsible for covering all aspects of relations between the Community and the ACP countries, notably the many forms of cooperation as defined in the convention.

There are 42 delegations at present.



# List of products covered by STABEX

# Products covered by the Lomé Convention from the beginning

- 1. groundnuts, shelled or not
- 2. groundnut oil
- 3. cocoa beans
- 4. cocoa paste
- 5. cocoa butter
- 6. raw or roasted coffee
- 7. extracts, essence or concentrates of coffee
- 8. cotton, not carded or combed
- 9. cotton linters
- 10. coconuts
- 11. copra
- 12. coconut oil
- 13. palm oil
- 14. palm kernel oil
- 15. palm nuts and kernels
- 16. raw hides and skins
- 17. bovine cattle leather
- 18. sheep and lamb skin leather
- 19. goat and kid skin leather
- 20. wood in the rough
- 21. wood roughly squared or half-squared, but not further manufactured 22. wood sawn lengthwise, but not further prepared
- 23. fresh bananas
- 24. tea
- 25. raw sisal
- 26. iron ore (ores, concentrates and roasted iron pyrites)

# Products added during the life of the Lomé Convention

- 27. vanilla
- 28. cloves (whole fruit, cloves and stems)
- 29. sheep's or lamb's wool, not carded or combed
- 30. fine animal hair of Angora goats mohair
- 31. gum arabic
- 32. pyrethrum (flowers, leaves, stems, peel and roots; saps and extracts from pyrethrum)
- 33. essential oils, not terpeneless, of cloves, of niaouli and of ylang-ylang
- 34. sesame seed

# Products included in the new convention

- 35. cashew nuts
- 36. pepper
- 37. shrimps and prawns
- 38. squid
- 39. cotton seeds
- 40. oil-cake
- 41. rubber
- 42. peas
- 43. beans
- 44. lentils

#### STABEX

#### **Cumulative results by product**

(as at 15 July 1979)

(000 EUA)

1975 amount	1976 amount	1977 amount	1978 amount	Total amount	Total %
			***************************************		**************************************
6 591	4 442	4 551	9 272	24 857	9.27
	6 756	7 383	49 882	64 021	23.87
1 191	153		15 224	16 568	6.18
277			781	1 058	0.39
	464			464	0.17
13 548			946	14 494	5.41
10 222	5 000	2 083	2 340	19 646	7.33
	2 163			2 163	0.81
615	1 500			2 115	0.79
	766	1 467		2 233	0.83
	627	1 212		1 839	0.69
8 402			٠.	8 402	3.13
37 843	349			38 192	14.24
	550	147		697	0.26
1 297	73	447	674	2 491	0.93
	1 400			1 400	0.52
	6 928	8 177	5 473	20 577	7.67
	3 977	6 974	33 395	44 347	16.54
	1 140			1 140	0.42
	848			848	0.32
			609	609	0.23
79 986	37 136	32 442	118 597	268 160	100.00
				-	
56 467	7.478	11 782	38 867	114 595	42.73
23 519	29 658	20 660	79 729	153 566	57.27
	37 843 1 297 79 986	8 402 37 843 349 550 1 297 73 1 400 6 928 3 977 1 140 848 79 986 37 136	8 402 37 843 349 550 147 1 297 73 447 1 400 6 928 8 177 3 977 6 974 1 140 848 79 986 37 136 32 442	8 402         37 843       349         550       147         1 297       73       447       674         1 400       6928       8 177       5 473         3 977       6 974       33 395         1 140       848       609         79 986       37 136       32 442       118 597         56 467       7 478       11 782       38 867	8 402       37 843       349       38 192         550       147       697         1 297       73       447       674       2 491         1 400       6928       8 177       5 473       20 577         3 977       6 974       33 395       44 347         1 140       1 140       1 140         848       609       609         79 986       37 136       32 442       118 597       268 160         56 467       7 478       11 782       38 867       114 595

<sup>(1)</sup> Wood in the rough, raw hides, skins and leather, cotton in 1975.

<sup>(2)</sup> Sisal, sawn wood in 1976.

<sup>(3)</sup> Sisal, iron ore in 1977.

<sup>(4)</sup> Iron ore in 1978.

## Importance of the ACP countries as suppliers of commodities to the EEC — 1978

As % of extra-EEC imports.

Source: EEC Commission, the evolution of trade between the Community and the ACP countries: 1973-76 and 1974-78.

Ciri-	
Middle	
1973-1978	
95 — 100	uranium ore and concentrates
90 — 95	
85 — 90	pineapples, palm nuts and kernels, cocoa
80 — 85	groundnut oil
75 — 80	
70 75	
65 — 70	unprocessed cobalt
60 — 65	sisal fibre
55 — 60	groundnuts, raw sugar, sisal, wood logs, aluminium ore
50 — 55	copper ore and concentrates, alumina
45 — 50	groundnut oilcake
40 — 45	coffee, tinned tuna
35 — 40	refined copper
30 — 35	manganese
25 30	tea, tin
20 — 25	,
15 — 20	beef, bananas, palm oil, raw cotton, phosphates, iron ore
10 15	rice, natural rubber, raw hides and skins, shellfish
> 10	copra, unmanufactured tobacco, unrefined aluminium, zinc, chrome, wolfram, crude oil
1 .	

#### **ANNEX 6**

#### The Lomé Convention's sugar protocol

Agricultural years	Average world price (EUA) London	Guaranteed price (EUA)
1972-1973	17.53	
1973-1974	33.53	
1974-1975	57.36	
1975-1976	27.39	25.53
1976-1977	16.90	26.70
1977-1978		
average July-December	13.26	
average April-May	12.20	
1978-1979	12.21	27.81
1979-1980		34.13 (ECU)

The sugar protocol annexed to the Lomé Convention includes a reciprocal agreement on the purchase and supply of fixed quantities of ACP sugar together with quasi-indexation of the guaranteed prices paid to ACP produc-

ers against the guaranteed prices paid to Community producers.

The quantity set by the protocol is 1 400 000 tonnes of raw sugar (about 1 225 000 tonnes of white sugar) which

represented about 66% of ACP sugar exports in 1977. (This average is considerably exceeded by Mauritius, the main producer, where the quota represents over 80% of exports.)

