

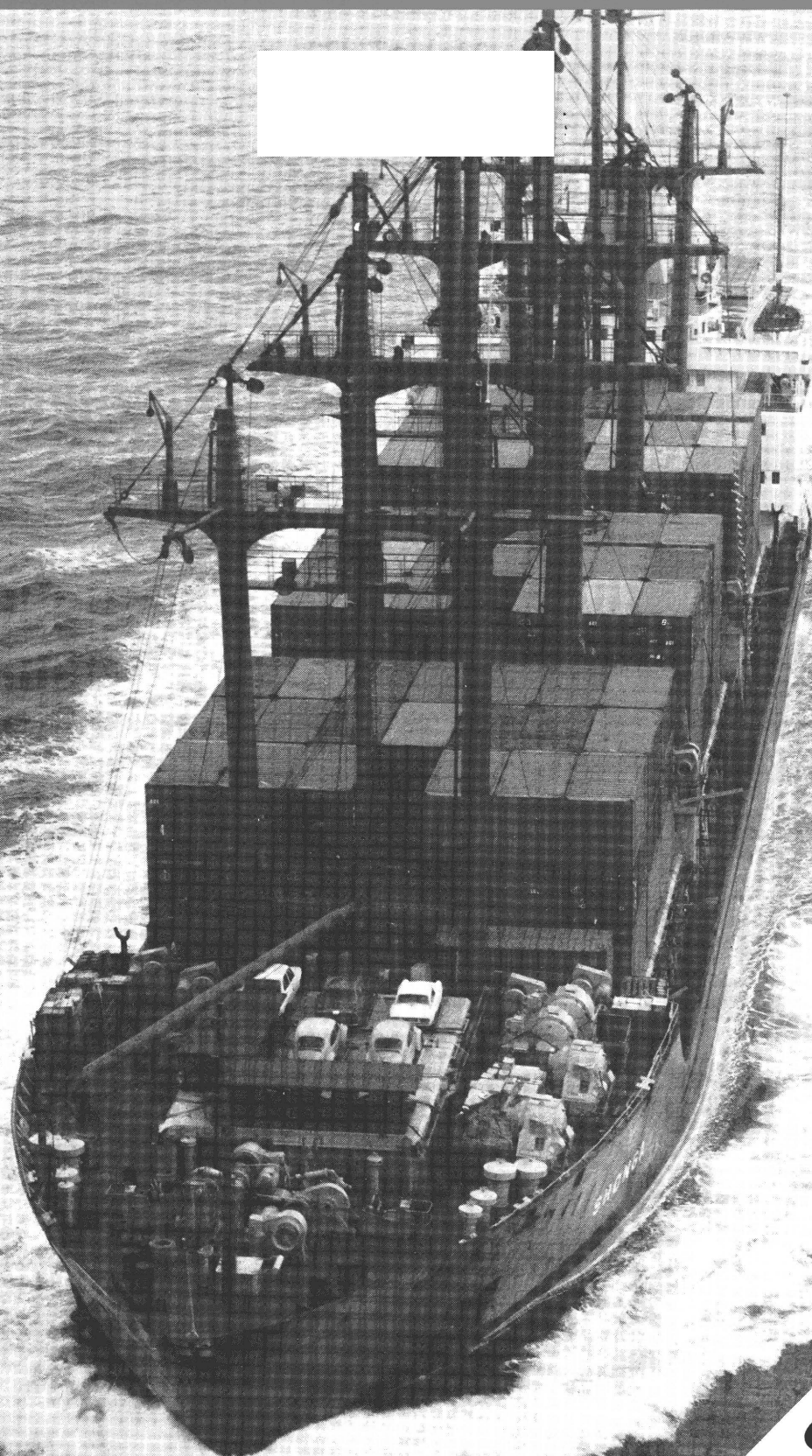


the courier

AFRICA-CARIBBEAN-PACIFIC—EUROPEAN COMMUNITY

Published every two months

No 70 — NOVEMBER-DECEMBER 1981



SHIPPING

THE EUROPEAN COMMUNITY

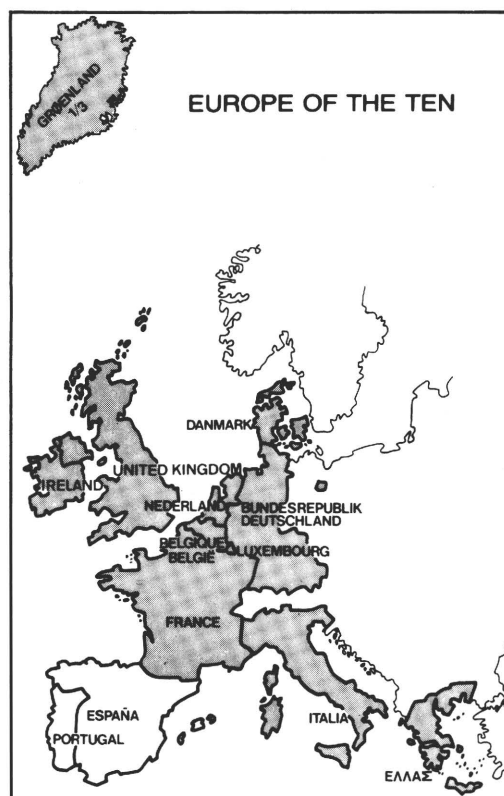
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NETHERLANDS
UNITED KINGDOM

THE ACP STATES

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ZAMBIA
ZIMBABWE



FRANCE

(Overseas departments)

Guadeloupe
Guiana
Martinique
Reunion
St Pierre and Miquelon

(Overseas territories)

Mayotte
New Caledonia and dependencies
French Polynesia
French Southern and Antarctic Territories
Wallis and Futuna Islands

NETHERLANDS

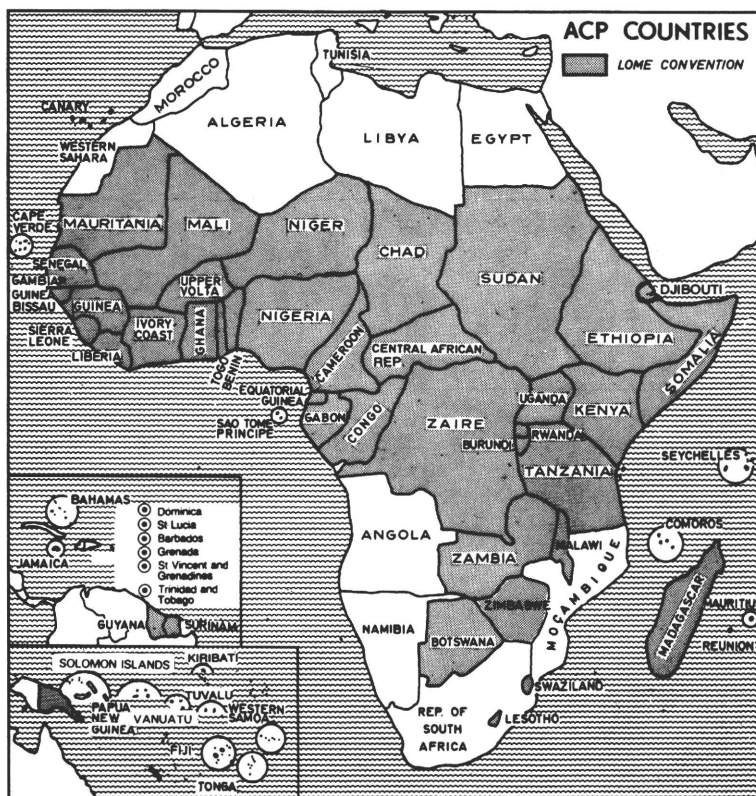
(Overseas countries)

Netherlands Antilles
(Aruba, Bonaire, Curaçao, St Martin, Saba,
St Eustatius)

UNITED KINGDOM

(Overseas countries and territories)

Antigua
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



This list does not prejudice the status of these countries and territories now or in the future.

Gabon — President El Hadj Omar Bongo describes it as a "country under construction". Gabon is fascinating—a country of contrasts where the Transgabon railway, Africa's foremost construction site, symbolizes the country's efforts of transformation. The Gabonese authorities say that the country is entering its third decade of independence with continuity, political stability and economic growth. **Page 3**

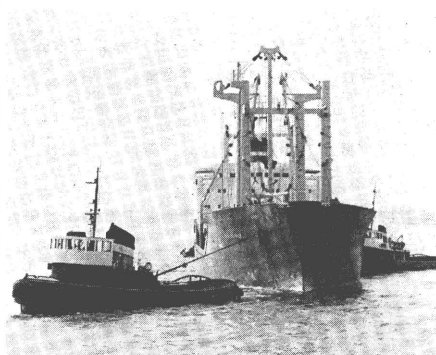


Europe — There are 30 million European working women. How do they feel about discrimination at work? At the request of the European Parliament's commission for women's rights, a questionnaire was sent to a cross-section of working women down to the age of 15. The result shows that 68 out of 100 working women have men bosses and that discrimination is felt, first of all, in wages, then in promotion and finally in access to further training. **Page 50**

Suriname — For the young republic of Suriname, independent since 25 November 1975, the first five years have been marked by a serious malaise. Change, however, came on 25 February 1980, the "day of freedom and rebirth". Relatively isolated in Latin America, Dutch-speaking but having a wide range of cultural and ethnic diversity, Suriname, whose principal resource is bauxite, is finally in search of a new confidence in itself. **Page 33**



Dossier — Maritime transport is of crucial importance to the developing countries, not least to the ACP states, whose exports are made up mainly of vital raw materials for industries that are in other continents and whose imports are mainly bulky machinery and equipment. Neither land nor air transport can cope with this type of trade. Our dossier outlines the main problems that international maritime transport is currently facing. **Page 54**



Arts — This summer, for two weeks, the Caribbean Arts Festival, or Carifesta for short, took place in Barbados. It was the fourth of its kind, the others having taken place in Guyana in 1972, Jamaica in 1976 and Cuba in 1979. The principal theme of this year's festival was Caribbean regional identity. More than 30 countries, from Mexico to Suriname, sent groups of artists, writers, dancers and musicians. **Page 90**



THE COURIER

**AFRICA - CARIBBEAN - PACIFIC
— EUROPEAN COMMUNITY**

No 70 — November-December 1981

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"Helping the Third World is helping oneself"

Our regular readers will certainly not be surprised at this statement since it has appeared often, in one form or another, in our pages. It is one of those essential truths that we should never be tired of repeating and the President of France was right in doing so again on 1 September last in his opening address to the Paris Conference on the Least Developed Countries (LLDCs) of the world.

But it has to be admitted that, as far as the least-developed countries are concerned, it is by no means clear that "helping the Third World is helping oneself". The LLDCs (yet another acronym in development jargon) have few mineral resources and are only a very secondary market for the industrialized countries. UNCTAD studies suggest that *per capita* GDP (gross domestic product), which was less than \$200 in the 31 countries in question in 1979, only increased by 0.3% during 1960-1970 and 0.7% between 1970 and 1979. The figures for the developing world as a whole are 2.6% and 2.9% per annum. The 31 LLDCs are being suffocated by the terms of trade, which deteriorated recently, and by soaring oil prices and they and their 280 million inhabitants are, as it is being rightly said, in a non-development situation, even going backwards, with no hope of recovery—unless they can count on international solidarity.

There is little economic interest, so what can be said to generate an international effort on behalf of these 31-odd countries that have been grouped together because of their very low *per capita* annual income, their limited level of industrialization and their low literacy rate? Humanitarian considerations apart, the obvious answer was provided by Kurt Waldheim, when, as secretary-general of the UN, he appealed to the international community, warning that "the situation of the least-developed countries is an intolerable one and, in the long run, it is a threat to world peace and stability". So all the powers, big and small, should feel concerned—this is perhaps the LLDCs one chance of mobilizing the international community in their favour.

Although this political argument may get people moving, we have to know what the priorities are for practical action. There are countless reports setting out the answers and resolutions are adopted. We must hope that the experts, who are always so highly qualified, take an indulgent view of the following remarks—they will no doubt find them simplistic.

Since the 31 LLDCs, which include many of the ACP group, are finding it increasingly difficult to feed themselves and 80% of their populations work in agriculture, this is the sector where the initial effort has to be made, on the understanding that the success of agricultural projects largely depends on the help of the people concerned—who have to feel they are directly involved.

And has enough emphasis been placed on the deterioration of the land and the attendant loss of trees? Think of the Sahel, of Haiti and so on. At the Nairobi conference, the head of the FAO said that the Third World's real energy crisis was a wood crisis and that there were already 100 million people who could no longer find enough wood with which to cook.

Lastly, there are two aspects that do not seem to have received enough attention. First, the size of the human race, the demographic problem and the practical, sociological difficulty of taking action in this field. Second, the problem of qualifications. In the LLDCs, the literacy rate is less than 20% and only 12% for enrolment at secondary school. And no development policy can bring lasting success in a country where the administration is inadequate both quantitatively and qualitatively, even if there is a fairly outstanding élite.

Nairobi, Paris, Cancun. Just more international conferences, people will say. True, but they appear to be more promising than those that preceded them. Perhaps they will give reasons to hope to those who no longer have hope. ◊

ALAIN LACROIX

GABON 1981



Europimages

Gabon today is a fascinating country, a changing one full of contrasts. On the one hand it has considerable assets, its oil, a variety of minerals, vast forests and the hydroelectric potential to support processing industries. But, on the other, this country, fair and square on the equator and the size of Britain, has developed agriculture little, and the terrain is difficult when it comes to transport. Until the early 1960s, Gabon was known only for its timber, particularly okoumé, for its equatorial climate and for its forests that are of such density and size that they look like those of the Amazon or nearby Zaire from the air. In colonial times, let us not forget, Gabon was the poor relation of this part of Africa. Brazzaville was the capital of French Equatorial Africa and, on the strength of this, the Brazzaville-Pointe Noire railway was built.

But how Gabon has changed since 17 August 1960, when it became independent! In 20 years, GDP has risen from CFAF 31 600 m to almost CFAF 795 000 m, and the budget balances. The health services are some of the best in Africa. Education is well advanced; primary schooling is compulsory and new technical and adult training centres are continually being opened. And, unusually, there is a guaranteed minimum wage that went up to CFAF 40 000 in 1980. So perhaps Gabon is rich?

President Omar Bongo does not think so, as he told the *Courier* in an interview. Before answering ques-

tions, he was careful to point out that, in spite of its potential and the progress it had made, Gabon was still "under construction". The theoretical *per capita* income should not fool anyone. Although it has an 800 km coastline, the country is still more or less landlocked because of its impenetrable forest and its difficult topography. Most communications are by air even now. The roads are impracticable for part of the year and Port Gentil has no road links with the interior. This is why most of the president's speeches call upon his fellow countrymen to make an effort, why Gabon still needs financial and technical aid and technical assistance from abroad and why the development of communications of all kinds is so important. The Transgabon railway, a symbol of Gabon's campaign for development, is the biggest construction site in Africa.

The president himself instigated the project and it is symbolic of the continuous effort which he began when he was deputy to Gabon's first head of state, Leon M'Ba, who died on 27 November 1967. Omar Bongo is one of the youngest heads of state in the world. He has protected his country from the political upheavals that are so common elsewhere and he has learned from the temporary problems that have now been overcome through stringent management and planning — something that has to continue. So Gabon can now begin its third decade of independence under the banner of continuity, political stability and economic expansion.

Political stability and economic expansion

► *To the outside observer, Gabon seems to be one of the rare African countries that can embark upon the third decade of independence with political stability and economic expansion. Is this right?*

— It is true to say that the successive governments we have had since independence have always been motivated by a desire to foster economic expansion in a climate of political stability.

I think the two go together. Political stability in fact produces the climate of confidence that you need to develop initiative and stimulate foreign investments, and consequently, to boost economic growth. And a fair distribution of the fruits of growth contributes to social peace and is the best way of safeguarding that indispensable political stability without which nothing lasting can be achieved and no progress can be made along the difficult path to development.

I am well aware that, in a troubled world, Gabon is one of the all too rare countries which have internal peace and stability. And we intend maintaining the stability that we have built up over the years and we shall do so by firmly pursuing a balanced policy of development in which every Gabonese has a share.

► *One of the most striking things about Gabon over the last 15 years is that it has become a producer of oil, which has generated a considerable amount of tax income and foreign exchange, enabling development schemes to be speeded up. What are the prospects of exploiting oil like at the moment?*

— The growing importance of oil in the Gabonese economy over the past 15 years has obviously helped push up our rate of development.

Oil is our main asset and it provides us with most of the resources on which our investment financing depends.

We are perfectly well aware that oil is not replaceable and that it will run out one day. But this is not to say, as some people do, that the post-oil era is only just around the corner.

Major discoveries in 1972-74 brought our oil production past the 11 million t mark, although things have

been gradually slowing down over the past three years. We are putting a lot of effort into prospecting, one of the biggest efforts in the world, relatively speaking, as we want to build up our reserve potential. Many parts of our country, potentially oil-rich areas, are still unexplored. Promising geological structures have been identified in the south and the assessment and development of these should enable us to stabilize and even push up production.



President Omar Bongo

The post-oil era is still some way away. We feel that oil is an exceptional asset and that we should make the most of it to diversify our production and capitalize on all our natural mineral, forest and agricultural potential.