Under the protocol ACP sugar is sold on the Community market at prices negotiated freely between sellers and buyers. If certain quantities do not find a buyer at a price equal to or above the guaranteed price, the ACP countries have the right to offer those quantities, and the EEC is committed to buy them, at the guaranteed price, as long as the quantities involved are still within the agreed limits.

The protocol stipulates that this price (standard quality sugar delivered unpacked (cif) at European ports of the Community) is to be negotiated annually within the price range obtaining in the Community.

For the 1979/1980 season this price is 34.13 ECU/100 kgs for raw sugar and 42.30 ECU/100 kgs for white sugar. This means there is a net price largely higher than the world price, which has been seriously depressed for the last four years. On 1 July 1979, the world price of raw sugar was 16.33 ECU/100 kgs (London) that of white sugar was 16.47 ECU/100 kgs (Paris).

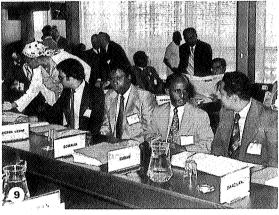














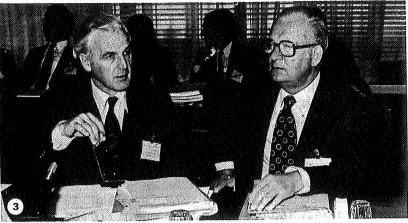




# The negotiations in pictures (May and June 1979)

1. General view of the ACP-EEC Council from the ACP side. A.S. Hanna, deputy PM of the Bahamas and H.B. St John (Barbados) are on the left, Mr Dondelinger (Luxembourg) is further back (to the left). 2. Delegations from Luxembourg (Mr Wolfzfeld), Italy (Mr Sanza), Ireland (Mr Dillon) and France (Mr Pierre Bernard-Reymond). 3. Left to right: Mr van der Mei and Dr L.H. Lubbers (Netherlands). 4. Foreground (left to right): Luis d'Oliveira Sanca (Guinea-Bissau), J. Kiti and J. Muliro (Kenya). 5. Left to right: A. Ferreira Fortes (Cape Verde), A. Ongagou-Datchou and P. Moussa (Congo). Second row, left to right: Gelase Buyoya (Burundi) and Mahmoudou Haman Dicko (Cameroon). 6. Left to right: Mrs Lorenzen and Messrs







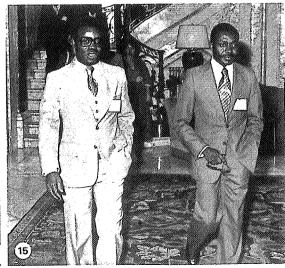






Ribberhold and Hedegaard from Denmark. 7. Peter A. Afolabi (Nigeria) and Donald B. Rainford (Jamaica). 8. Left to right: J. Tyndall (Guyana), Owen Singh (Jamaica), R.A. Ferrier (Surinam), Maurice St John (Trinidad & Tobago). 9. Left to right: Ousmane Seck (Senegal), Mrs E.B. Mathe (Botswana), Robert Grandcourt (Seychelles), I.M. Fofanah (Sierra Leone), Omar Giama (Somalia) and Mr Izadin (Sudan). Messrs Foley and Meyer, from the EEC, are talking in the background. 10. Left to right: E. Carrington (ACP deputy secretary-general), K.V. Dagadou (Togo), E. Kodjo (OAU secretary-general) and Michael A. Kamba (OAU, Geneva). Right (dark jacket) Mr Schweiger (EEC Council) and João Mavinga (Angola). 11. Left to right: Mr Ribberhold (Denmark), Marc Eyskens (Belgium), D. Hurd (UK). 12. J.B. Wilmot (Ghana) and D. Hurd (UK). 13. Left to right: L.B. Monyake and A.M. Monyake (Lesotho) and, in the middle, Michael O'Kennedy (Ireland). 14. R. Rasamoelina (Madagascar) and Chimwemwe Hara (Malawi). Second row: Michel Hauswirth (Commission) and Mamadou Traoré (Mali). 15. Martin J. Reckangalt (Gabon) and Robert Naah (Cameroon). 16. Dr Tapa (Tonga) and Peter Donigi (Papua-New Guinea).







# Profiles of the ACP and the EEC countries

The following pages give basic geographic and economic profiles of the 58 ACP and 9 EEC countries.

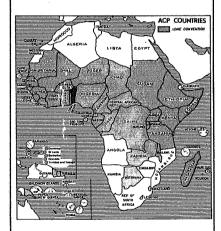
The ACP figures are from the data bank for developing countries set up by the directorate-general for development and the Statistical Office of the European Communities countries are for 1978 (Eurostat). GNP, at (SOEC) in Luxembourg. Population figures are as estimated on 30 June 1977, GNP is at market rates (adjusted in the light of exchange rates) and per capita GNP is also as of 1977.

The ACP export figures are the latest available and cover each country's three main export products.

The population figures for the Community market rates, and per capita GNP are for 1977 (UN statistics). In view of the wide range of products which the EEC exports, figures are for total imports and exports, in 1978 (UN).

#### **WEST AFRICA**

#### BENIN



Area: 112 622 km²

Population: 3 290 000

Capital: Porto Novo

GNP: \$660 000 000

Per capita GNP: \$200

Total exports (1977): \$31 107 000

Principal export products (1974): Cotton in bulk (\$12315000), raw and roasted cocoa beans (\$4 777 000), cotton seed (\$2 551 000)

## CAPE VERDE

Area: 4 033 km<sup>2</sup>

Population: 310 000

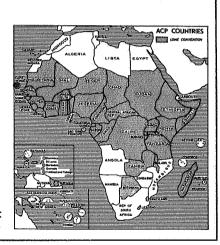
Capital: Praia

GNP: \$40 000 000

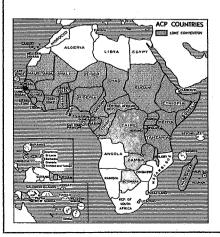
Per capita GNP: \$140

Total exports (1974): \$2 000 000

Principal export products (1974): fish (\$539 000), bananas (\$52 000)



## THE GAMBIA



Area: 11 295 km<sup>2</sup>

Population: 550 000

Capital: Banjul

GNP: \$110 000 000

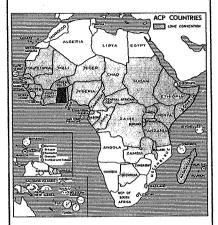
Per capita GNP: \$200

Total exports (1976): \$33 720 000

Principal export products (1976): raw groundnuts (\$17 222 000); groundnut oil (\$10 433 000); oil cakes (\$3 314 000)