We intend building a properly diversified economy on firm foundations, one that will expand under its own steam in the far-off days when our oil has run out. This is what will be guiding our economic policy in the years to come.

The Transgabon railway

► *The most spectacular event during your term of office has obviously been the building of the Transgabon railway, a colossal undertaking that would never have seen the light of day without your resolution and determination. Could you explain why this rail-*

way is important to Gabon and what contribution it is making at the moment?

— Gabon clearly has considerable natural resources. But capitalizing on them is a problem because our inadequate overland transport system is a major obstacle.

It was decided to build the Transgabonese to open up many regions in the interior of the country, which can contribute to the development of the national economy once their production potential is used.

The railway will be another way of getting out the manganese we produce. It should mean that production can keep pace with the market rather than staying within the ceiling imposed by the present transport route, which is near saturation point. But above all, the railway is the vital factor if we want to exploit our third forest zone and, if it is ultimately extended northwards, the Mékambo-Belinga iron ore deposits can also be developed.

The Transgabonese will be the backbone of the country's economy, if I can put it like that.

However, if it is to be an efficient backbone, I think additional improvements have to be made, particularly roads, to help the economy. I expect this development policy to get priority in our development planning.

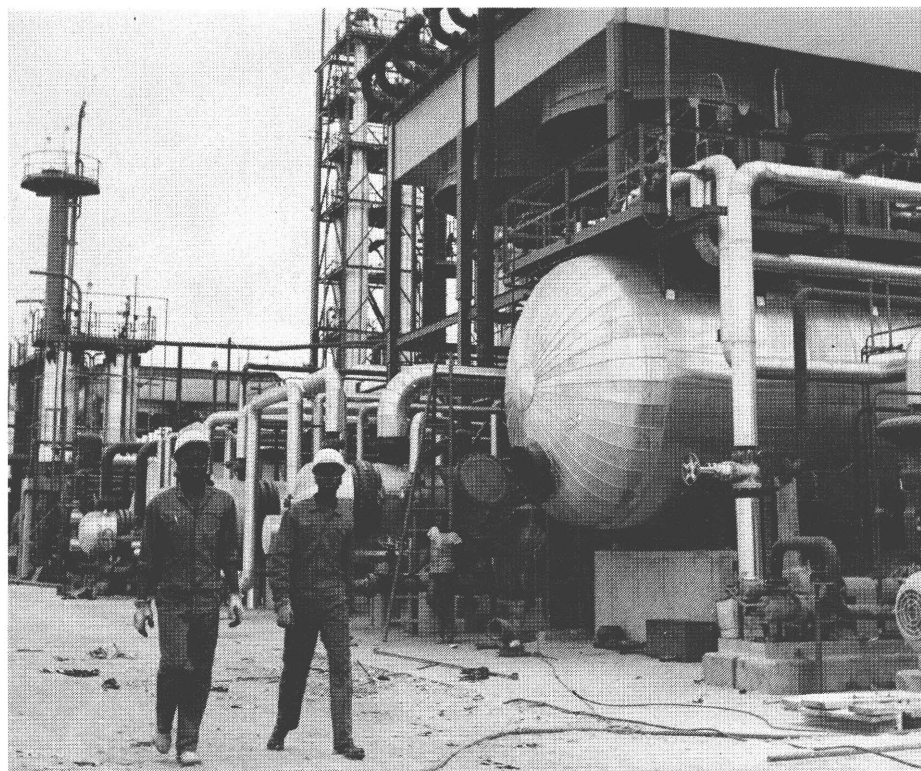
Financial recovery

► *We have heard a lot about the financial recovery you have achieved over the last few years and the recent figures bear it out. Do you think this will be a lasting improvement?*

— A few years ago, Gabon had various financial problems to contend with. They were tied up with tension in our public finances arising from our policy of accelerated investment, particularly in basic infrastructure, which began in 1975.

We handled the situation by implementing a stabilization programme that the IMF helped draw up.

And it was successful, as international opinion now recognises. It enabled us to make a thorough overhaul of our public finances and substantially reduce the excessive level of our external debt. But above all, the government got its budget policy under proper control and, after three years of austerity, we were able, in 1981, to launch an



Oil refinery at Port Gentil

investment programme to stimulate the growth of the economy without compromising the fundamental balance we had re-established.

I do not personally intend our sacrifices to be in vain. I want our achievements to be lasting ones, particularly as financial stability, like political stability, is a vital basis for economic development.

It is by sticking to the principles of stringent budget organization and orthodox financial methods that were behind our policy of rationalization and recovery that we will be able to avoid slipping back into the financial disorder of the past.

Diversification and training

► Although your country is rich in minerals and a major exporter of timber, is your priority now to prepare for the post-oil era by developing agriculture and providing more training for qualified managers throughout the economy?

— When I began a new seven-year term of office last year, I announced the guidelines of the policy I intended to apply and I clearly stated that, as far as economic affairs were concerned, I would try to channel the considerable amount of income from our natural resources into the creation of highly productive projects in other sectors of activity.

So the diversification of the economy via the systematic development of all our potential and the intensification of our drive to train qualified managers, without whom there can be no genuine economic independence, are our main priorities.

I expect our development planning to come up with the right solutions to these problems and I have given clear instructions that they should be taken

into account when the next five-year plan is being organized.

An international role on many levels

► Gabon is an influential country and its voice is heard throughout Africa and in the capitals of Europe. Through you, Mr President, it plays an undeniable role on the international scene. In one of your books, *Le dialogue des nations*, which came out just after your period as chairman of the OAU, you talked about Africa's place in the new international political and economic order. Can you tell us what aspect of international affairs you are most concerned about at the moment?

— Gabon has various concerns.

Take central Africa first, where our main aim is to see brotherly cooperation with immediate neighbours, particularly those in UDEAC, strengthened. This is why we are particularly aware of the difficult problems of Chad at the present time.

Then take Africa as a whole. The many conflicts on our continent, the troubles in Western Sahara and in the Horn of Africa, the instability of Uganda, the difficulties of decolonization in Namibia and apartheid in South Africa are all reasons for anxiety. Africa needs peace and stability if it is to find effective solutions to the formidable problems of poverty and the hazards of a natural environment that is all too often hostile.



Loading logs on a freighter



Cutting down a felled okoume tree for transportation

And, at international level, Gabon is certainly not indifferent to the grave tensions in the Middle East, in Afghanistan and in Poland, where potentially

The return to economic growth

During the celebrations of the 21st anniversary of independence, President Bongo was able to announce that economic growth, which had fallen back between 1977 and 1980, had once again taken off due to the policy of financial control and economic stabilization followed by the government. He pointed out that the country's debts had been reduced by more than a half and that the balance of payments was in surplus, due to a major increase in the trade surplus.

This upturn in economic growth, he continued, had meant a 27% increase in the gross domestic product in 1980 over the previous year, reaching a record level of CFAF 795 bn. One third of budgeting resources in 1981, he added, were going into investment (CFAF 135 bn in 1980) allowing the country to actively carry forward the 1980-83 interim economic plan. This aims to encourage productive sectors of the economy, especially agriculture and rural development, energy production, and transport where the main project is obviously the Transgabon railway.



President Bongo at the inauguration of the bridge of Kango

serious conflicts that could compromise world peace are developing. But we are particularly concerned about the problems created by the persistent imbalance of economic relations between North and South. We salute Europe's praiseworthy attempts at finding the right solutions to this problem within the framework of the North-South dialogue. This makes us regret even more the selfishness of some countries which is responsible for the incredibly slow rate at which we are moving towards a new international economic order.

In these international negotiations, the countries of the Third World will have to join forces to get their legitimate claims met. But they have to strengthen their solidarity and cohesion by running a South-South dialogue too. If our countries are to apply themselves to getting their interests taken into account in international trade and economic relations, they have to make a joint effort of their own in progress to development.

I should like to end by saying how much I appreciate what the European Economic Community has done to establish closer and more brotherly relations with the associated developing countries.

In view of the disappointing, even negative outcome of the global negotiations, particularly UNCTAD, the achievements of the Lomé negotiations are of particular significance to the ACP countries. These negotiations in fact

opened the way to more fruitful cooperation between the rich industrialized countries and the developing countries and they laid the foundations of a new international economic order that is more generous towards the associated countries. I personally hope that we can go on working together to complete the job we have begun.

Gabon has historical ties with Europe. As soon as the Community was set up, an association was established and has been getting stronger ever since. Looking back over all these years, we can say that cooperation has been largely positive, and we hope that we can count on the Community's aid and support as much and, indeed, even more than in the past.

While on this subject, I must mention our disappointment at the limited amount the Community has granted us under the 5th EDF. We produce oil, obviously, but it would be wrong to look upon us as a kind of equatorial emirate, as certain sections of the press seem to do. Our path to faster development is beset with considerable obstacles that are all too often hostile and force us into making very expensive investments, particularly when it comes to our basic economic infrastructure.

In spite of all its natural resources, Gabon needs external aid. And it expects its traditional partners to have a fair understanding of its problems and to provide the right answers. ○

Interview by
ALAIN LACROIX

Financial recovery and further economic development

Gabon's political system and stability ensure good relations with other countries and guarantee an influx of foreign capital in the medium and long term. And, most important, the income accruing from tax on external trade means its investment capacity is strong.

But after the progress of 1974-76, following the oil boom, Gabon, which had embarked upon some very large public facilities programmes necessitating massive debts, went through a financial crisis that led to a stringent plan being introduced to stabilize and rationalize the financial situation. This plan was monitored by the IMF.

The policy of austerity that the government adopted

in 1978 bore fruit and the financial situation was properly overhauled without the bases of the country's economic development being compromised.

In early 1981, the Gabonese economy began ticking over smoothly thanks to the sound situation on the oil market boosting state resources, the re-launching of public investments and an upsurge in sectors other than oil, mining and public works.

Pascal Nze, minister for planning, development and participation, with his principal colleagues, gave the following rundown of Gabon's economic situation for the *Courier*.

We should like to convey our warmest thanks to the editor of the *Courier* for organizing this report on Gabon. It is something we wanted and it shows our interest in the magazine, which is an important means of communication and information in ACP-EEC relations.

I shall be pleased to answer your questions, because it will give me the opportunity to clarify one or two things about our economic and social development policy.

But first, I shall try and give you a brief outline of the situation, together with some figures.

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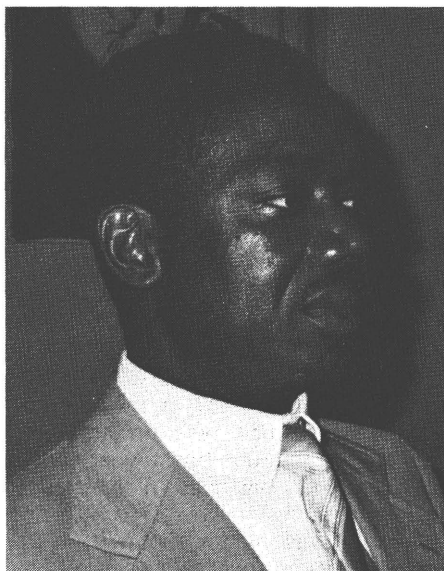
Oil, timber, manganese and uranium

Gabon, a relatively large, but thinly populated country, has been undergoing general and uninterrupted development.

Until 1956, timber was the driving force of development, but since then, and particularly after the late sixties, Gabon has made an effort to widen its range of export products by introducing mineral products, particularly oil, manganese and uranium, the main resources exploited so far and the four most important export products.

The oil, mining and forestry sectors accounted for 56.2 % of GDP between them in 1980, with 96.6 % of the output going for export.

Oil dominates the scene, representing (including research) 49.6 % of GDP



Pascal Nzé

Planning and development minister

and 77.6 % of exports in 1980, the favourable sales price trend compensating for the drop in production.

Agriculture and the processing industries only accounted for 3.8 % and 4.9 % respectively of GDP (1980), a very small share and one which has dropped over the last five years.

At the beginning, I referred to the continuous progress our economy has made since the sixties. The government's aim has always been to guarantee this continuity and to try to make a considerable, speedy effort to restructure our economy and to make up for lost time in certain important sectors (agriculture, the processing industries, infrastructure, etc.) to promote and fa-

cilitate harmonious development in our country.

In 1975-77, we went through a period of economic over-activity, which made it difficult to reach the targets of our 3rd five-year economic and social development plan and forced us to bring in a financial recovery and stabilization plan, which the government adopted in 1978.

Aims for 1980-82

With this three-year (1980-82) plan, the government agreed to rethink the structures of our economy and redefine the economic and financial aims of our development, which are to:

- consolidate the rationalization of the financial situation undertaken in 1978;
- ensure that our economy grows on a sound, lasting basis. The main thing here is to use temporary financial resources from oil to promote those economic activities which look as though they will ensure the permanent growth of the economy in the future;
- promote the population's involvement in national economic activity. Sectoral priorities reflect these various aims.

► *And what are the short-term results of the programme of balanced growth in the interim plan?*

— They are generally positive. The economy was put on to a sound footing in 1979, economic activity began to take off again in early 1980 and the effects of it were actually felt later on in the year.

The degree of improvement varies in strength from one sector to another, but it will become much more marked in 1981 in view of the considerable increase in the development budget.

GDP — past the CFAF 1 000 bn mark in 1982

The level of productive investments is satisfactory and a move to channel resources into the priority sectors of production has begun.

One illustration of this is gross domestic product which, at CFAF 798 bn, is 27 % up on 1979 and 48 % on 1978. Forecasts from our special services suggest that, at the end of the interim plan in 1982, GDP will be up beyond the CFAF 1 000 bn mark (1).

As you can see, we are convinced that the process is a lasting one that the government will keep going smoothly with the help and participation of friendly countries, particularly those of the European Community within the Lomé Convention framework.

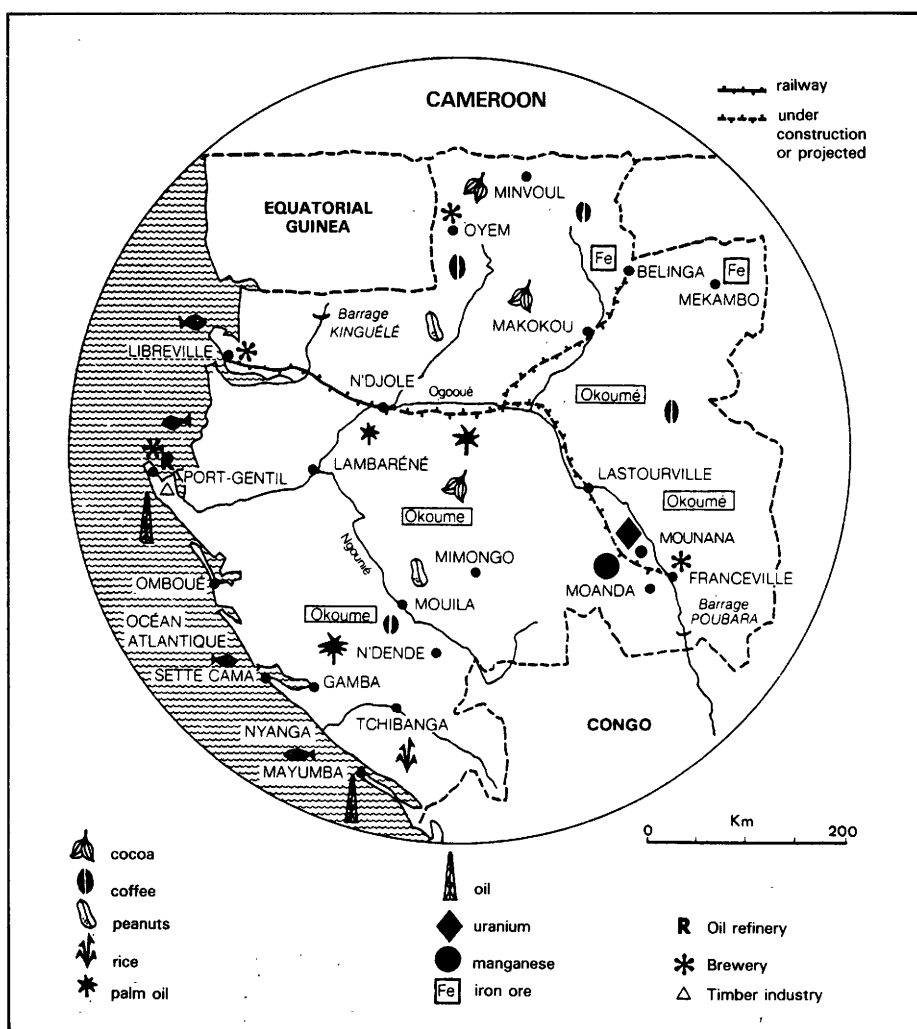
So the aims and priorities of Gabon's 5th indicative programme reflect our current concerns, which are different from those of the programmes drawn up for previous funds. The programming mission went out to Libreville on 31 May 1980 and emphasis this time is on rural development, which gets 58 % of the total amount of between ECU 14 and 17.5 million (ECU 5.1 million in the form of soft loans)''.

After this outline of the main characteristics of the economic situation, the minister of planning gave direct answers to a certain number of questions.

Problems of 1977 and 1978

The minister emphasized the fact that the problems Gabon had in 1977 were due to excessive activity, a desire to speed up the development process. The behaviour of certain people involved in the economy agents was also to blame. They were seeking personal profit too quickly and they failed to take enough account of national imperatives. So the situation got out of hand and the external debt became excessive. The planning minister's remarks echoed those of the minister of the economy and finance, Jean-Pierre Lemoumba-Lepandou, who told *Le*

(1) 1 bn = 1 000 million.



Monde that: "At the end of 1977, Gabon's national debt was CFAF 540 million—80 % of the GDP at that period. The budget deficit was up at CFAF 29.5 billion, although only a year earlier the books had balanced. The balance of payments deficit was CFAF 27 bn. The main reasons for the debt were the investments that the state had decided to make in preparation for the OAU summit and the construction of the Transgabonaise". In addition to this, certain over-costly projects proposed by foreign operators were wisely dropped. They included a large broadcasting unit and a large hotel—which still stands unfinished in the capital.

The IMF recognizes that the recovery is spectacular

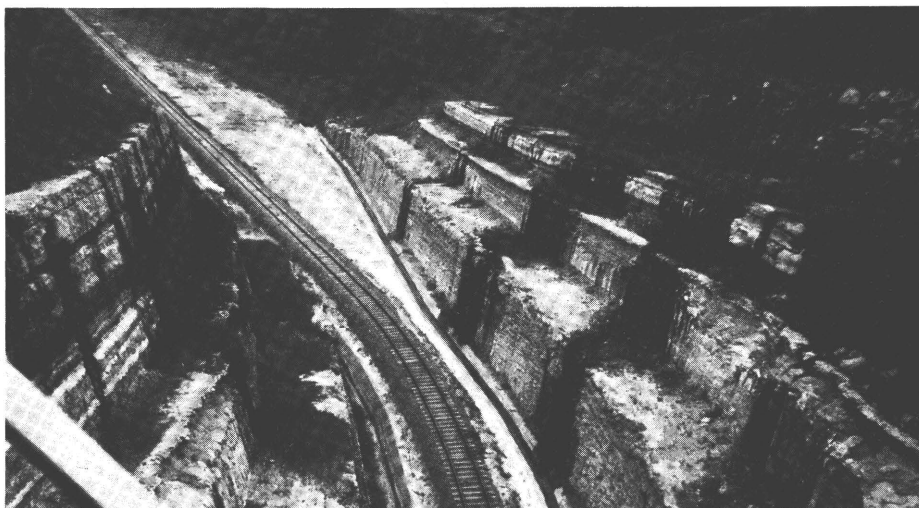
"The situation is now as follows. The state has signed agreements to consolidate its debts with all its creditors. Since 1978, the official debt has been substantially reduced, having been brought down to CFAF 381 bn in 1980 (2). It is expected to be down to

(2) Against 450 bn at the end of 1979.

CFAF 290 bn in 1981. State expenditure is now under control and the extra-budget spending of 1977 has disappeared. Inflation is down from 18 % to 11 %—although the local effects of the price surge in Europe will probably be pushing it up to 13 % in 1981. The balance of payments has been re-established and today the country has a CFAF 13 bn surplus". The anti-inflation policy has been intensified and there is price control, more taxation and credit restrictions. Inflation is international and there Gabon can only partially fight what is an imported phenomenon. The overall trend in the monetary situation also clearly reflects the different phases of the Gabonese economy of late—very rapid expansion until mid-1977, sharp recession from end 1977 to end 1978, rationalization in 1979 and the reemergence of moderate growth in 1980, as the economy had never really been sick and Gabon still had all its trump cards. Things had simply got out of hand due to a desire to move faster in all fields and the need for more stringent management.

The minister for planning emphasized the fact that Gabon has not known economic recession since inde-

pendence, and that the economy has been developing constantly. However, the structure of the debt between 1975 and 1977 was bad because it consisted of short- and medium-term payments which went beyond the country's immediate possibilities. So the brake had to be put on certain investments, the arrangements for awarding contracts had to be tightened up and some things had to be done more slowly. Lastly, we had to talk with the financial organizations to get our debt rescheduled. The debt was reduced fast and it is now at a reasonable level in relation to both our budget and our export trade". It should be stressed that the IMF, whose experts are known for their stringency, have expressed approval at the situation several times recently.



Start of the Transgabon railway passing through a rock cutting leaving the port at Owendo

Sound bases for the interim plan

GDP in 1980 was around CFAF 798 bn, as against CFAF 622 bn in 1979, an increase of 27%. This was mainly due to the oil sector, where prices had risen. The considerable oil price rise to more than \$31 per barrel (i.e. 65% up on 1979 and 145% up on 1978) more than makes up for Gabon's production

decrease and doubled the value of exports in the space of two years.

In 1979, the value of what Gabonese industry (factory prices) produced was 109.53 bn, with 42.49 bn in the refining industry. Four other branches—the timber industry, the metal manufacturing industry, the drinks and tobacco industry and the repairs services sector—also went beyond 10 billion. The

narrowness of the domestic market should be emphasized, as should the relative importance of certain production costs, such as labour and expatriate personnel. There are something like 25 000 French expatriates living in Gabon. The interim plan hopes to see local raw materials used and the sort of industry developed that can partly take over from oil".

The first year of the national interim development plan (1980-82) was one of transition after the austerity policy involved in implementing the stabilization of 1978-1979. So 1980 was, typically, a time of further financial rationalization and economic growth and it is reasonable to say that the satisfactory performance that the Gabonese economy and finances put up in that year should be a sound basis for achieving the development aims of the interim plan.

Gabon in brief

Date of independence — 17 August 1960

Area — 267 667 km²

Population — 1 200 000 to 1 300 000 (official estimates)

Non-Gabonese — approximately 150 000, including 25 000 French

Main religions — Christianity (50% — Catholics & Protestants), animism and Islam (a few thousand believers)

Capital — Libreville (pop. 340 000)

Main towns — Port Gentil (164 000), Franceville (75 000), Lambarene, Moanda, Oyem, Mouila

Languages — French (the official language), Fang, Miene & Bateke

Political regime — presidential

Political party — the Gabonese Democratic Party (PDG), of which the general secretary is the president of the republic

Head of state — El Hadj Omar Bongo (since 28 November 1967)

Member of — UDEAC, Bank of Central African States, OAU

Currency — CFAF

GDP 1980 — CFAF 795 bn (oil accounted for 49.6% of this)

Principal resources 1980 — crude oil, (9 million t), manganese (2.2 million t), uranium (1 050 t), roundwood (1 050 000 m³), cocoa, coffee, sugar, manioc

External trade (forecasts) for 1980

— exports: CFAF 520 bn

— imports: CFAF 160 bn

Education — schooling compulsory and free for all Gabonese of 6-16 years of age; more than 30 000 pupils in secondary education; 716 baccalaureate holders turned out in 1979

Wage-earning population 1980 — 115 000 approx.

Minimum guaranteed wage in industry 1 January 1980 — CFAF 40 000

Official working time — 40-hour week

Public health — 269 doctors, 16 hospitals, 87 medical centres and 258 dispensaries containing a total of 4 815 beds

The outlook for 1981

GDP should go up by about 18% in 1981 and more effort should go into restructuring the national economy. The 1981 budget (outlay and income) is CFAF 407 bn (as against CFAF 330 bn in 1980). Oil earnings count for 64% of the funds (56% in 1980) and the foreign loan sources will be supplying 4% of total resources (8% in 1980). The choices were determined by a new, big reduction of the debt and an increase in productive investments outside the oil sector. The 1981 budget includes CFAF 110 bn for capital reimbursements (1980 CFAF 89.8 bn), including CFAF 16 bn to repay a treasury advance (CFAF 1.8 bn 1980) and CFAF 135 bn investment expenditure (1980 CFAF 87.4 bn). The Transgabonese accounts for CFAF 31.3 bn of public investments (1980 CFAF 25.5 bn). ○ AL

The Transgabon railway

A line through the forest and the biggest construction project in Africa

In the presidential address at the beginning of his new seven-year term of office on 12 March 1980, President Bongo said: "Our country will go on making major investments in transport infrastructure without which we cannot hope for geographical diversification of our productive investments. And it goes without saying that we shall continue with work on the railway — which should reach Franceville during this new seven-year term. Roads and port facilities will be installed alongside to ensure that our railway has maximum economic effect. As far as I am concerned, the Transgabonese is more of a national priority than ever. I think we are right to build this railway, as it is something which will enable us to be really autonomous in the overland transport sector".

A symbol and a means of independence

If it was possible to inaugurate the first section of the Transgabonese, from Owendo to N'Djolé, on 27 December 1978 and to open it to commercial traffic in August 1979, it was thanks to the will and determination of the president, who was anxious to overcome the many obstacles and build what he feels to be the symbol and the means of Gabon's independence.

The history of the railway, which nearly failed to see the light of day, is long. The original idea apparently came from Savorgnan de Brazza, but there were many setbacks before, in 1972, President Bongo decided to build the Transgabon and the OCTRA (the Transgabon railway board) was set up.

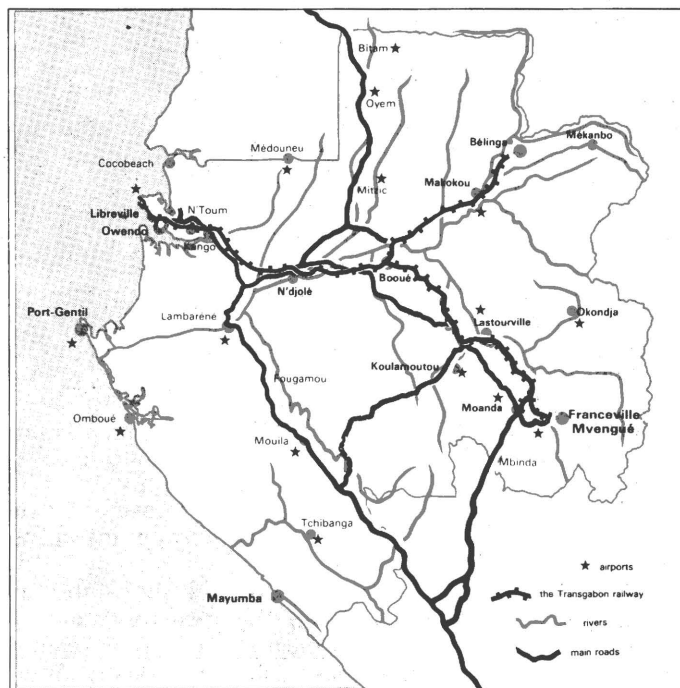
In 1973, the World Bank, the biggest of the funders, withdrew from the financing consortium on the grounds that it felt the project, which was

based on forestry, was not profitable enough. But the negative conclusions of the World Bank assessment were contested by the EDF and both it and France decided to support the project. Omar Bongo's determination led to a financing agreement between Gabon and a dozen countries and financing organizations (France, Eximbank, the EDF, Italy, Germany, the USA etc) being drawn up the same year.

When he spoke to his fellow countrymen in February 1973, just after the World Bank's *volte face*, President Bongo said: "Take it from me — there will be a Transgabon railway, with or without the help of the World Bank. We shall build it come what may, with whatever help we can get. And if this means selling our souls to the devil, then we shall sell our souls to the devil".

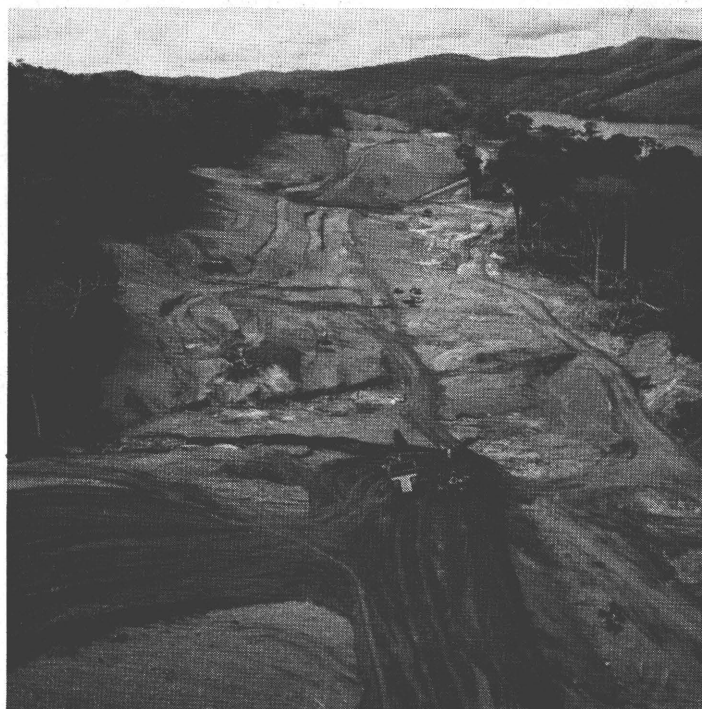
The biggest construction project in Africa

And the Transgabon is being built. Since August 1979, there has been a regular link between Owendo/Libreville and N'Djolé, 185 km to the east. It took three years of incredibly hard work for something like 4000 men using 1500 machines of all kinds to clear 1500 ha of forest, move 16 million tonnes of earth and build 1690 m of bridges and 27 channels and culverts (one every seven km). Civil engineering costs amounted to CFAF 45 000 million (approx £90 m or ECU 150 m).



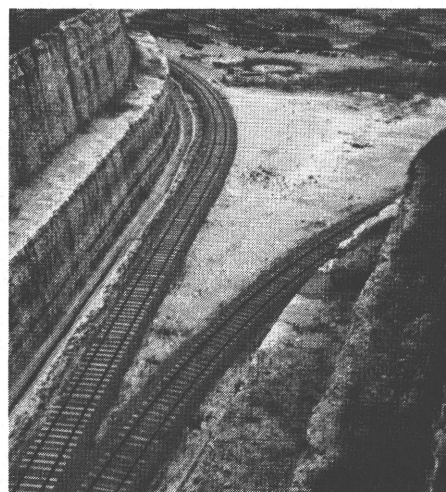
The "forest train" is already 185 km long

The various stages of building the Transgabon railway



- ① *The site immediately after forest clearing*
- ② *Building the grass verges*
- ③ *The "dinosaur": a machine for laying rails*
- ④ *The start of the railway at Owendo*
- ⑤ *A bridge passage*
- ⑥ *The finished line*
- ⑦ *One of the stations, all similar to one another, between Owendo and N'Djolé*

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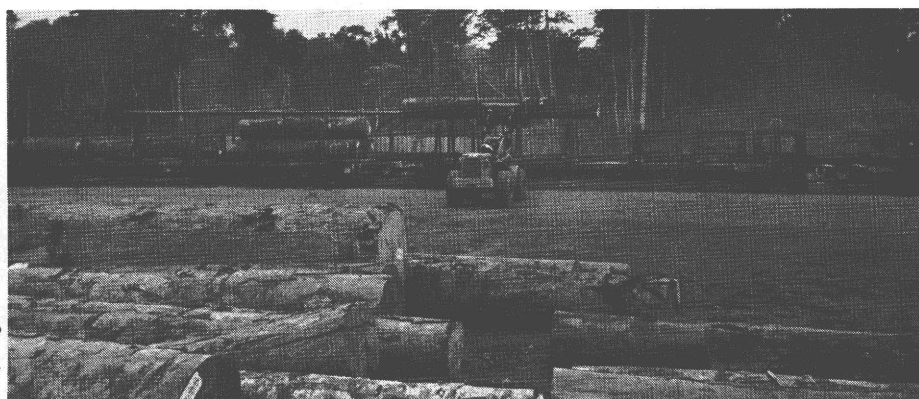
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All ready for laying the track

And let us not forget the wheels now vibrate along on 144 m sections of thermic-welded rails.

The completed Transgabon will cut an immense Y-shaped path through dense forest. The line starts at the port of Owendo near Libreville where a very large timber port is under construction. The stem of the Y will go from Owendo to Booué, 334 km away, which it should reach in December 1982, Ayem (265 km away) is expected to be reached by the end of 1981. One branch of the Y will then go north from Booué to Bélinga (237 km), near the iron ore deposits, and the other south



Loading timber on the train

to Franceville (343 km), past the Mouana uranium mines and the Moanda managanese deposit. This section will be much easier than Owendo-N'Djolé, because the terrain is far flatter.

Once the railway reaches Booué, a whole new forest zone can be developed and Gabon will be in a position to push up and diversify its forest production since some types of tree that are not felled at present because they do not float and cannot be brought out down the river (as can okumé, for example) can then be exploited. It will be much faster and four times as cheap to move timber by train as by truck.

In the longer term, the Transgabon railway will make it possible to capitalize on many of the country's mineral resources — its iron, its uranium and its managanese. And that is not all, as diamonds, lead, zinc, talc, barytine and more have been traced as well.

These achievements and potential achievements are ample justification for the effort and money that have been ploughed into the project. Working conditions are unpleasant, particu-

larly during the hot season when malaria-carrying mosquitos abound and tree felling disturbs the reptiles. Men have to be tough to do this kind of work. And of course there are innumerable technical problems and supplies of such things as sleepers are difficult although this particular problem has been solved.