40

### **GHANA**



Area: 238 537 km<sup>2</sup>

Population: 10 480 000

Capital: Accra

GNP: \$4 080 000 000

Per capita GNP: \$380

Total exports (1976): \$856 000 000

Principal export products (1975): raw and roasted cocoa beans (\$479 510 000); cocoa butter (\$67 331 000); rough non-coniferous timber (\$42 907 000)

#### **GUINEA**

Area: 245 857 km<sup>2</sup>

Population: 4 650 000

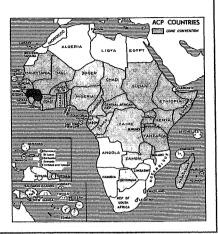
Capital: Conakry

GNP: \$1 080 000 000

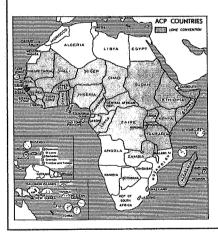
Per capita GNP: \$230

Total exports (1976): \$202 000 000

Principal export products: bauxite, aluminium ore & concentrates, chemicals, oxides, aluminium hydroxide & alumina



#### **GUINEA BISSAU**



Area: 36 125 km<sup>2</sup>

Population: 540 000

Capital: Bissau

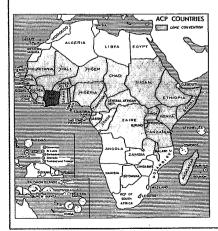
GNP: \$150 000 000

Per capita GNP: \$160

Total exports (1976): \$5 334 000

Principal export products (1975): groundnuts (\$3 884 000), oil seed, nuts and kernels (\$638 000), groundnut oil (\$61 000)

#### **IVORY COAST**



Area: 322 462 km²

Population: 5 150 000

Capital: Abidjan

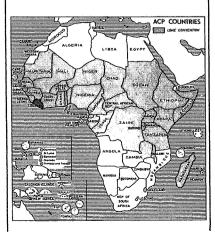
GNP: \$5 180 000 000

Per capita GNP: \$710

Total exports (1977): \$2 155 723 000

Principal export products (1977): green and roasted coffee (\$809 051 000); raw & roasted (\$402 452 000); cocoa beans non-coniferous timber rough (\$243 148 000)

## LIBERIA



Area: 111 369 km²

Population: 1800 000

Capital: Monrovia

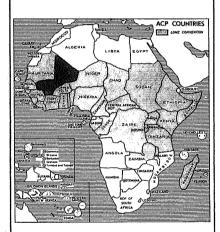
GNP: \$710 000 000

Per capita GNP: \$430

Total exports (1976): \$476 000 000

Principal export products (1975): iron ore (\$293 589 000); natural rubber (\$46 236 000); industrial diamonds (\$18 404 000)

#### MALI



Area: 1 240 000 km<sup>2</sup>

Population: 5 990 000

Capital: Bamako

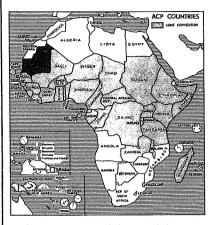
GNP: \$680 000 000

Per capita GNP: \$110

Total exports (1976): \$84 537 000

Principal export products (1976): cotton in bulk (\$42 636 000); raw groundnuts (\$10 399 000); cattle (\$5 130 000)

#### **MAURITANIA**



Area: 1 030 700 km²

Population: 1 420 000

Capital: Nouakchott

GNP: \$410 000 000

Per capita GNP: \$270

Total exports (1977): \$156 600 000

Principal export products (1972): iron ore (\$73 168 000); copper ore (\$23 490 000); fish and shellfish (\$10 279 000)

#### NIGER

Area: 1 267 000 km²

Population: 4 210 000

Capital: Niamey

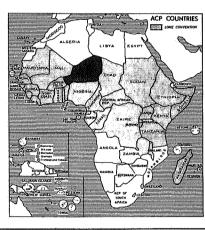
GNP: \$770 000 000

Per capita GNP: \$160

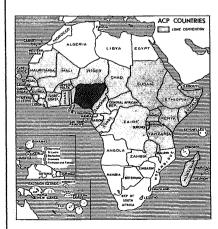
Total exports (1976): \$134 067 000

Principal export products (1976): cattle (\$18,968,000,000); pulses (\$10,639,000); groundnut oils

(\$3 853 000)



#### **NIGERIA**



Area: 932 768 km<sup>2</sup>

Population: 66 630 000

Capital: Lagos

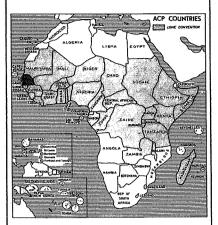
GNP: \$33 340 000 000 Per capita GNP: \$420

Total exports (1976):

\$9 726 421 000

Principal export products (1976): crude and partially refined oil (\$9 043 461 000); raw & roasted cocoa beans (\$349 424 000); palm nuts and kernels (\$43 331 000)

## SENEGAL



Area: 196 192 km²

Population: 5 274 000

Capital: Dakar

GNP: \$2 240 000 000

Per capita GNP: \$420

Total exports (1976): \$512 900 000

Principal export products (1976): groundnut oil (\$160 100 000); natural phosphates (\$60 200 000); oil cakes (\$45 000 000)

### TOGO

Area: 56 000 km<sup>2</sup>

Population: 2350000

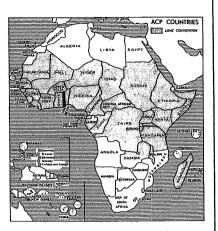
Capital: Lomé

GNP: \$700 000 000

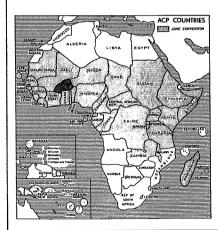
Per capita GNP: \$300

Total exports (1976): \$104 742 000

Principal export products (1976): natural phosphates and calcium (\$54 833 000); raw and roasted cocoa beans (\$17 438 000); green and roasted coffee (\$16 755 000)