120 000 sleepers in 1980

NSB, the new timber company (20% of the CFAF 100 million capital held by the state and 80% by Cogepi Projects) has a sleeper factory, mainly working for the Transgabon, at Essassa, 23 km from Libreville. It was opened in July 1979 and inaugurated at the end of December last year. The output was 120 000 sleepers in 1980 as against 40 000 in 1979 and there is a guaranteed outlet on the domestic market (70%) and abroad (30%). Forecasts for 1981 suggest that output will be 180 000 sleepers. Total investments at end 1980 amounted to CFAF 2 300 million.

Logs are cut into sleepers which are dried and then impregnated with creos-



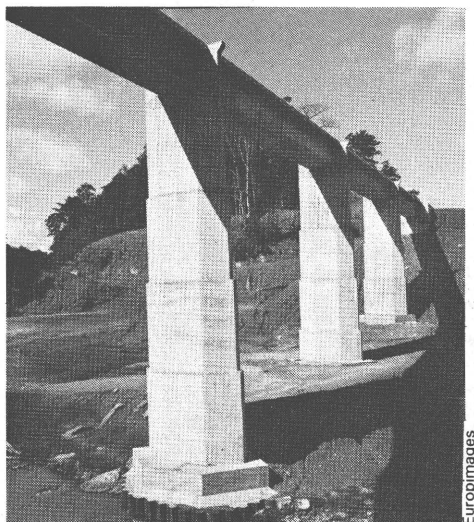
Georges Rawiri

First deputy prime minister and minister of transport and the merchant navy

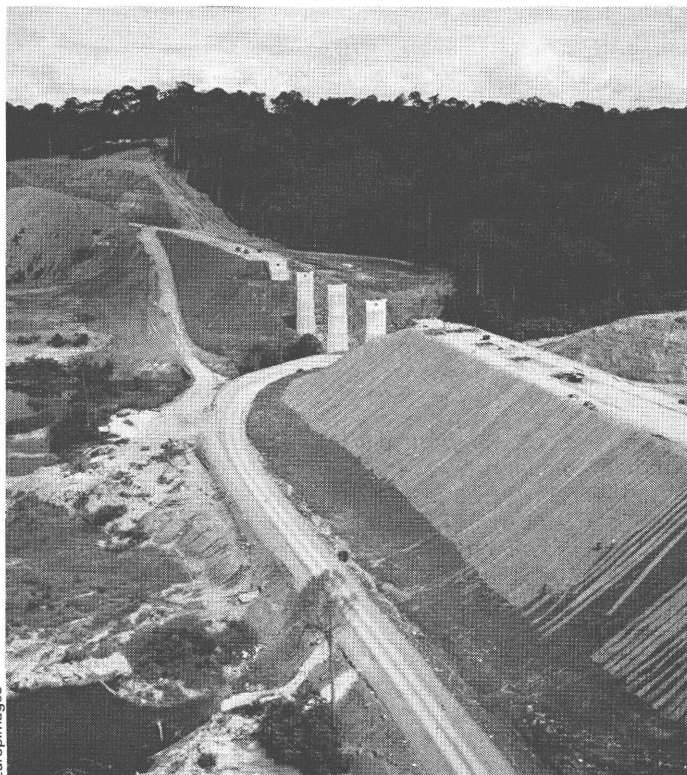
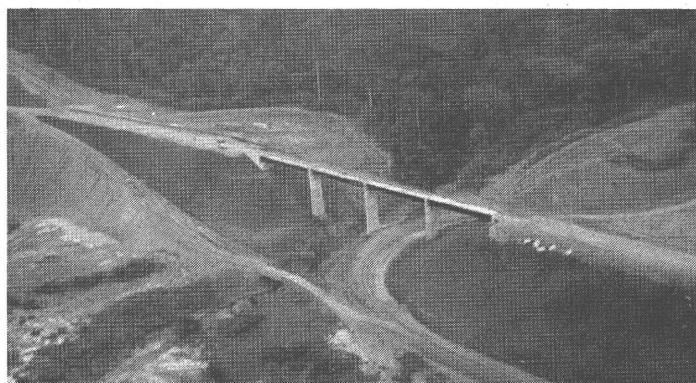
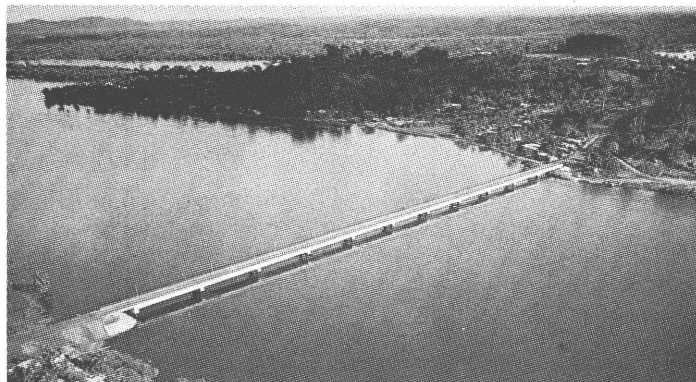


Commission delegate René Teissonnière in conversation with Hervé le Dantec, director of works, and other officials of the ports authority

The landscape yields to the bridge-builders



- ① A bridge financed by the EDF at N'Djolé
- ② A forest bridge
- ③ Misanga bridge
- ④ Como bridge
- ⑤ A road bridge on the river Ogooué
- ⑥ A bridge between N'Djolé and Booué
- ⑦ Bridge building



sote, a coal distillate, in 22 m cylinders to protect them against fungus, insects and rot.

The life-span of these sleepers is then estimated to be something like 15 years in a tropical climate. Naturally, only local timber is used and it is roughly a year after felling that the sleepers are ready for use.

Eurotrag: 18 European companies

Eurotrag is the name of a group of 18 European companies which helped launch the Transgabon railway. The estimated total cost of the whole venture is around CFAF 480 000 million (1980 prices) on the basis of the data in the 1980-1982 interim plan.

This figure includes studies and supervision, infrastructure, buildings, specialized installations and telecommunications. The complete network will have 36 bridges of varying size and 27 stations (the most recent of which, Franceville, on one of the branches of the Y, is ready) and will employ 1878 staff plus, 369 foremen and 74 managers.

"The cement of national unity"

But the most important thing about the railway is that it will open up regions far from the ocean and the capital. As Georges Rawiri, deputy PM and minister of transport and the merchant navy, is fond of pointing out, President Bongo says that the Transgabon will link the various parts of Gabon and be the cement of national unity. It will break down the isolation of regions in the interior of the country and make real modernization possible. And already, as Georges Rawiri said in his interview with the *Courier*, the building of the railway has led to villages growing up along the line and round the stations and exploitation of the third forest zone has been facilitated. The *Courier* had the opportunity of spending a fascinating day watching work on the Transgabon railway between N'Djole and Ayem, when logs being loaded onto special wagons.

However, Mr Rawiri explained that, although transport between Booué and Mékambo should be technically possible at the end of 1982, it would only be provided when the iron ore purchasers could guarantee that it would be an economic proposition. The transport minister went on to say that studies were being run to decide how many roads would be needed alongside and where they would go and that work on them would be under way in the near future.



Aerial view of Owendo port. The timber port is on the right



Owendo port and the quay financed by the EDF

Look at this immense forest from the air and it is obvious that vast areas are still virtually unexplored. Why should they too not contain mineral resources?

The 1980-1982 plan: emphasis on other means of transport

Road construction and repair throughout Gabon is one of the priorities of the three-year plan and the Libreville-Franceville stretch, 700 km that have to be open to traffic throughout the year, is particularly important. The government seems well aware of the role of the transport network in a country like Gabon, where the equatorial forest and vast distances are major obstacles to development.

This is why air transport is so important. Libreville has an airport that can cater for modern jumbos and there are 30 or so regional public airports and as

many private ones and there is an investment programme in the three-year plan of an estimated CFAF 11.28 bn (1980 prices) for this sector.

Georges Rawiri did not forget to talk about the merchant navy, for which he is also minister. He mentioned the development of the port of Owendo and was anxious to point out that Port-Gentil, where the new deep-water harbour was inaugurated in September 1979, was now 11 m deep with 15 and even 20 m channels (without dredging) and traffic there was increasing in a satisfactory manner.

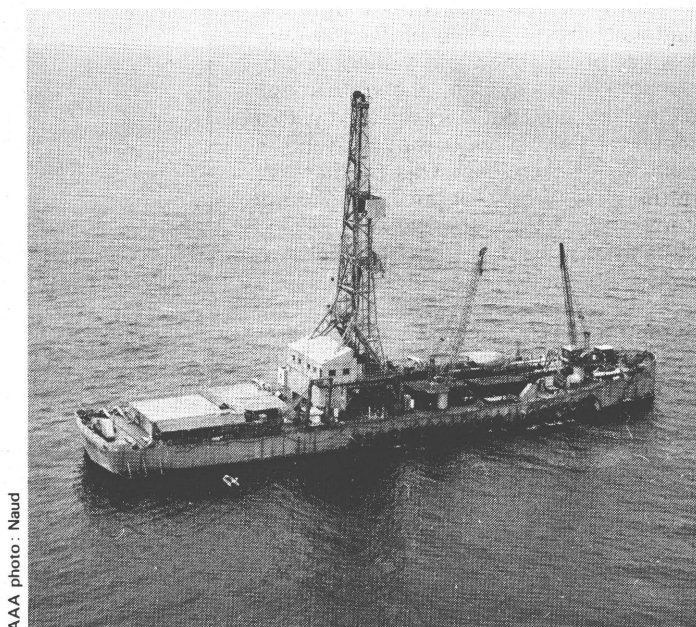
This concern with maritime transport was also evident at the conference of ministers of west and central African states in Libreville last July, of which Gabon was elected chairman for a year. The aim of the conference was to harmonize the members' attitude to the industrialized countries, in particular with a view to getting the 40:40:20 code implemented. ○ A.L.

Oil still the mainstay of the economy

Gabon is Africa's fourth biggest oil producer and it gets a considerable amount of income from this sector—oil represented 77.6% of total exports and 49.6% of GDP in 1980.

The country's economy is obviously based on oil production. Crude production stood at 11.3 million t in 1976 and has dropped slightly every year since, reaching 8.9 million t in 1980, but, fortunately, the decrease was largely compensated for by soaring prices.

Yet some of the deposits now being exploited are running out, so prospection is vital. The reserves that have been assessed so far, particularly in the south, are considerable, but the drawback is that they are offshore, at great depth and difficult to tap. However, current price trends suggest that it would be worth making the substantial investments needed to capitalize on these deposits.



AAA photo: Naud

Offshore oil prospecting

Research and production in 1980

This is why research continued to be very active in 1980. A total of 26 companies were involved. Exploratory drilling (37 453 m in all) was carried out in 20 places, three of them commercially viable so far, and there were 24 wells being developed (16 in 1979).

Yet production was 9% down on the previous year, with 8 895 000 t. The two refineries, Sogara and Cogear at Port Gentil, processed 1 292 193 t between them. Gas production remained marginal (61 million m³ in 1979).

Forecasts suggest that production will stabilize at around 7 million t in 1984 and, on the basis of the assessment of current reserves and failing any further discoveries (which are in fact probable but not measurable(1)), production should be able to be kept at this level for more than 10 years (1984-1994).

(1) Elf-Gabon announced an oil strike at exploration point Bandoie Marine 2 last August.

Gabonese specialists consider that sites should be found in southern Gabon that are sufficiently good for each well to produce at least 100 m³ per day—which is what it takes to cover the cost of investment. The quality of the oil is good—the crude is light and practically sulphur-free. Something like 3 million t are expected to have to be produced in 1985-86 to make up for the decline in production from the reserves currently being tapped.

Elf-Gabon (the state has a 25% holding) produced more than 6 million t of crude, more than 69.1% of the country's total output, in 1980. The rest is shared by 10 companies, including SNEA (16.2%) and Shell-Gabon (7.7%). In recent years, around 85% of production has come from offshore wells and 15% from onshore ones.

Crude oil exports amounted to 7 687 118 t in 1980, 9.2% down on the previous year's figure. The main buyers are France, the USA, Brazil, Chile, Germany and Spain and, as pro-

duction is limited, there is no problem with exports. Contrary to what the important position of Elf-Gabon might suggest, France is not the biggest buyer, having only taken 11-13% (1979-1980) of the country's total output. The USA is the biggest taker, with 23-25%. Remember too that Gabon's two refineries take about 10% of production but that the country does not supply the other states of Africa on anything other than an occasional basis. A change in the pattern of exports, so far organized by the concessionnaires, is not to be ruled out with the appearance of Petrogab, which was set up in 1979, partly to market the government's 25% share in the production of each deposit.

A contract of prospection and a share in production

Gabon was an associate member of OPEC to begin with and became a full member in 1975. In a recent interview in *Le Monde* (2), Edouard-Alexis M'Bouy-Boutziz, the minister for mining, energy and hydraulic resources, clearly explained just what Gabonese state control involved. "We started with the situation we inherited when we became independent, when companies could operate in a classic manner, once they had been allocated a part of the territory, and prospect over a 25-year period. This situation, which was tied up with our idea of economic liberalism, obviously leaves a considerable margin for private initiative, al-

Oil production from the beginning (t):

1957	176 600	1965	1 265 144	1973	7 597 696
1958	504 800	1966	1 447 716	1974	10 202 003
1959	753 300	1967	3 445 124	1975	11 315 700
1960	800 106	1968	4 641 860	1976	11 324 716
1961	774 651	1969	5 027 476	1977	11 267 185
1962	827 634	1970	5 423 380	1978	10 600 154
1963	890 336	1971	5 795 862	1979	9 798 571
1964	1 058 985	1972	6 303 755	1980	8 895 005

Source: Official Gabonese statistics.

(2) 1-2 February 1981.

though the trend is towards greater state control over natural resources.

"Many states have opted for plain nationalization. But we prefer the contract of prospection and a share in production. In this system, the state keeps all the licences, but is associated with a technical partner who provides and is paid for his services. This partner has nothing to worry about because he knows in advance that he will be paid in cash or in kind or by a contract-regulated combination of the two if any commercially-viable discoveries are made. This is the system our government adopted in 1978 and half our offshore and onshore licences were issued in this way.

"Traditional-type concessions are being faded out because they are reviewed regularly and because the productive wells are gradually running dry. Lastly, the state reserves the right to increase its holding, which is usually around 25 %, in the oil companies.

"In 1979, Gabon set up Petrogab to prospect, exploit, market and perhaps process oil and look after state interests in the existing oil companies. It is the country's first and only state firm and it controls 25 % of Gabonese production at the moment.

Provision for diversified investments

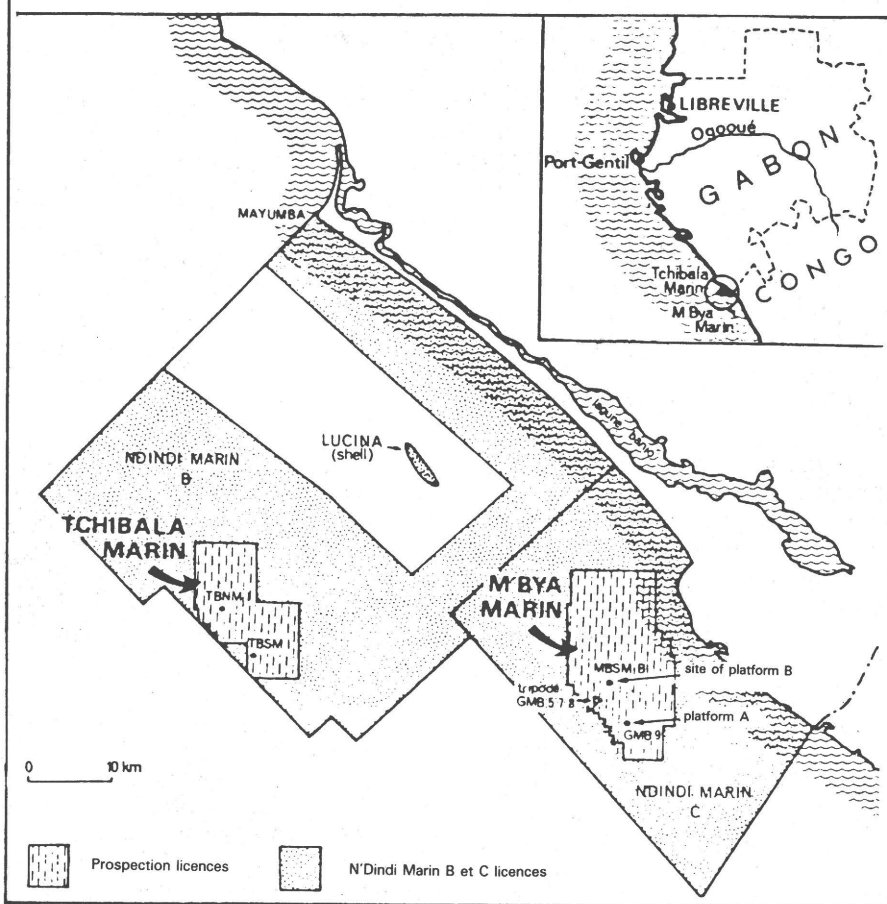
"Any classic-type companies get long-term tax arrangements that are gradually revised and changed. The profits tax used to be around 22 %, but after many changes, it is now 73 % and we would already have reached 85 %, like other OPEC states, had not Omar Bongo, our president, decided to institute a provision for diversified investments (PID) in 1974.

"Under this system, the oil companies and the state agree to invest a percentage (1-10 % pre-tax) of the turnover of the oil companies in a joint, profitable project. This PID has enabled us to succeed in a number of projects as varied as the Ntoun cement works, the international medical research centre at Franceville, the Haut-Ogooué sugar company and the Port-Gentil agricultural production centre. It has enabled almost CFAF 30 000 m worth of investments to be made, almost half of it in the Sogacel (the Gabonese cellulose company) project."

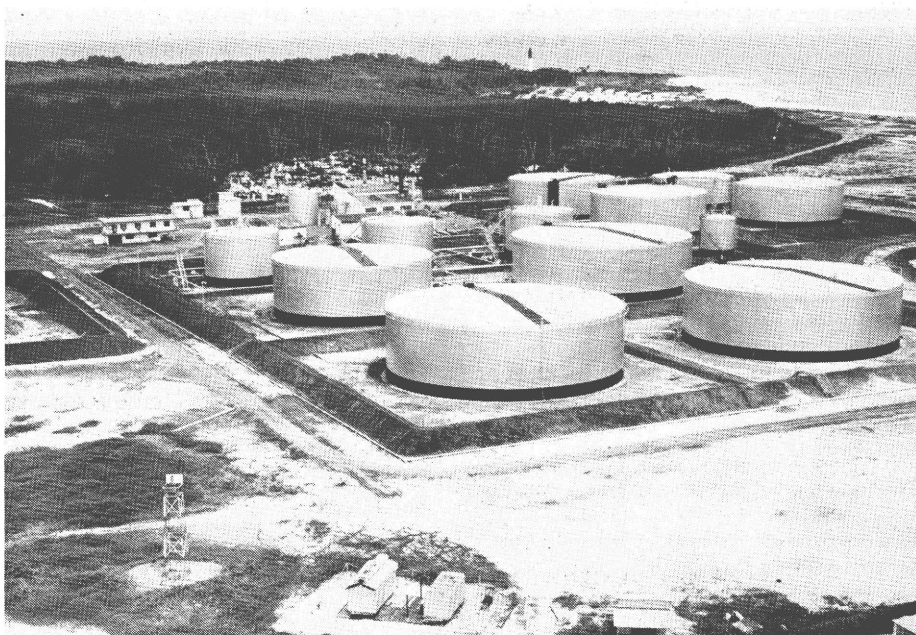
Mining

Not only does Gabon produce oil, the Ogooué mining company in Moanda produces manganese and the Franceville uranium mining company in Mounana produces uranium.

THE NEW OIL ZONE IN THE SOUTH



(Source Elf Gabon)



Oil storage at Port Gentil

Manganese. Moanda is one of the biggest manganese deposits in the world. The ore is 51 % pure and the 200 million t reserves are very much appreciated by the profession.

There are two categories of ore—A grade ore, which accounts for 92 % of the tonnage exported and 87 % of the

total value of exports, and dioxide. It is very easy to mine. The Bangombe deposit consists of a layer of manganese oxide 6-8 m thick beneath a similar layer of fairly loose rock which can be bulldozed off. The ore is then removed by dragline. The top layer is then placed in the area that has been ex-

ploited and the ore is taken away in large trucks to a processing plant a few kilometres away for crushing, sluicing and grading.

It is exported via Point-Noire in the Congo after travelling by one of the longest aerial ropeways in the world (76 km) and then by rail for 600 km (300 km of which belong to Comilog).

Comilog, the Ogooué mining company, was set up in 1953 to research and develop the deposits of manganese and other minerals, and the first load of manganese, marking the opening of the Moanda mine, left Pointe Noire in October 1962. In addition to manganese proper, which is used in the form of ferralloys in steel manufacture, Gabon also began to produce high-grade manganese dioxide for electrical batteries in 1968. By the end of 1980, Comilog had turned out 30 000 000 t of manganese ore and 600 000 t of dioxide.

Ore sales are tied up with demand in the world iron and steel industry. It is sold to manufacturers of ferromanganese, an iron alloy containing 77% manganese, and it is also used in steel (some 5-6 kg per t). Comilog accounts for about 25% of the manganese trade in the western world.

The international crisis in the steel industry of the past six years has led to considerable fluctuation in Gabon's exports. In 1979, things seemed to be looking up and production reached a record 2 308 000 t. But 1980 was not as good (2 146 752 t, with exports of 2 136 452 t) and world production was below that of 1979.

The outlook for 1981 and beyond is fairly gloomy, as the iron and steel crisis still with us and there are more moves to reduce steel production in Europe. And the long-term forecasts suggest that demand will only be increasing very slowly, by something like 1-3% p.a.

Lastly, the problem of outlets is further aggravated by market trends. Thanks to producers in South Africa and Australia, there is an increasing call for ferromanganese which is produced where the manganese is mined and sold at prices lower than those practised by the specialized factories in Europe and the USA, many of which have had to close down.

It is vital for Comilog to get into line as fast as possible, but it will only be able to do so once the Franceville section of the Transgabon railway is finished and the electricity supplies that the industry needs have been provided.

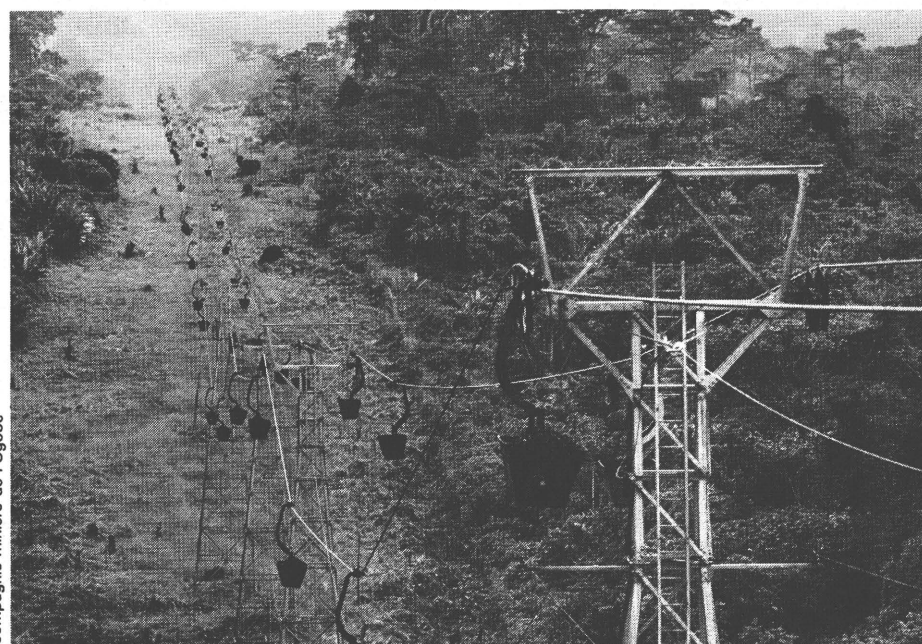
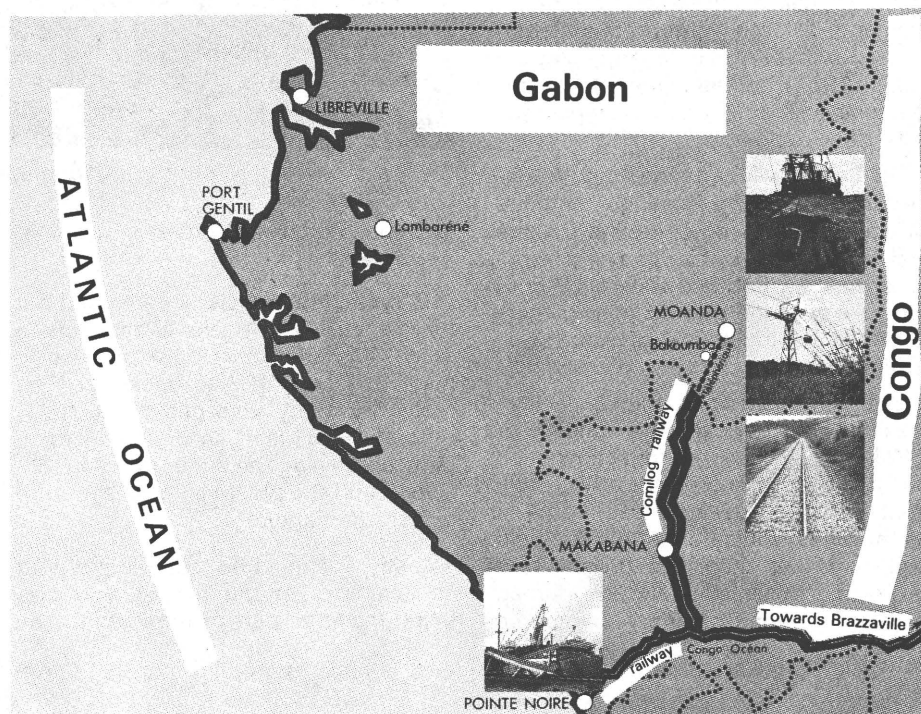
Uranium. Various uranium deposits have been discovered in the Mounana region near Franceville and the four deposits at Oklo, Boyindzi, Mikouloungou and Okelo Bongo are estimated to contain more than 35 000 t. Production began in 1961 with 400-500 t uranium p.a. and now stands at around 1 000 t. Gabon is the sixth largest producer in the world.

Comuf, the Franceville uranium mining company (state 25%, French atomic energy commission 15%) produced 1 100 t of metal in 1979, of which 1 060 t were exported and the figures for 1980 were 1 033 t and 999 t. Comuf's main customer is the French atomic energy commission

(CEA), followed by Japan, Belgium and Italy.

Comuf is actively prospecting throughout the country and research is also being undertaken by the Cogema (a CEA branch) and Union Carbide group.

However, the development programme is currently being held up by a very serious drop in the price of uranium, which is now US \$ 25-30 per lb (U 308) as against US \$ 44 at the end of 1979. The fall is due to large stocks of enriched uranium being built up when certain of the industrialized countries slowed up their nuclear programmes.



Cable conveyor-line between Moanda and M'Binda

Compagnie minière de l'Ogooué

Other minerals. As well as uranium and manganese, which are the third and fourth most important export products after oil and timber, Gabon also has other, as yet unexploited, mineral resources and the state has set up a geological service, with the help of BRGM, the geological and mining research bureau, to inventory and organize the development of them.

Iron reserves at the Bélinga deposit in the north-east have been assessed at 1 000 million t of high grade (65 %) ore but they cannot be properly exploited until the Transgabon railway reaches the town.

However, we learn from official sources that, as they want to collect all the technical, financial and commercial elements for the venture, the Gabonese authorities have recently decided (June 1981) to launch a study programme with a view to developing this important deposit.

So Gabon will be reactivating Somifer, the Mékambo mining company, which has not been operating for three years now, and this body, which is chaired by Edouard-Alexis M'Bouy-Boutziz, the energy and mining minister, will be in charge of running the Bélinga studies.

Although gold production is declining because the deposits are running out (40 kg in 1978), the director-general for mining and energy told the *Courier* that ongoing research has come up with traces of diamonds, barytine, and talc and that there are prospects of exporting these minerals and perhaps of manufacturing ceramics and porce-



Uranium mine at Mounana

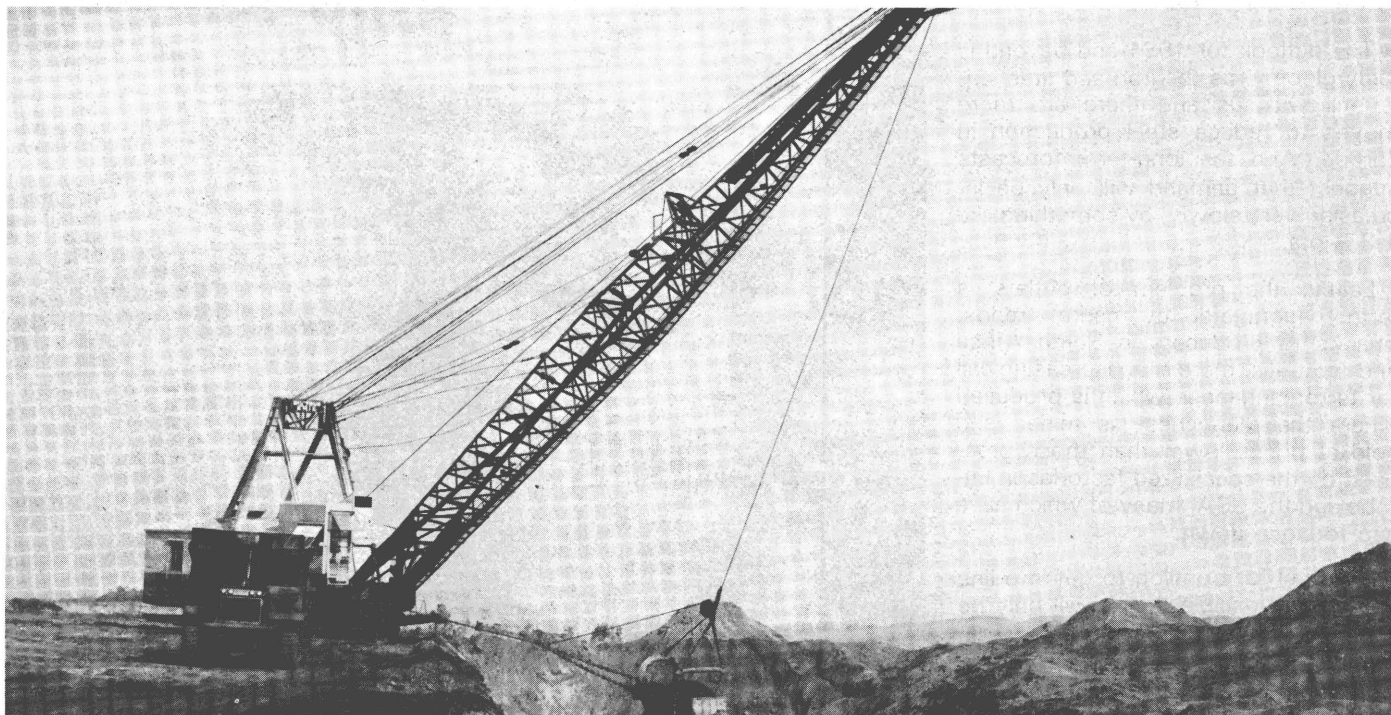
lain and producing lead, zinc and copper as well.

Barytine testing has been carried out by the BRGM in Orleans (France) and a study on siting the new processing plant at Dourekiki has been run. The feasibility study was due to be ready by early 1981 and an operating company combining the state, Comilog, Elf-Gabon and the BRGM is to be set up to launch the venture.

Lastly, it should be remembered that an inventory of the mining sector is being made as part of the interim plan

(1980-1982) with a view to finding out exactly what the country's mineral potential is. Priority will go to the area served by the Transgabonese—i.e. to 100 km either side of the track. It is very possible that important mineral resources will be discovered in this area and so help improve the profitability of the railway.

The mineral mapping and inventorying is expected to cost about CFAF 15 000 m. Financing will be provided by the state, although it is hoping for help from FAC and the EDF.
o A.L.



Manganese mining at Moanda

G. Prunet

The forests of Gabon

Second most important export resource and the biggest sector of employment

Gabon from the air is green as far as the eye can see. The forest, which covers 22 million ha, 85% of the country, is a massively rich natural resource, and one which, unlike oil and minerals, is replaceable. But it has to be exploited rationally.

It is the second biggest forest in Africa, after Zaire's. It has trees more than 50 m high and 2 m thick and the ground beneath this green canopy is almost bare, as only 1% of the light that hits the tops of the trees can penetrate to the soil. Inside, it is dark, damp and even oppressive. But if one tree should fall, the light floods in and plant life explodes.

There are many different types of tree (1). The tropical forest technical centre, CTFT, in Libreville has listed 421 of them and 30 are being exploited for timber at the moment. Okoumé, which, for climatic reasons, grows almost nowhere else, is the most important. One of the advantages of okoumé is that it floats, so after felling, bulldozers push the logs to the road, trucks then take them to the water and they can be taken out downriver. One way of using okoumé is to un-

roll the trunk like a huge roll of paper and stick several of the sheets together to obtain plywood.

Gabon's forestry production is based on okoumé, which accounted for 76% of production in 1978, but many other species (ozigo, igaganga, sipò, keva-zingo, etc.) are used for veneers, carpentry and heavy work (sleepers, shipbuilding, floors, etc.). There are many more species of considerable, but so far unexploited, potential.

When the first foresters came to Gabon in the early 20th century, they began by exploiting stretches along the shore so as to be near the ports. But in 1930 forestry regulations were introduced and the country was divided into three zones which, with one or two changes, are still the same today.

Three forest zones

The ministre for agriculture, waterways forests and rural development, Michel Anchoeuy, explained the situation as regards these three forest zones.

The first, an area of 3 365 000 ha, the most accessible, covers the coastal

basin and is now reserved for Gabonese foresters.

The second, 10 million ha, covers the mountains of the interior where considerable technical means are required for exploitation. Some 15 foreign companies are involved here.

The third, the most eastward, covers 6.4 million ha and will be opened as soon as the Transgabonese railway is finished.