### **UPPER VOLTA**



Area: 274 200 km<sup>2</sup>

Population: 6 320 000

Capital: Ouagadougou

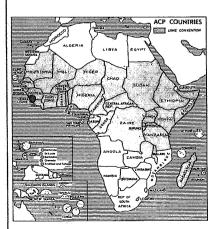
GNP: \$720 000 000

Per capita GNP: \$100

Total exports (1977): \$55 416 000

Principal export products (1975): cattle (\$8 047 000); cotton in bulk (\$7 113 000); unroasted ground-nuts (\$6 731 000)

#### SIERRA LEONE



Area: 71 740 km<sup>2</sup>

Population: 3 470 000

Capital: Freetown

GNP: \$610 000 000

Per capita GNP: \$200

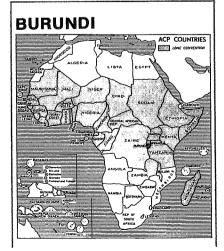
Total exports (1977): \$115 112 000

Principal export products (1974): non- industrial unmounted dia-

monds (\$88 632 000); iron ore (\$14 788 000); palm nuts and kernels

(\$9 498 000)

#### CENTRAL AFRICA



Area: 27 834 km²

Population: 3 980 000

Capital: Bujumbura

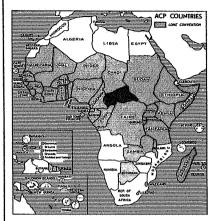
GNP: \$260 000 000

Per capita GNP: \$130

Total exports (1979): \$94 578 000

Principal export products (1976): coffee (\$50 671 000); cotton (\$2 260 000); tea (\$997 000)

## **CENTRAL AFRICAN REPUBLIC**



Area: 622 984 km²

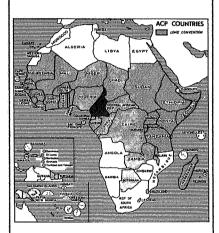
Population: 1 867 000

Capital: Banqui GNP: \$470 000 000 Per capita GNP: \$250

Total exports (1977): \$81 555 000

Principal export products (1977): green and roasted (\$33 339 000); non-industrial diamonds (\$18 775 000); rough non-coniferous timber (\$10 104 000)

#### CAMEROON



**CHAD** 

Area: 1 284 000 km²

Population: 4210000

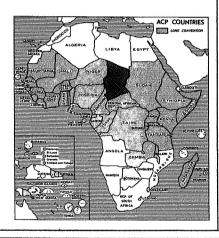
Capital: N'Djamena

GNP: \$540 000 000

Per capita GNP: \$130

Total exports (1976): \$40 000 000

Principal export products (1974): cotton in bulk (\$22 463 000); beef and veal (\$4 235 000); (\$1 033 000)



Area: 475 442 km<sup>2</sup>

Population: 7 910 000

Capital: Yaoundé

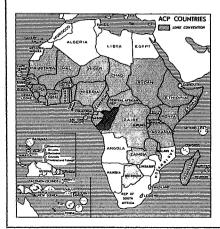
GNP: \$2 650 000 000

Per capita GNP: \$340

Total exports (1977): \$540 992 000

Principal export products (1977): green roasted and coffee (\$224 922 000); rough non-coniferous timber (\$64 623 000); cocoa paste (\$37 893 000)

#### CONGO



Area: 3 420 000 km<sup>2</sup>

Population: 1 440 000

Capital: Brazzaville GNP: \$700 000 000

Per capita GNP: \$500

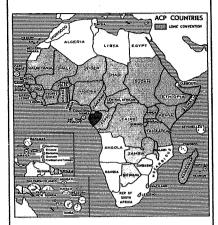
Total exports (1977): \$181 711 000

Principal export products (1977): crude oil (\$98 837 000);

rough non-coniferous timber (\$22 633 000); potassium fertiliz-

ers (\$13 234 000)

### **GABON**



Area: 267 667 km<sup>2</sup>

Population: 530 000

Capital: Libreville

GNP: \$2 060 000 000

Per capita GNP: \$3 730

Total exports (1977): \$1 343 800 000

Principal export products (1977): crude oil (\$987 589 000); manganese ore (\$234 209 000); rough non-coniferous (\$81 995 000) timber

#### **RWANDA**

Area: 26 338 km²

Population: 4 370 000

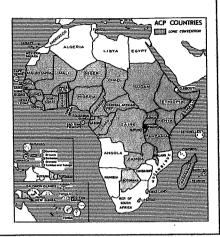
Capital: Kigali

GNP: \$580 000 000

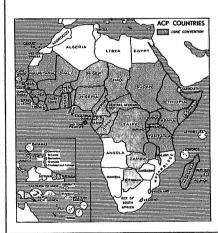
Per capita GNP: \$130

Total exports (1976): \$81 162 000

Principal export products (1976): coffee (\$63 885 000); tea (\$5 375 000); tin ore (\$4 969 000)



## **SAO TOME** & PRINCIPE



Area: 964 km²

Population: 80 000

Capital: Sao Tomé

GNP: \$30 000 000

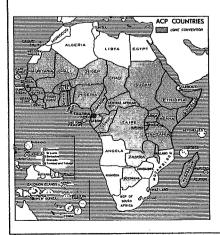
Per capita GNP: \$420

Total exports (1976): \$9 070 000

Principal export products (1976): cocoa beans (\$7 396 000); copra (\$567 000); palm nuts & kernels

(\$470 000)

## **EQUATORIAL GUINEA**



Area: 23 051 km<sup>2</sup>

Population: 320 000

Capital: Malabo

GNP: \$110 000 000

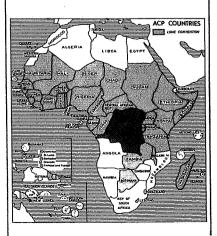
Per capita GNP: \$340

Total exports (1976): \$43 000 000

Principal export products (1974): cocoa beans (\$29 463 000); coffee

(\$5 124 000)

### ZAIRE



Area: 2345 409 km²

Population: 26 310 000

Capital: Kinshasa

GNP: \$3 270 000 000

Per capita GNP: \$130

Total exports (1976): \$1 372 986 000

Principal export products (1975):

copper for

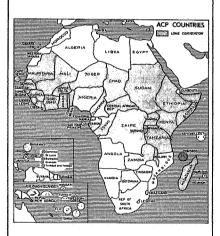
refining (\$331 972 000); other non-ferrous metals (\$54 010 000);

non-industrial

diamonds (\$43 522 000)

## EAST AFRICA

## **COMOROS**



Area: 2 171 km²

Population: 370 000

Capital: Moroni

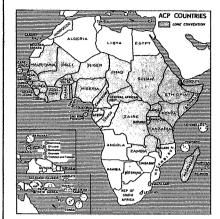
GNP: \$70 000 000

Per capita GNP: \$180

Total exports (1977): \$8 971 000

Principal export products: ylangylang, vanilla, copra, cloves

### **DJIBOUTI**



Area: 22 000 km<sup>2</sup>

Population: 110 000

Capital: Djibouti

GNP: \$260 000 000

Per capita GNP: \$2 390 (1976)

Total exports (1976): \$15 825 000

Principal export products: hides

& skins

#### **ETHIOPIA**

Area: 1 221 900 km²

Population: 28 980 000

Capital: Addis Ababa

GNP: \$3 220 000 000

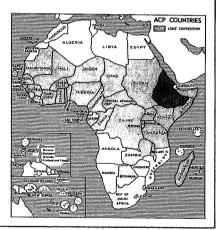
Per capita GNP: \$110

Total exports (1977): \$332 831 000

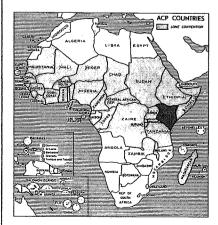
Principal export products (1975):

raw and roasted

coffee (\$73 201 000); cattle (\$10 717 000); fleeces (\$9 212 000)



# **KENYA**



Area: 582 646 km<sup>2</sup>

Population: 14 860 000

Capital: Nairobi

GNP: \$3 910 000 000

Per capita GNP: \$270

Total exports (1977):

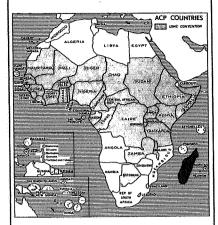
\$1 213 157 000

Principal export products (1977): green and roasted

coffee (\$449 106 000);

tea (\$181 793 000); oil & white spirit (\$68 837 000)

#### **MADAGASCAR**



Area: 587 041 km²

Population: 8 520 000

Capital: Antananarivo

GNP: \$1 960 000 000

Per capita GNP: \$210

Total exports (1976): \$320 000 000

Principal export products (1975): cloves (\$80 929 000); green and roasted coffee (\$65 664 000); vanilla (\$13 840 000)

### **SEYCHELLES**

Area: 444 km²

Population: 60 000

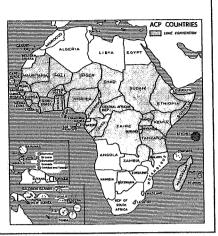
Capital: Port Victoria

GNP: \$30 000 000

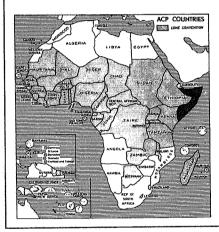
Per capita GNP: \$600 (1976)

Total exports (1976): \$2 685 000

Principal export products (1975): copra (\$1 211 000); (\$599 000) cinnamon



#### SOMALIA



Area: 637 657 km<sup>2</sup>

Population: 3 350 000

Capital: Mogadishu

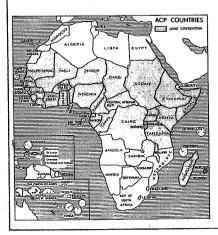
GNP: \$410 000 000

Per capita GNP: \$110

Total exports (1976): \$85 000 000

Principal export products (1975): sheep and goats (\$47 831 000); bananas (\$10 222 000); cattle (\$5 317 000)

## **MAURITIUS**



Area: 2045 km²

Population: 880 000

Capital: Port Louis

GNP: \$690 000 000

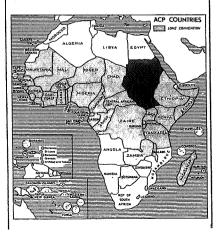
Per capita GNP: \$760

Total exports (1975): \$305 137 000

Principal export products (1975): sugar (\$256 985 000); clothing (\$19 612); electronic components

(\$10 304)

### **SUDAN**



Area: 2505813 km²

Population: 16 950 000

Capital: Khartoum

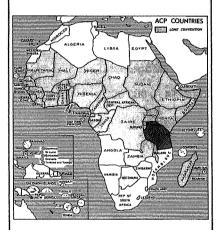
GNP: \$4 910 000 000

Per capita GNP: \$300

Total exports (1976): \$429 357 000

Principal export products (1976): cotton in bulk (\$189 911 000); raw groundnuts (\$99 104 000); oil seeds, nuts and kernels (\$38 109 000)

### TANZANIA



Area: 945 087 km<sup>2</sup>

Population: 16 090 000

Capital: Dar es Salaam

GNP: \$3 100 000 000

Per capita GNP: \$200

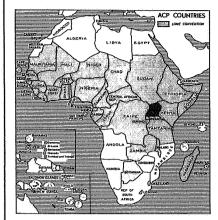
Total exports (1976): \$459 981 000

Principal export products (1976): green and roasted coffee

(\$153 025 000);

cotton in bulk (\$75 864 000); cloves (\$31 108 000)

### **UGANDA**



Area: 236 036 km²

Population: 12 350 000

Capital: Kampala

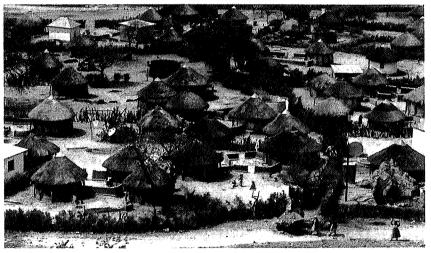
GNP: \$3 220 000 000

Per capita GNP: \$260

Total exports (1976): \$349 736 000

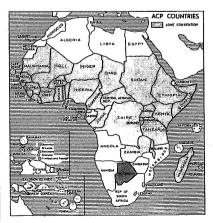
Principal export products (1976): green and roasted coffee (\$299 960 000); cotton in bulk (\$21 746 000); tea (\$10 659 000)