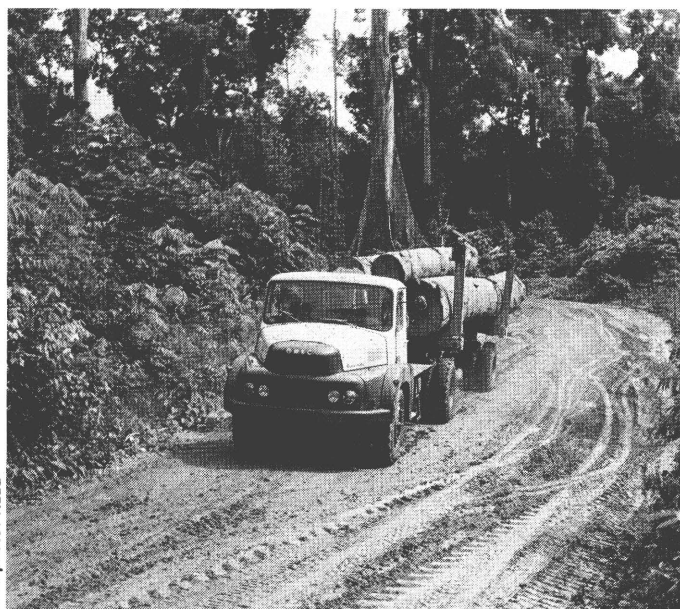
The railway should cut transport costs and make it possible to develop forestry and make it more profitable.

More rational exploitation is possible, particularly if new species are used and foresters avoid what Mr Anchoeuy called the 'creaming off' that was all too common in the past. The stretches of forest by the railway, where access is now easier, will be allocated to Gabonese operators.

Since 1975, SNBG, the Gabonese national timber board (state 51%, other operators 49%), has had exclusive marketing rights for all types of wood.

For many years the forest was the mainstay of the national economy and, in spite of the dominant place now taken by oil, forestry is still the country's second source of wealth and the biggest employer, providing jobs for more than a quarter of the working population. It is still important although its relative weight is less than it was in the

(1) Source: *La Forêt gabonaise*, by G. Barret-Lefevre and G. Dufoulon, Republic of Gabon, 1979.



Transporting okoumé timber by lorry from the place of felling to the river can sometimes be risky



Timber floated down the river to the sea to be transported by boat



Michel Anchouey

*minister of agriculture, waterways,
forests and rural development*

past: it now represents little over 2% of GDP, as against 8.6% in 1972.

Difficult market for okoumé and ozigo: promotion campaigns for various species

There was a serious forestry crisis in 1974 because of the international economic situation and competition from Asian timber. However, the situation improved gradually and, by 1978, the timber industry's output was worth CFAF 13 996 million (CFAF 12 378 m for the big companies and CFAF 1618 m for individual firms). Production reached 1.6 million m³ (okoumé

accounting for 1.2 million m³ of this) in 1978 and, in 1979, 1.2 million m³ was exported, representing CFAF 33 000 million and 9% of the value of total exports. More than half this was sold to France. Gabon is the second biggest timber exporter in Africa.

However, new problems have emerged recently, as the SNBG board stressed when it met in Libreville last June. In 1980, the SNBG sold 1.6 million m³ of timber to buyers at home and abroad for CFAF 31 200 million. Officials mentioned falling sales on the international market in 1981. The SNBG had stocks of 56 000 m³ in 1980, as it bought 1.3 million m³ from the forestry concerns at a cost of CFAF 25 000 million, and a considerable amount remains unsold. The board was running a deficit in the first half of 1981.

The okoumé and ozigo markets are in difficulty at the moment. Mr Anchouey is planning to put the emphasis on species of wood that have been overlooked in the past and which should sell better in the present economic climate. Promotion campaigns are currently being run with this in mind.

Developing on-the-spot processing

Generally speaking, 75% of exports are in the form of logs and not nearly enough of the timber is processed on the spot. In 1978, only 22% of the logs were processed in Gabon, as compared to 52% in Cameroon and 42% in the Ivory Coast. However, there are already some big processing firms, such as the plywood and core board factory belonging to the CFG

(Compagnie forestière du Gabon) in Libreville.

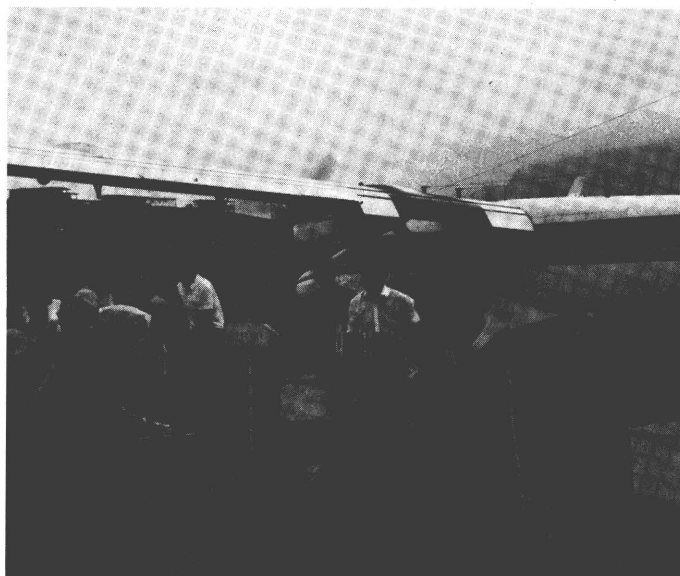
The Gabonese government is hoping to develop exports by gradually introducing on-the-spot processing and turning out finished and semi-finished products.

Mr Anchouey is drafting an outline law for the waterways and forestry sectors, under which permits for areas over a certain size would only allow for around 25% of the production to be exported. The rest would have to be processed on the spot. The minister pointed out that the diversification of forestry development would be helped by the opening of a paper pulp factory near Kango, which would be producing for export. The project in question here is the Sogacel (Gabonese cellulose company) scheme, a long-standing one, which is now being completely revised and will involve 250 000 ha with industrial permits issued for exploitation.

CFAF 1 000 million for reafforestation

In addition, with an eye to safeguarding the future and the considerable potential that has so far only partly been realized, the state should be managing the forestry sector in such a way as to ensure the replacement and even improvement of the different species. Regulated felling, replanting of the cleared areas and the setting up of artificial plantations are all part of Gabon's forestry policy.

Mr Anchouey said that CFAF 1 000 million was going to be channelled into a selective reafforestation programme that would begin in the area around the estuary.



This Eurotrag plane shuttles twice daily, above the great forest, from one site to another of the Transgabon railway



Machine for laying telecommunication cables in the forest along the railway line



Three year old okoumé trees

In the national plan, the forestry policy involves three main things:

- launching reforestation schemes;
- campaigning to get national interests more involved in both the exploitation and processing of wood;
- rationalizing the management of the 22 million ha forest, which means more knowledge about the forest and better exploitation, marketing and production.

Future of biomass, a replaceable resource

It is also worth mentioning the very interesting possibilities of using the biomass to produce chemicals, such as ethanol and methanol, which can be used as fuel and can replace oil in the manufacture of fertilizer and other organic products for agriculture and industry.

Forestry at the moment is carried out on a very selective basis. Only a few species are felled and the rest are burnt or left standing. But if the forests that are being exploited were completely felled, the equivalent of 60-100 t of oil per ha could be produced. "If we then replant the forest with fast-growing species, we can hope, with intensive exploitation, to produce the equivalent of a million t of oil". And a million ha of forest about (% of the Gabonese forest all told) could provide the equivalent of the country's oil production, about 10 million t, over the past few years — with the essential advantage that trees are replaceable, which is to say, inexhaustible, whereas oil is not.

○ A.L.

A new priority: agriculture

Agriculture was considered to be a marginal sector for many years and it is only modestly placed as far as the economy is concerned, accounting for less than 4 % of GDP. Food crops (manioc, bananas, plantains, paddy rice, vegetables and maize), for which no precise statistics are available, do not cover domestic needs. Nor do the coffee or rice crops. Cocoa is the only export crop which is on the decline, due to the age of the plantations, the rural exodus and the poor state of repair of the access tracks where it is grown.

Less than 1% of the country is farmed and the declining rural population is scattered. During the 2nd plan (1970-1975), only CFAF 4 000 million, or 1.7% of official expenditure, went to agriculture. The towns, the big constructions sites like the Transgabonese railway and the mining centres offered better paid jobs than can the rural sector. And farming methods are often old-fashioned while, until recently, agricultural back-up services were very inadequate.

Gabon also imports 15 000 t of meat p.a. as the climate, sleeping sickness and the fact that the people are not cattle-rearers by tradition are no encouragement to the development of the livestock sector.

The aims: self-sufficiency and foreign exchange savings

Faced with this, the Gabonese authorities decided to make agriculture a new priority. The minister for agriculture described how this new agricultural policy fitted in with the general policy of the government, which is aimed at preparing for the post-oil era. The idea is to diversify the economy and develop and process as many of the country's agricultural resources as possible, so as to achieve self-sufficiency and save on foreign exchange.

Two means have been introduced for this purpose. First, agro-industrial operations which will be working for export, with the help of the companies that have substantial funds — the Agrogabon project at Lambaréné, for example, which involves a 15 000 ha palm oil plantation (now in phase two of implementation) and two oil mills, and the Mitzic rubber plantation project being run with the help of the EDF. The authorities are also trying to develop a

range of operations to encourage people to work on the land and the directorate-general for agriculture is seeking international cooperation (from the FAO, for example) and bilateral assistance (French and American volunteers) with this. The idea here was to provide the sort of supervision that would enable the farmer to raise his standard of living and settle on the land permanently.

However, as a certain number of shortcomings came to light, the authorities also decided also to bridge the gap between these two kinds of intervention and introduce integrated zone schemes. This would mean creating a farming population around the agro-industrial units, offering the benefits of a bigger labour force and more equipment.

"A first step in the right direction"

So the Gabonese authorities now see agriculture and agro-industry as a priority sector. Various projects (the food crop project at Lambaréné and Franceville, the N'Toum banana plantation, the Ndendé rice project and the poultry development scheme) should enable the food shortfall to be reduced and agricultural export products to be developed.

Sugar production (8000 t in 1978 by Sosuho, the Haut Ogooué sugar company, in which the state has a 51% holding) is enough to cover local requirements. Agrogabon (in which the state holds 30%) has undertaken to build a major agro-industrial oil palm complex (12 000 ha) in the Lambaréné region as well as to develop trypanosomiasis-tolerant cattle ranches near Franceville, at Lekabi and in the Nyanga valley south of Tchibanga. All this, with the Ograprov (Gabonese meat production board) unit at Okouma, will only cover about 10% of the country's meat requirements with a total of 45 000 head of cattle. But as Michel Anchouey said, "it is a first step in the right direction".

Lastly, both modern and traditional fishing are on the decline and need to be expanded again with the introduction of more modern methods and motorized pirogues. Various studies, including an EDF-financed one, are under way with this in mind. In particular, there is a project to develop tuna fishing and a canning plant at Fort Gentil. So a new policy is being implemented in both agriculture and fisheries.

○ A.L.

Cooperation between Gabon and the EEC

by Martin REKANGALT (*)

Historical outline

There is no need to say that Gabon was one of the European Community's first associates. But how far have we got in 20 years of cooperation?

A look at trends in financial aid from the EDF and the EIB, which forms the basis of cooperation with Europe for all the countries in the ACP group, will give a fair idea of how things have developed.

The EDF in Gabon

1st EDF — Treaty of Rome (1958-1962)
ECU 17 501 000
2nd EDF — Yaoundé I (1965-1968)
ECU 20 564 000
3rd EDF — Yaoundé II (1969-1974)
ECU 25 264 000
4th EDF — Lomé I (1975-1980)
ECU 9 000 000
5th EDF — Lomé II (1981-1985)
between ECU 14 000 000
and ECU 17 000 000

The EIB in Gabon

Yaoundé I and II ECU 5 340 000 for six projects
Lomé I: nil
Lomé II (now in effect): ECU 22 000 000 for two projects.

These figures call for three remarks:

— The amount Gabon received under the 4th EDF was about 64 % down on the 3rd EDF figure, although aid increased regularly under the first three funds. None of the projects presented to the 4th Fund were able to be financed by the EIB either.

The usual argument about *per capita* GNP is not enough to explain this large reduction. And it hides the root causes of underdevelopment, the inequality of the sectors, the disintegration of the economic system, our strong economic dependence and so on.

— The increase in aid provided under the 5th EDF (1981-1985) is appreciable, of course, but it only just brings us back to the 1st EDF level, i.e. to the

amounts provided for the period 1958-62, not taking account of inflation.

— This being the case, it would perhaps have been reasonable to expect a readjustment of the level of bilateral cooperation with each of the Member States, particularly since the trend seems to be to base the methods and criteria of development cooperation on those adopted by the Commission. But this did not happen systematically.

Gabon and Lomé II

There are two types of consideration to bear in mind here:

— The need to safeguard the fundamental, reciprocal interests, taking account of the specific features of each country, and the need to make the adjustments attendant on both the economic situation and the international, regional and national constraints, with a view to handling our reciprocal problems better and making the most of our opportunities.

— Rare exceptions apart, the main types of cooperation laid down in Lomé I (commercial cooperation, industrial cooperation etc) have been of no use in the particular case of Gabon.

The responsibility has to be shared. But the essential thing at this stage is to find and use the means of applying Lomé II in a more effective way that is in line with the reality of the situation and with our respective sensibilities.

This is why we should be satisfied at the Commission's renewed interest and in the series of initiatives, on both sides, that augur well for the future.

Bearing all this in mind, we should now pay particular attention to certain areas of intervention.

The EIB

The EIB has an important part to play in cooperation and it has to make larger contributions to Gabonese projects via global loans for small and medium-sized businesses, conditional loans from risk capital to finance pre-investment studies and standard loans and loans with interest rebates for projects in mining and energy. It could also be



Martin Rekangalt

decisive as a catalyst in cofinancing Gabonese projects with other financial organizations such as the Arab funds.

The regional fund

Gabon did not get a lot out of the fund under Lomé I, so it is reasonable that, "in a field where it has undeniable difficulty because of its geographical position and the nature of its infrastructure" it should get the benefit of concrete projects funded with regional money. What are being referred to here are the studies and financing for the Yaounde-Libreville road (via Francville with a branch from Oyem to Equatorial Guinea), which should open up the Libreville-Ouessou-Bangui areas.

Co-financing

When the bilateral negotiations on the 4th EDF indicative programme were going on in Libreville with the Commission, it was agreed that the latter would act as a catalyst in any external financing provided for certain of Gabon's major projects.

This is an idea that is worthy of practical application, particularly when it comes to any regional infrastructure projects that Gabon puts forward.

The development of private European investment in Gabon

The Commission could also encourage more European investment, particularly private, in Gabon.

(*) Gabon's ambassador to Benelux and permanent representative to the EEC.

Businessmen and investors in many of the countries of Europe ignore the opportunities open to them in Gabon.

The country has abundant supplies of oil, uranium, manganese, iron, barytes and talc, not to mention the immense wealth of the forests, the fish resources, the tourist potential and all the possibilities of agro-industry.

I should mention the three-year plan here, which makes agriculture Gabon's

priority of priorities.

Gabon is also a sizeable market within the framework of UDEAC, the customs and economic union it forms with Cameroon, Congo, Central Africa and soon perhaps Equatorial Guinea and Chad as well.

The government has introduced a liberal, advantageous general investment code. And investment incentive measures to help small businesses

have also been brought in recently. So Gabon offers the sort of stability and security that is vital to the development of business relations.

Gabon is loyal to its traditional friends. It is open to cooperation with all countries, provided its national sovereignty is respected. It hopes to help develop this cooperation on solid, practical and mutually advantageous foundations with a view to a fairer and more human world. o M.R.

Summary of cooperation with the Community ⁽¹⁾

Gabon has been linked to the Community ever since the Treaty of Rome. It has received the following amounts of aid:

1st EDF: ECU 17 501 000
2nd EDF: ECU 21 033 000
3rd EDF: ECU 25 196 000
4th EDF: ECU 9 500 000

Not only did Gabon benefit from the indicative programme under Lomé I, it also received a Stabex transfer, worth ECU 6.7 million, for losses in timber earnings.

An amount of ECU 16 million was committed from the regional fund to build regional training institutes and for CICO and studies on the fish resources in the Gulf of Guinea.

The breakdown of financial aid from Community is as follows:

— rural development	3.2 %
— infrastructure:	
roads	20 %
port (Owendo)	44 %
railway (Transgabonese)	9.7 %
Hertzian links	3.7 %
— social development	10 %
— miscellaneous (TA, trade promotion & studies)	9.4 %
	100.0 %

The 4th EDF programme is 93.5 % committed and almost 80 % of the commitments are in the form of special loans.

The sum of ECU 230 000 also went to NGO projects.

(1) Source: EEC Commission.

4th EDF commitments – the situation in June 1981

(ECU '000)		
	loans	grants
— rural development		
• food crop/fruit scheme (Lambaréné-Franceville)	1 600	112
• cattle rearing experiment (TA)		90
— fisheries		
• two craft fishing centres in Libreville (study)		55
• fleet of fishing vessels (study)		70
• tuna fishing (study)		95
• production of mullet, tilapia, etc. (study)		80
— infrastructure		
• the Port Gentil-Bifoum road (study)	1 380	
• the Port Gentil-M'Bino road (study)	1 900	
• development and installations in the Port of Owendo	2 577	
— training, trade promotion and studies		
• multiannual training programme		472
• trade promotion (timber)		40
• trade promotion (competition)		89
• low-cost housing (TA)		100
• micro-power stations (studies)		130
	7 457	1 333
Total		8 790

Total indicative programme: ECU 9.5 million.