### SOUTHERN AFRICA



A traditional village in Botswana

#### **BOTSWANA**



Area: 600 372 km²

Population: 710 000

Capital: Gaborone

GNP: \$300 000 000

Per capita GNP: \$440

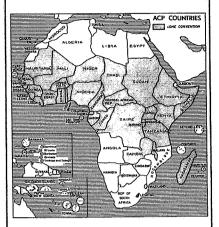
Total exports (1976): \$176 148 000

Principal export products (1975): meat and prepared meats

(\$49 796 000);

diamonds (\$43 888 000); copper & nickel (\$30 055 000)

### **LESOTHO**



Area: 30 355 km²

Population: 1 060 000

Capital: Maseru

GNP: \$300 000 000

Per capita GNP: \$230

Total exports (1975): \$16 841 000

Principal export products (1973): wool other than mohair (\$4 595 000);

cattle (\$2 248 000); mohair (\$2 197 000)

### **SWAZILAND**

Area: 17 363 km²

Population: 510 000

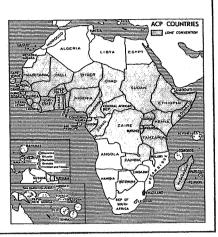
Capital: Mbabane

GNP: \$310 000 000

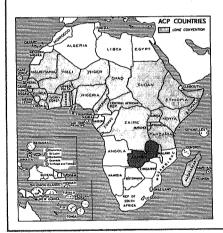
Per capita GNP: \$580

Total exports (1976): \$185 725 000

Principal export products (1976): sugar (\$60 720 000); wood pulp (\$45 425 000); iron ore (\$14 858 000)



### ZAMBIA



Area: 752 614 km<sup>2</sup>

Population: 5 300 000

Capital: Lusaka

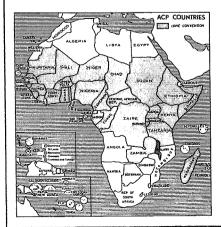
GNP: \$2 330 000 000

Per capita GNP: \$450

Total exports (1977): \$896 123 000

Principal export products (1975): copper (\$722 259 000); zinc (\$31 619 000); copper filings (\$12 305 000)

#### MALAWI



Area: 118 484 km²

Population: 5 530 000

Capital: Lilongwe

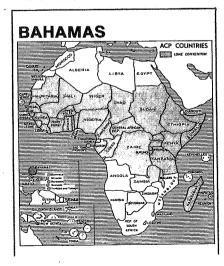
GNP: \$800 000 000

Per capita GNP: \$140

Total exports (1977): \$204 423 000

Principal export products (1976): tea (\$28 930 000); sugar (\$25 334 000); unroasted groundnuts (\$12 274 000)

### CARIBBEAN



Area: 13 935 km<sup>2</sup>

Population: 220 000

Capital: Nassau

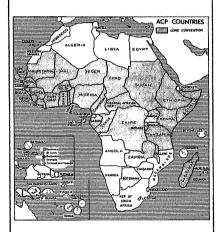
GNP: \$750 000 000

Per capita GNP: \$3 450

Total exports (1975): \$2 508 333 000

Principal export products (1975): fossil fuels, oil, etc. (\$2 392 130 000); chemicals (\$65 062 000); beverages and tobacco (\$13 683 000)

# **BARBADOS**



Area: 431 km²

Population: 250 000

Capital: Bridgetown

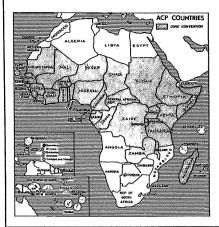
GNP: \$440 000 000

Per capita GNP: \$1 760

Total exports (1978): \$93 000 000

Principal export products (1978): sugar (\$23 500 000); clothing (\$20 300 000); electronic componclothing ents (\$18 950 000)

#### **DOMINICA**



Area: 751 km<sup>2</sup>

Population: 80 000

Capital: Roseau

GNP: \$30 000 000

Per capita GNP: \$420 (1976)

Total exports (1975): \$23 800 000

Principal export products (1975): bananas (\$14 500 000); grapefruit (\$2 800 000); coconuts (\$400 000)

### **GRENADA**

Area: 344 km²

Population: 100 000

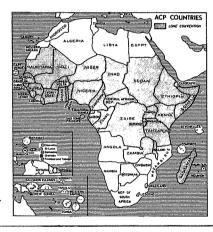
Capital: St. George's

GNP: \$50 000 000

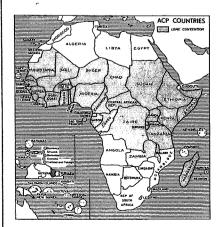
Per capita GNP: \$450

Total exports (1976): \$19 200 000

Principal export products (1976): cocoa beans (\$4 700 000); ban-anas (\$3 200 000)



### **GUYANA**



Area: 214 969 km²

Population: 830 000

Capital: Georgetown

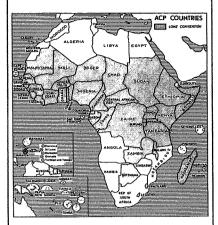
GNP: \$450 000 000

Per capita GNP: \$560

Total exports (1977): \$259 545 000

Principal export products (1976): aluminium (\$124 705 000); sugar (\$96 862 000); rice (\$41 176 000)

### **JAMAICA**



Area: 10 991 km<sup>2</sup>

Population: 2 090 000

Capital: Kingston

GNP: \$2 410 000 000

Per capita GNP: \$1 150

Total exports (1977): \$778 044 000

Principal export products (1975): chemicals (\$394 018 000); sugar (\$153 657 000); bauxite and aluminium ores (\$117 546 000)

#### SURINAME

Area: 163 265 km<sup>2</sup>

Population: 450 000

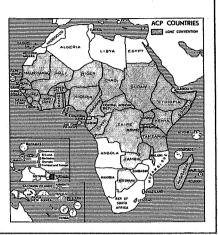
Capital: Paramaribo

GNP: \$660 000 000

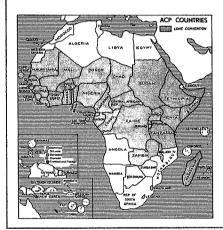
Per capita GNP: \$1 500

Total exports (1976): \$274 600 000

Principal export products (1976): alumina (\$130 530 000); bauxite (\$47 600 000); aluminium (\$36 420 000)