5th EDF indicative programme

The programming mission went out on 29-31 May 1980. The indicative programme amounts to between ECU 14 and 17.5 million and 5.1 million of it will be in the form of special

loans: 58% goes to rural development, 28% to mining and energy, 9% to training, trade promotion and small and medium-sized businesses, leaving a 5% reserve.

Gabon-Congo – 4th EDF regional project – grants of ECU 2 020 000

The idea here is to build and fit out student accommodation at the school of posts and telecommunications in Libreville. The aim is to make it easier for students from other parts of the central African sub-region, where there are no comparable training structures, to attend the school. Only a few such students can currently be admitted because there are no boarding facilities.

EIB aid under Lomé II

EIB aid has already taken practical shape. A loan (carrying interest rebates) worth ECU 15 million has been granted from own resources for extensions to the Comuf uranium mine and plant in Mouana and another of 7 million to double the output of the HEP station at Poubara.

The EIB, the Community's long-term financing bank, has provided a total of ECU 22 million (or about CFAF 6 600

million) under the EDF to develop uranium and HEP production in Gabon.

Uranium production

Comuf, the Franceville uranium mining company, in which the state, Coge-

ma (France) and the French group Imetal-Mokta share, has received the ECU 15 million (CFAF 4 500 million) loan at 8% (including an interest rebate from the EDF) over 15 years.

It will be used to help modernize and extend a uranium ore treatment plant

Electricity

Current output capacity

At end June 1980, electricity output in Gabon was 265.2 Mva, as follows:

- 24 power stations providing a total of 113 Mva:
 - 18.5 Mva in Libreville
 - 78.5 Mva in Port Gentil
 - 12 Mva in the rural units
- 3 HEP stations providing 152 Mva:
 - 72 Mva in Kingulé
 - 23.2 Mva at Poubara
 - 57 Mva at Tchimbélé

Haut Ogooué

This region is very rich in natural resources and increasing capital is being made out of them. Manganese is being exploited in Moanda by the Comilog company, for example, Comuf is working uranium at Mouana and Soshuho is running the agro-industrial complex. So the industrial demand for electricity is very much on the increase in the area, just the opposite to what is happening in Libreville and Port Gentil.

The Petit Poubara plant on the Ogooué river was opened in 1975. Its current output is 23.2 Mva. However, the problem of water level became critical in 1978 and a dam had to be built to increase the flow, which had dropped to 35 m² per second.

Seeg is building the dam at the moment and once this work is finished, the plant will be doubled in size, output going up by a further 23.2 Mva. It is scheduled to come into service in 1983.

Detailed studies for the Grand Poubara scheme were completed in 1978 (*Gabonese sources*)

Lomé II

An assessment by the minister for foreign affairs and cooperation

In an interview with the *Courier*, foreign affairs and development minister Martin Bongo gave his view of the two Lomé Conventions, and particularly Lomé II. The ACP-EEC Council of Ministers due to be held in Libreville in April 1982 will be an opportunity to take stock of how Lomé II is being applied.

"Obviously, after the negative outcome of the global negotiations (UNCTAD V, UNIDO, etc.), the Lomé Conventions are of particular importance to the developing countries, which are tired of waiting for the industrialized countries to decide to spend 0.7% of their GNP on official development assistance.

"The Conventions are a new way to what could or should be genuine cooperation between the rich industrialized countries and the poor developing ones, something that could remedy the unfairness of the world economic system and breathe fresh life into the North-South dialogue.

"There can be no doubt that Lomé II is a step forward. It is an innovation embodying a political choice and a way of organizing inter-regional relations between a group of industrialized countries, Europe, and a group of developing countries, the ACP states.

"But we find that, although our development plan shows we need around 90 000 million francs of external financing over the 1980-85 period, the Community is only able to give us ECU 5 million under the 5th EDF, i.e. CFAF 17 000 million for five years.

"I should like to take this opportunity of saying how disappointed my country is at this amount, which is insignificant compared to previous EDFs, bearing in mind our considerable development requirements.



Martin Bongo

Foreign affairs and cooperation minister

"There is no point in trying to explain it, as the Community authorities do, by saying that Gabon is an oil producer, when they are forever claiming that the oil era is over and are resolutely making preparations for the post-oil period. They should take account of Gabon's enormous difficulties with road building. After all, it is far easier and cheaper to lay roads across the Sahel than across tropical forest that is full of natural problems.

"So as our country's development is no longer based on waning oil resources, but on new projects—for which suitable financing must be obtained if the future of our public finances, which no longer get any help from oil, is to be safeguarded—the aid we get should go back up to the former, higher level." ○

and to make extensions to the mine itself, which is in eastern Gabon. Other infrastructure will also be provided.

The investment, which is expected to cost CFAF 29 600 million in all, should push production capacity up to 1000-1500 t of uranium per year. It should also bring in considerable foreign exchange earnings and create something like 400 jobs.

Doubling the output of an HEP station

The ECU 7 million (CFAF 2 100 million) loan has been made to help the state to boost the HEP industry. The loan carries an interest rebate and is at 8 % over 15 years.

The money should help bring the output of an HEP station up to 35.2 MW, with a view to supplying the Comuf uranium mine and plant nearby. It

will also mean that the priority job of supplying electricity to a currently unserved area can be accomplished.

The investment, which also includes power lines, was designed by Gabon's water and energy board, which will be running the project with technical assistance from the French electricity board. The new facilities are scheduled to come into service at the end of 1983. ○

One example of an EDF project

The Mitzic rubber plantation under way in July ⁽¹⁾

Pascal Nze, planning, development and participation minister in Gabon, chaired the closing session of a meeting on the Mitzic rubber plantation project in June. Michel Anhouey, minister for waterways, forests and rural development, and other Gabonese officials were there, as were representatives of the CCCE, the EDF, the ADB and FAC.

Financing for the project, which is scheduled to last five years, had been the main subject of discussion since March. It will be provided by Gabon itself and by the various financial organizations listed above. A state advance was to be provided to finance the first phase of implementation, which was due to start in July 1981. The Gabonese contribution over the first five years will be something like CFAF 5 800 million, or 38 % of the whole investment. This is almost all the capital of Hevea-Gab, the company running the project.

Hevea-Gab, which will be operating in an area where communications are difficult, will be get the benefit of system II arrangements under the investment code. This means it will have no turnover tax to pay in respect of any services (deforestation, construction or assistance).

Tax relief

The minister for economy and finance realizes the importance of the project and has agreed on the principle of granting it total tax exemption on materials, equipment, products and other imported parts directly or indirectly required for implementation. All the rubber exported will be subject to lower export duties. These provisions will be laid down in an agreement aimed at ensuring that the various arrangements are adhered to.

Labour is the stumbling block of all Gabonese firms and so the principle of using foreign manpower has been agreed on, although the actual arrangements for this are yet to be made.

Although the various partners managed to agree on most things, there are one or two outstanding points to be settled. The choice of the site for the workers' housing complex, for example, is still to be fixed. This is a particular problem in that the local people's desire to see these buildings go up around Mitzic by no means coincides with the funders' choice, which is to put the houses on the future agro-industrial complex itself.

Anticipated production and outlets

The average output once the project is running normally should be around 2 350 kg of dry rubber per ha.

Annual production will be about 7 550 t and the average basic price for all qualities combined will be CFAF 360 per kg in Europe. All the rubber will be exported to the international market.

Financing for the Mitzic rubber plantation project (5 June 1981)

	CFAF million
Gabonese state budget	5 757 000
Caisse Centrale de	
Coopération Economique	5 100 000
African Development Bank	2 761 000
European Development Fund	1 090 000
Fonds d'Aide et Coopération	293 000
Total	15 001 000

A rubber development company, the Société de développement de l'hévéa-culture, Hevegab for short, has been

set up. Gabon holds 95 % of the shares.

How the project will help the economy

— It will produce a highly strategic, replaceable raw material. This is in line with the Gabonese authorities' concern with preparing for the post-oil era.

— All the output will be exported, bringing in CFAF 2 800 million worth of foreign exchange p.a. once things are operating normally.

— It will bring in 270 million in taxation.

— It will create a cash flow of 650 million p.a. This will mean that the scheme is a profitable one for the state, which will not need to subsidize the operation.

— It will generate considerable agro-industrial activity in the Woleu-Ntem province, a traditionally agricultural area.

— It will create 1295 jobs (total wage bill — 1.2 million) for:

- 340 unskilled labourers;
- 715 skilled labourers;
- 139 highly skilled workers;
- 66 administrative staff;
- 18 foremen;
- 6 technical managers;
- 11 higher management staff.

Some 5000 people, including families, will be affected by the project.

The need to supply the agro-industrial complex with food will give the local population a market for their food products. So Mitzic will no longer just cover its food requirements. It will have a market economy instead.

The 3300 ha development phase includes adding 250 ha of satellite plots in the villages, thus making rubber-growing one of Gabon's rural activities. ○

(1) From the daily *Union*, Libreville, 15 June 1981.

The Albert Schweitzer hospital, 1981

Creative union of past and present

This hospital on the banks of the Ogooué on the edge of the great equatorial forest in one of the hottest, most humid places in the world, is the work of one man, Albert Schweitzer, the Alsatian protestant, pastor, organist and humanist, who was undeniably a visionary also, in the finest sense of the term, when he came to Lambaréné in 1913 to set up a leprosy centre.

He had charisma. People like "Maria", who arrived in Lambaréné 43 years ago, were devoted to him. He devised an original system of hospital care based on the idea that the African invalid should not be separated from his family, who should provide for him, during treatment.

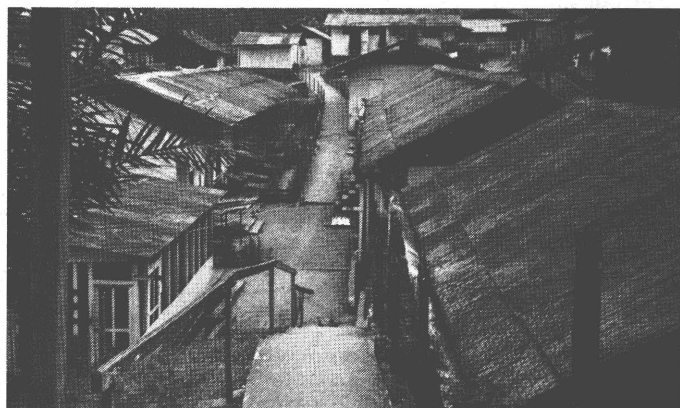
The "great white doctor", as he was called in Gabon, died in 1965, and was buried in Lambaréné, only a few yards from his home. When a man is identified with something like this hospital, which is famous the world over, death brings problems, inevitably. In this case, the problems and the criticism of his paternalistic attitude and refusal to introduce certain modernizations that had already been expressed during his lifetime came to a head 10 years later, in 1975. There were problems of finance, problems of staff and problems of principle and design as regards ensuring the effectiveness of medicine in the tropics. In short, some people thought that life, work and treatment in 1975 could not be exactly as they were in 1913.

This period of questioning and doubt

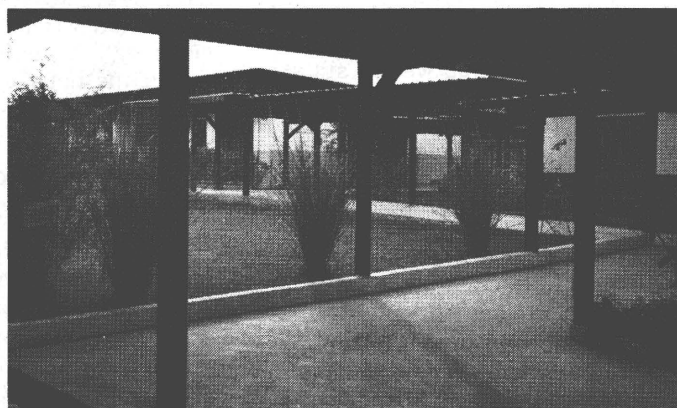
fortunately seems over, although there are still one or two problems. At all events, by the end of 1975, things had begun to look up and the Gabonese showed their interest in the Schweitzer hospital in two ways. People in the middle Ogooué area collected small sums that ultimately mounted up to several thousand CFAF and, at a meeting of the council of ministers on 17 December 1975, President Omar Bon-go decided that the "living work of the great doctor", should be continued. In 1976, thanks to the Gabonese government and various external sources, the decision to build a vast modern hospital complex, in line with the country's needs and right next to the old one, was able to be taken.

Here three short articles about the new hospital, which was inaugurated early this year. The first, by Ngogo Moussavou Bikoko, appeared in the Libreville *Daily Union* recently. Then comes a review of both old and new buildings by Hans Kaufmann, the architect, and some extracts from the chief medical officer's report for 1980.

○ A.L.



The hospital constructed in 1923 at Lambaréné



The new hospital

The Schweitzer hospital philanthropy at work

by Ngogo Moussavou
BIKOKO ⁽¹⁾

It is impossible to talk about 20 years of public health in Gabon without

(1) A study which appeared in the Libreville *Daily Union* in 1980.

mentioning all that the Schweitzer hospital has done for the country's sick. We should also like to take this opportunity to pay tribute to the founder of this philanthropic institution, Albert Schweitzer, a man who brought greatness to his calling as a doctor.

Schweitzer, a Frenchman from Alsace (he was born in Kayserberg in 1875), set up the hospital in 1913. Its fame spread rapidly and people were soon coming from all over Gabon to seek treatment, a success that we feel was due to the fact that Schweitzer, who was a protestant pastor as well as

a doctor, gave spiritual and moral guidance which added an extra dimension to his humanitarian work as a healer.

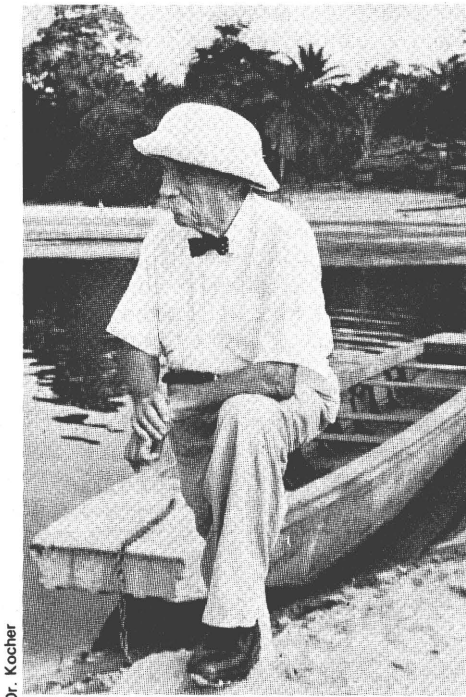
But, for Dr Jean-Pierre Okiss, personal physician to the head of state, the secret of Schweitzer's success was understanding that the African patient should not be separated from his relatives while being treated. And today, the hospital is still a big village, where sick and well intermingle, as the patients can bring their families to Lambaréné with them if they wish. This can pose difficult lodging problems and, in some cases, people have to sleep at

the foot of the beds of their ailing relatives.

In 1965, Schweitzer died in Lambaréné, just as he had lived, quietly. The foundation then ran into a number of problems which led the organizers to want to close the establishment and it looked as though the work of the great doctor, as the natives still call him, would be lost. This period of anxiety lasted until December 1975, when President Omar Bongo announced that Gabon would continue the work of Schweitzer, contribute to the functioning of the hospital and build a new hospital alongside. At the same time, he called upon the international community to provide effective help with reconstruction. And today, thanks to donations and to financial help from the Gabonese government, a new hospital now stands in Lambaréné. And Schweitzer's methods have been preserved. The sick still come to the hospital with their relatives, who provide non-medical care.

If Albert Schweitzer were to come back today, he would be pleased to see that, in spite of the fact that the new buildings are unlike the ones he put up, they are still plain and functional and the fundamental principle of maintaining the unity of the family has been safeguarded and even taken a little further. As the visitor soon realizes, the hospital, right on the edge of the virgin forest, is a very active one. Dr Schweitzer, traditionally depicted standing by his landing stage in a toupée, showed the way and Dr Max Caulet (the new director) and most of the doctors who work there are resolutely following in his footsteps.

They are aware of their potential scope and they too have the high ideal



Dr. Kocher

Dr Schweitzer
At about 80

of making Lambaréné a haven of peace whose symbolic lighthouse shows that black and white can perfectly well work together on a joint enterprise if they are both ready to compromise.

The boundaries that separate races, tribes and civilizations are difficult to cross. But, at Lambaréné, one of the most important aims, over and above caring for the sick, is to have Gabonese workers on the medical and administrative staff.

There is plenty to do. The Albert Schweitzer foundation (including the new hospital) has departments of pe-

Public health

The third five-year plan (1976-1980) says that Gabon's public health infrastructure is one of the best in Africa as far as numbers of doctors and beds per head of the population is concerned. But, although the situation is not bad, it is far from being perfect and the fact that the population is small and scattered means that the infrastructure has to be extended if all Gabonese are to be cared for.