### **TRINIDAD & TOBAGO**



Area: 5 128 km²

Population: 1 115 000

Capital: Port of Spain

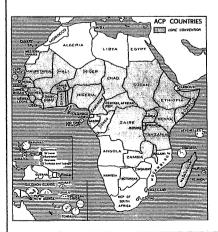
GNP: \$2 650 000 000

Per capita GNP: \$2 380

Total exports (1977): \$2 179 814 000

Principal export products (1977): crude oil (\$728 231 000); diesel and other fuel oils (\$154 438 000); petrol (\$146 635 000)

#### SAINT LUCIA



Area: 616 km²

Population: 112 000

Capital: Castries

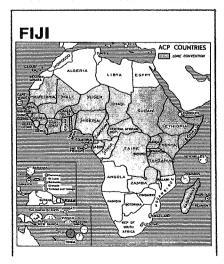
GNP: \$66 000 000

Per capita GNP: \$579

Total exports (1973): \$12 777 000

Principal export products (1973): bananas (\$6 481 000); coconuts & coconut products (\$2 074 000)

### PACIFIC



Area: 18 272 km<sup>2</sup>

Population: 600 000

Capital: Suva

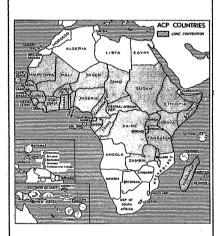
GNP: \$720 000 000

Per capita GNP: \$1 220

Total exports (1977): \$177 541 000

Principal export products (1976): sugar (\$74 498 000); lamp oil & kerosene (\$13 227 000); diesel & other fuel oils (\$5 104 000)

#### KIRIBATI



Area: 684 km²

Population: 56 000

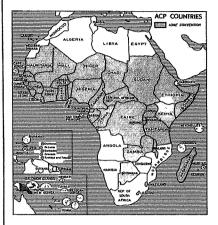
Capital: Tarawa

GNP: \$39 400 000

Per capita GNP: \$649

Total exports (1977): \$20 543 000

Principal export products (1977): phosphates (\$17 756 000); copra (\$2 743 000) **PAPUA NEW GUINEA** 



Area: 461 691 km²

Population: 2910000

Capital: Port Moresby

GNP: \$1 410 000 000

Per capita GNP: \$480

Total exports (1976): \$572 127 000

Principal export products (1975): coffee (\$46 297 000); copra (\$39 792 000); fish (\$12 311 000)

ACP COUNTRIES

### **SOLOMON ISLANDS**

Area: 28 446 km<sup>2</sup>

Population: 210 000

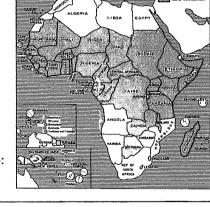
Capital: Honiara

GNP: \$53 000 000

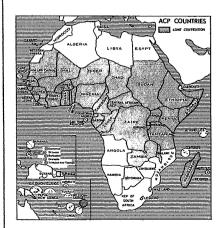
Per capita GNP: \$260

Total exports (1977): \$28 806 000

Principal export products (1977): copra (\$7 988 000); fish (\$7 895 000); timber (\$7 725 000)



#### **WESTERN SAMOA**



Area: 2842 km²

Population: 150 000

Capital: Apia

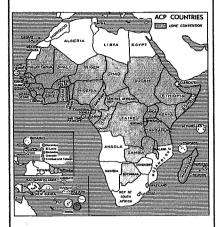
GNP: \$50 000 000

Per capita GNP: \$320

Total exports (1977): \$14 719 000

Principal export products (1976): cocoa (\$2 787 000); copra (\$2 366 000); bananas (\$180 000)

# TONGA



Area: 699 km²

Population: 90 000

Capital: Nuku'Alofa

GNP: \$30 000 000

Per capita GNP (1976): \$330

Total exports (1974): \$6 586 000

Principal export products (1974): copra (\$4 591 000); coconuts (\$692 000); bananas (\$520 000)

## **TUVALU**

Area: 26 km²

Population: 8 000

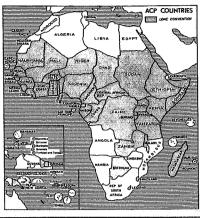
Capital: Funafuti

GNP: -

Total exports: --

Per capita GNP: -

Principal export products (1975): copra (\$51 000)



# ACP comparisons (1)

As against the nine members of the EEC, the number of ACP countries is very considerable—58 at present. The ACP countries together cover 20 443 907 km² and have a total population of 298 424 000 (1977). There are great differences between the three areas which make up the group. Africa alone accounts for 19 520 457 km² and a population of 289 081 000, while the figures for the Caribbean ACPs are 410 430 km² and 5 274 000, and for the Pacific

(1) Source: Eurostat and the UN.

Right: A decorative mask from Papua New Guinea and below women working in Suva, Fiji





512 660 km² and 4 096 000. The 58 ACP countries cover 15.04% of the world's surface (total: 135 897 000 km²) and 7.09% of its total population (4 208 000 000). See figures for Europe.

## **EUROPEAN COMMUNITY**

## BELGIUM



Area: 30 500 km²

Population: 9 841 000

Capital: Brussels

GNP: \$74 564 100 000

Per capita GNP: \$7 582

Total exports (1): \$44 300 000 000

Total imports(1): \$46 391 000 000

(1) Belgium-Luxembourg Economic Union

# FRANCE

Area: 547 000 km<sup>2</sup>

Population: 53 302 000

Capital: Paris

GNP: \$387 058 300 000

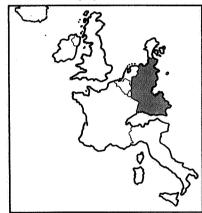
Per capita GNP: \$7 292

Total exports: \$76 609 000 000

Total imports: \$81 715 000 000



# GERMANY (Fed. Rep.)



Area: 248 600 km²

Population: 61 131 000

Capital: Bonn

GNP: \$500 932 400 000

Per capita GNP: \$8 159

Total exports: \$142 090 000 000

Total imports: \$120 668 000 000

## **DENMARK**



Area: 43 100 km<sup>2</sup>

(Greenland: 2 175 600 km²)

Population: 5 104 000

Capital: Copenhagen

GNP: \$40 969 500 000

Per capita GNP: \$8 051

Total exports: \$11 886 000 000

Total imports: \$14 810 000 000

# **IRELAND**



Area: 70 300 km²

Population: 3 221 000

Capital: Dublin

GNP: \$9 215 300 000

Per capita GNP: \$2 883

Total exports: \$5 678 000 000

Total imports: \$7 097 000 000

# **LUXEMBOURG**



Area: 2 600 km²

Population: 358 000

Capital: Luxembourg

GNP: \$2 546 900 000

Per capita GNP: \$7 154

Total exports: see Belgium

(BLEU)

Total imports: see Belgium

(BLEU)

## **ITALY**



### **NETHERLANDS**

Area: 41 200 km<sup>2</sup>

Population: 13 937 000

Capital: Amsterdam

GNP: \$99 125 400 000

Per capita GNP: \$7 156

Total exports: \$50 280 000 000

Total imports: \$53 812 000 000



Area: 301 300 km<sup>2</sup>

Population: 56 697 000

Capital: Rome

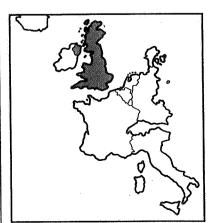
GNP: \$194 522 200 000

Per capita GNP: \$3 446

Total exports: \$56 055 000 000

Total imports: \$56 446 000 000

### **UNITED KINGDOM**



Area: 244 000 km<sup>2</sup>

Population: 55 889 000

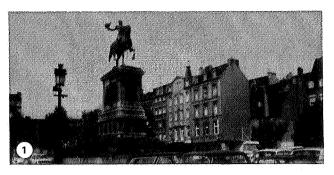
Capital: London

GNP: \$247 169 500 000

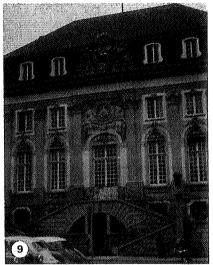
Per capita GNP: \$4 425

Total exports: \$71 691 000 000

Total imports: \$78 557 000 000

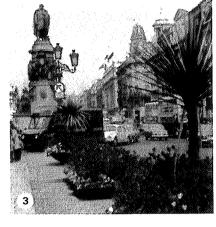




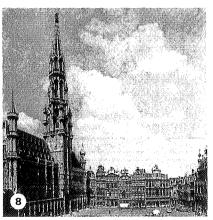


# The nine member states of the Community

The Community, with its nine member states, is 1525 600 km² in area (1) and has a total population of 259 659 000 (1978). This is 1.12% of the surface of the globe and 6.17 % of its population. The figures for the present 58 ACP states are 15.04% of world area and 7.09% of world population, for the USA 6.89% and 5.18% and the USSR 16.48 % and 6.22%. The Community is the world's biggest importer and exporter, accounting for one third of all trade.

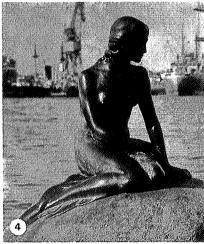


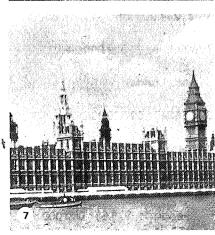
Sources: Eurostat and the UN.
(1) 3 701 200 with Greenland.

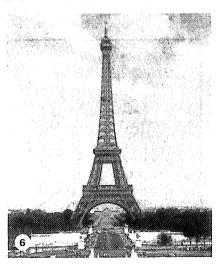


# Seeing the sights in the capitals of Europe

1. Luxembourg's Place Kneudler.
2. The Coliseum in the "eternal city" of Rome.
3. O'Connell Street, Dublin.
4. The little mermaid, Copenhagen.
5. Canals and old houses in Amsterdam.
6. The Eiffel Tower, Paris.
7. Westminster and Big Ben, London.
8. The Grand'Place and the Hôtel de Ville, Brussels.
9. Classical architecture in Bonn.









## **Commission Delegations to ACP Countries**

#### Netherlands Antilles

Mgr Kieckensweg 24 - PO Box 822 Willemstad, Curação Tel 250.84 Telex 1089 DELEG NA - WILLEMSTAD

#### Barbados (1)

Sunjet House, Fairchild Street - PO Box 654 C Bridgetown - Tel. 743 62 Telex 327 DELEGFED WB - BRIDGETOWN

Avenue Roume, Bâtiment administratif - BP 910 Cotonou - Tel. 31 26 84/31 26 17 Telex 5257 DELEGFED - COTONOU

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#### Cameroon(2)

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PO Box 5570 Addis Ababa - Tel. 15 17 03/15 22 22 Telex 21135 DELEGEUR - ō ADDIS ABABA

#### Pacific (Fiji, Samoa and Tonga)(3)

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Quartier Batterie IV - BP 321 Libreville - Tel. 73 22 50
Telex FED 5511 GO - LIBREVILLE

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#### Guinea-Bissau (4)

Rua Eduardo Mondlane 29 - Caixa Postal 359 Bissau- Tel. 33 60/28 78 Telegram DELEGFED BISSAU (Guinée)

Commission - Central Mail Department (Diplomatic Bag Section - B 1/123) Rue de la Loi 200, 1049 Bruxelles Tel. 412 75/412 76 (Conakry, Guinea) Telex 628 DELEUR CKY

#### Guvana (5)

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#### Jamaica (7)

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Plot 1311 Victoria Island - P M Bag 12767 Lagos - Tel. 68 22 36 Telex 21247 UKREP NG - LAGOS attn Mr Garvey, Delegate EEC

Uganda Commercial Bank Building, Plot 12 Kampala Road, 5th Floor - PO Box 5244 Kampala - Tel. 335 97/336 86 Telex 61139 DELEGFED - KAMPALA

#### Papua New Guinea(8)

Development Bank Building 2nd Floor - Walgani PO Box 1264 - Boroko
Port Moresby - Tel. 25 92 22
Telex NE 22307 DELEUR PORT MORESBY (Papua New Guinea)

#### Rwanda

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#### THE COURIER

EUROPEAN COMMUNITY AFRICA - CARIBBEAN - PACIFIC

**PUBLISHER** Jean Durieux

Commission of the European Communities

> 200, rue de la Loi 1049-Brussels (Belgium)

Tel. 7350040 — 7358040 Telex COMEURBRU 21877

## **FDITOR**

Alain Lacroix DEPUTY EDITOR Lucien Pagni

## ASSISTANT EDITORS

Barney Trench Roger De Backer Ian Piper Amadou Traoré Augustine Oyowe

Secretariat

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