There are 269 doctors at the moment and 4815 beds in a total of 16 hospitals, 87 (public and private) medical centres and 258 dispensaries.

Doctors are trained at the University science and public health centre and ancillary medical and social workers at the national school of public health and welfare. An international medical research centre was also recently opened in Franceville and, when he inaugurated it, President Bongo said: "Our public health policy, which lays emphasis on mother and child welfare, should also do something about the birth rate — which is the only way we have of providing the human resources that are vital to development". ◊

diatrics (30 beds), internal medicine (30 beds), psychiatry (25 beds) and general surgery with gynaecology, urology and ophthalmology (60 beds), plus a maternity unit (25 beds) and a leprosarium (50 beds).



Consultation room of the old hospital



The doctor's piano and ...



... his bedroom

And, as the ex-chief medical officer, Andréas Steiner, told us, the hospital is entirely autonomous. Most patients have no previous treatment and they stay until the day they are cured. So the doctors have no opportunity to call on the services of more qualified institutions, unless they correspond with people in Europe.

So Lambaréné has to cover all fields of medicine.

The importance of the Schweitzer Foundation as a hospital is no longer absolute, of course, as it was when there were practically no other medical establishments in the area. But is it still

important to the sick — as the constant stream of patients from all over the country shows. Look at the figures. The hospital has 200 beds, cares for 20 000 outpatients and 3 000 inpatients every year, performs 1 500 operations and supervises 340 births.

Confidence in the hospital is not just due to the sound medical treatment it provides, the humanitarian angle is also important. As Max Caulet, the head of the foundation, is anxious to point out, it is the humanitarian rather than the medical aspect which interests the international community and which makes such a large contribution to the hospital.

- the way they behave in an equatorial climate;
- prices and possibilities of implementation.

Various methods have been used — supporting walls of traditional stone alternating with prefabricated wooden elements. The wooden slatted roof supports are also prefabricated and the roofing itself is aluminium, very long sheets being used to avoid problems of overlapping.

All the wooden parts are designed to be made cheaply on an industrial basis or produced on demand by local craftsmen.

A mixture of methods is particularly good in buildings in the jungle, as it enables rural craftsmen on the staff to be trained so they can then maintain and make extensions to the facilities.

As the new hospital is being built by the foundation with some outside assistance, a 35% saving on the price quoted by the big civil engineering concerns in the area has been made.

This is a fine example of how to improve accommodation and community facilities in rural areas in the tropics.

The design takes account of material and technical possibilities and of the hot, damp climate, which is particularly difficult for people to cope with and damages even the most resistant of equipment and construction materials.

o H.K.

A model for architecture on the equator

by Hans KAUFMANN (*)

Here we have the environment and the atmosphere of a village, with narrow walkways and stairs running up to the offices, between the consultation buildings and the central pharmacy and along by the wards, the kitchens, the carpenter's shop and so on.

All the buildings, which are on piles, are made of wood. The plank structures are therefore off the damp ground and there are overhanging roofs of corrugated iron to protect them from the elements. The roof cavities are ventilated and the wooden ceilings ensure insulation against heat and noise. Room divisions are parallel to the north-south facades, which are mostly wooden frames with mosquito netting. So all the rooms get permanent, natural cross ventilation with lights.

Most of the 50-year old buildings are still, surprisingly, in good condition, as they are properly protected from humidity by the piles which keep them off the damp ground and they are well aired throughout. And the chickens pecking at insects on the ground under the buildings, as they do under grain stores in old villages, are an excellent way of protecting the wood against the dreaded termites.

The new hospital

When the new hospital was built, Dr

(*) Hans Kaufmann, architect and international technical cooperation expert, writes about the buildings and facilities Dr Schweitzer put up half a century ago.

Schweitzer's ideas were used and expanded, with the means available, to meet present and future needs.

Here again, there are lots of separate buildings. They too are north-south oriented, so as to be sheltered from the sun and to make best use of the dominant winds for constant cross ventilation.

Materials were chosen in the light of:



The doctor's house

Medicine at the foundation in 1980

by Dr Walter MUNZ (*)

After a difficult period for the expatriate staff, the team of doctors and nurses at Lambaréné has made it possible to have effective cooperation in a friendly atmosphere. It is important to realize that the hospital team includes the medical staff and the administrative and technical personnel — both Gabonese and expatriates. The three main departments (surgery and maternity, internal and tropical medicine and pediatrics and the mother and child welfare centre) are run by specialists and contact between the various departments is generally very fruitful.

Every Saturday morning, we meet for a report from the radiology department. All five doctors, the two student doctors, the heads of the various wards, the midwife, the chief theatre nurse and the laboratory and X-ray technicians attend, as do the nurses and student nurses if work permits, and we look at X-rays of patients who posed particular problems during the preceding week. Every other week, this report is followed by a lecture on the diseases that are particularly common at Lambaréné — TB, skin ulcers, malaria, VD and so on — and the other weeks are ward rounds when the doctors introduce the patients personally.

Medical work is divided into four distinct categories — curative, preventive, educational medicine and research.

Curative medicine

This is the bulk of our daily work at Lambaréné and it is the basis for the confidence which the patients have in the doctors and the hospital itself. In most cases, preventive medical schemes are more credible and seem more acceptable and practicable to our African patients because they are full of confidence based on personal experience of cures.

Preventive medicine

The efforts made in and around the hospital in previous years have been increased and given even greater emphasis. The mother and child welfare centre has given vaccinations and lectures on pregnancy, birth, child nutri-

tion and hygiene in the home, in the toilet and in the villages. A district nurse currently visits five of the surrounding villages on a regular basis. Our dental service (a dentist, a dental assistant and a dental technician) works regularly in the hospital and in villages within a 120 km radius, providing both curative and preventive treatment.

At its most recent session in February 1981, the board of the foundation gave the go-ahead to the doctors, who wanted to investigate new preventive measures and coordinate the hospital's preventive work with that of the national health service. Since then, there have been promising talks with colleagues from the Lambaréné government hospital, the national social science fund and the volunteers for progress.

Educational medicine

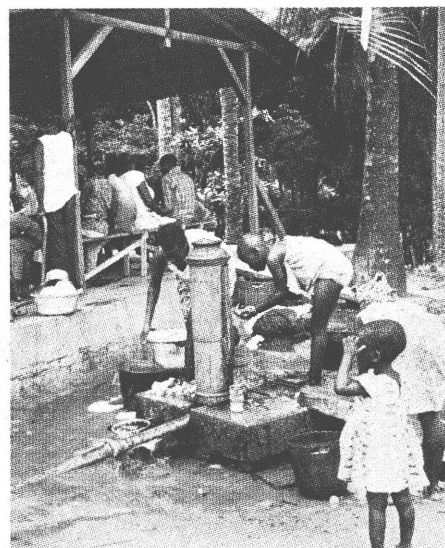
It should not be forgotten that each branch of medicine must also be concerned with educating people, particularly in a country that is "under construction". It would not be enough to offer the fruits of western medicine, its surgery, its medicines and its applied technology. This might even be wrong in principle. We must do more than work for the people of the country. Above all, we have to work with them, so they can soon take over the different responsibilities themselves.

We, westerners, find it hard sometimes the fact that we can learn from the Africans and that there is no need for either of our cultures to look down on the other. It is vital to exchange ideas and the ability to accept other people as different really does make cooperation fruitful, and fascinating...

... But, unfortunately, we have not yet reached the stage where we have Gabonese doctors on the team, although we have been trying to do so for some time. The reason is a regrettable one. The Schweitzer hospital cannot, in fact, pay the fairly high salaries that Gabonese doctors get in public and private medicine. But we still hope to have Gabonese doctors on the team soon.

Research

Research has been going on at Lambaréné for some time and a number of articles have been published on cho-



The "village of enlightenment" where lepers are cured

lera, malignant tumours in Gabon, inguinal hernias (very common in this part of the world), bilharzia and other diseases.

On 4 April 1981, a research laboratory, built at the request of President Omar Bongo was inaugurated. This project saw the light of day thanks to help from the International Rotary Club in Germany and other countries of Europe (the United Kingdom, Austria, France, Italy and Switzerland) and from the European Economic Community. The tropical institute in Hamburg has given its support and Professor Dietrich, the head of the clinical department there, is chairman of the scientific board of our research laboratory. People from other research institutes will be welcome, but we are sure that the path pioneered by the Hamburg institute is guarantee of the unity of method and action that will ensure fruitful work. We will be happy to cooperate with the faculty of medicine at Libreville University and with the Franceville research institute.

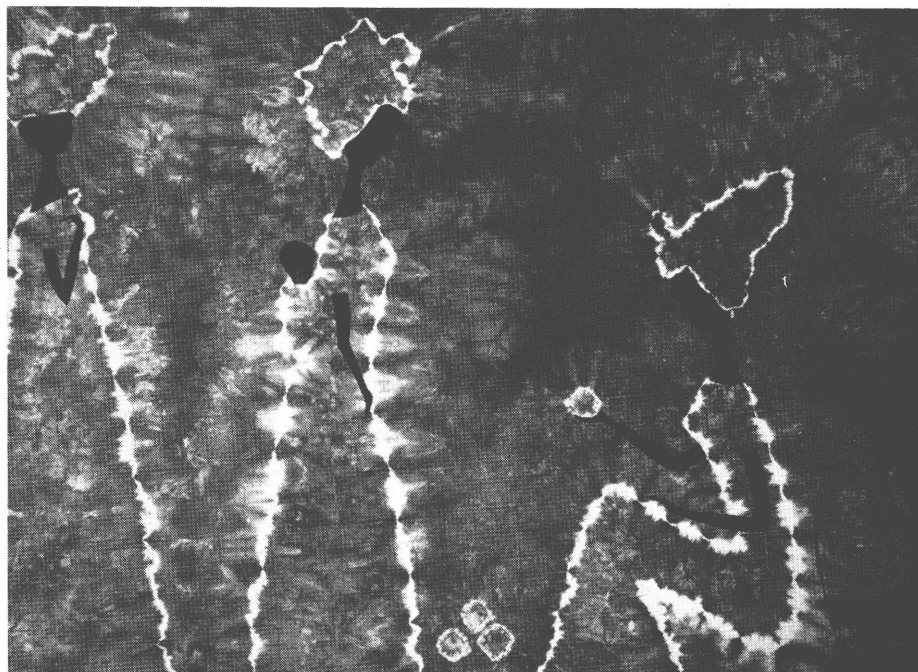
Research at Lambaréné will be closely tied up with clinical work here. It will bear on the diseases that are particularly common in Gabon, so that our patients get as much direct benefit as possible from the research...

... Bilharzia, filariasis, Buruli's ulcer (a skin condition) and sickle-cell anaemia, which is particularly common in Gabon, are all thought to be very good subjects for investigation.

... The number of topics to be investigated is enormous and ingenious research should make the Schweitzer hospital of greater significance in the future. ○ Dr W.M.

(*) Chief medical officer's report on the medical activities at the Albert Schweitzer Hospital in 1980 (published April 1981).

Culture, development and the tourist trade



A Gabonese batik

Folklore

Gabon (1) has many ethnic groups and many different customs. It also has many dances, most of them masked with the principal dancer wearing regional costume.

Masks play an important part in the life of the people of Gabon. They represent spirits, a living proof of ancient beliefs, and they preside over initiation ceremonies, often with an important part to play. Music is there in all its forms. In messages sent on drums, in the sanza solo of the walker, in the great ritual of the musical bows and the harp and in the rhythm of beating sticks and drums of wood and skin. Dance is a real means of expression. It heightens the powers of the healer and the doctor, particularly in the hallowed ceremonies of the Bwiti, that widespread society that started among the Mitsoko.

The expressive power of plastic art betrays the depths of religious mystery to the foreigner and there is no need to remind him how many western artists found fresh inspiration in African art at the beginning of the century. As

(1) The Portuguese gave the country its name in 1471. They apparently called a wide estuary *rio de Gabao* because it looked like a fisherman's jacket.

Georges Balandier pointed out, Fang statuettes give us the whole man, something naturalist painters and sculptors have never managed to do.

Another attractive feature of Gabon's folklore is the literature, which

although entirely oral in tradition, is rich enough to keep listeners, who love tales, myths and epics, awake until dawn. The African's power of communication is strong and the mimicry of the reader, his chants with audience response and the musical accompaniment add even more interest to the tales of the storytellers. Take the case of the Mvet in the Fang tribe where stories are accompanied by a harp-like zither.

Craft

The main type of decorative art is sculpture, figures made from the soft M'Bigou stone. Some authentic artists in the provinces still have the art of carving Bakota, Bapounou and Mbete masks and they often make musical instruments as well—tam-tams, balaphons, zithers and more. And basket work is still very much alive in all the provinces.

The culture and development festival

The Gabonese authorities proved their interest in folklore and craft and in the ties between the national culture and development when they organized the first national festival of culture. It was called "culture and development".

For the first time in the country's history, dancers, musicians, sculptors,



Masks at the Schweitzer house at Lambaréné

painters and basket-makers came from all over Gabon to glorify their culture in Libreville. The historic meeting of March 1974 was an unprecedented opportunity for Gabon to bring out its cultural personality. It was both a source of socio-economic development and an important moment in universal culture.

An interesting permanent museum in Libreville means the cultural effects of the festival are still being felt and it provides the nationals and the people who visit Gabon with a cultural window on the country.

Hotel accommodation

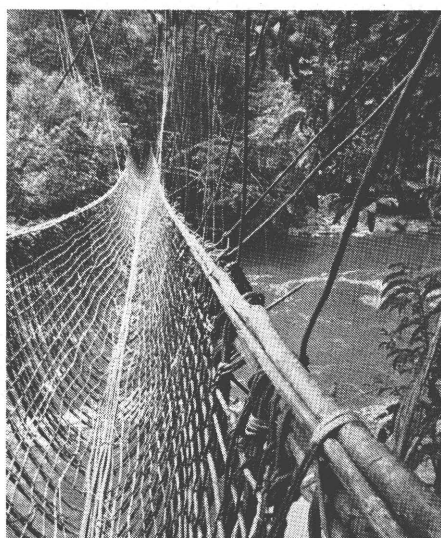
There are nearly 2000 hotel rooms available in Gabon at the moment and others are being built and fitted out in Libreville and in the interior.



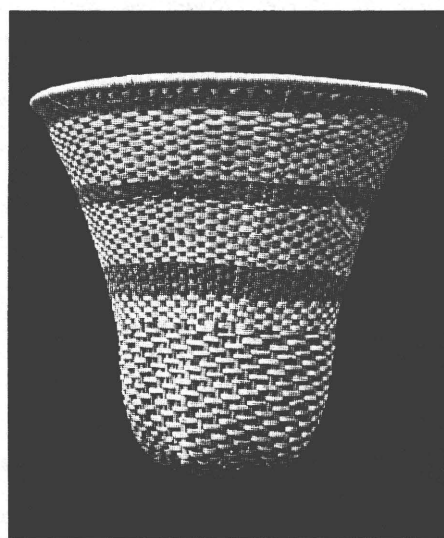
A recently built Catholic church at Libreville, the architecture of which was inspired by local culture



An example of quality handicraft



The famous liana bridge of the Franceville region



Basket used for carrying things on the back (Punu, south-west Gabon)

The international broadcasting station at Moyabi

The short-wave transmitter at Moyabi was built by Thomson, the French company. It cost some FF 270 million and was entirely financed by Gabon.

With its four 500 kw transmitters, this is one of the most powerful stations in the world and certainly the most powerful in Africa.

Studies and negotiations over a two-year period ultimately led to agreements being signed by the French and the Gabonese governments on 2 May 1980. They covered

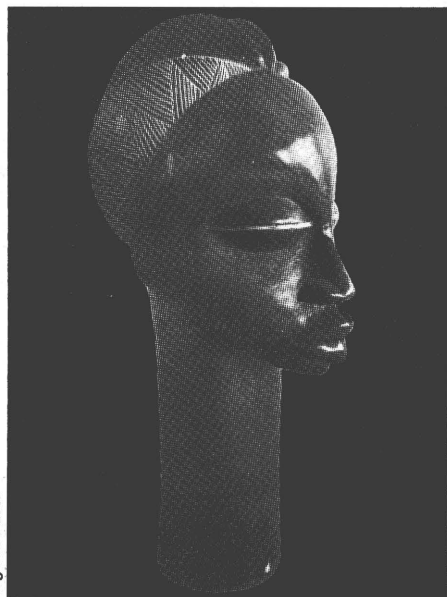
French financial and technical assistance to Gabon and the running of the Moyabi station by Sofirad, the French financial broadcasting company.

A new broadcasting company, Africa No 1, in which Gabon has the majority holding, was set up on 14 November last year. Gabon holds 60% of the capital and the French partners 40%. There are nine technical assistants from France involved in running the station and some 50 Gabonese nationals are now training for the job in France.

80 million French-speaking listeners

Africa No 1 will start transmitting Libreville-produced commercial broadcasts in French on 7 February. The station will also be putting out Radio France International broadcasts, relayed by the Intelstat satellite, for six hours a day. They will come from western and central Africa in the mornings and the Indian Ocean in the evenings. The Gabonese station will also be renting out time on the air to other programmes.

80 million French-speaking Africans are expected to tune into this new French-speaking station—which plans to put out English programmes later on. ○



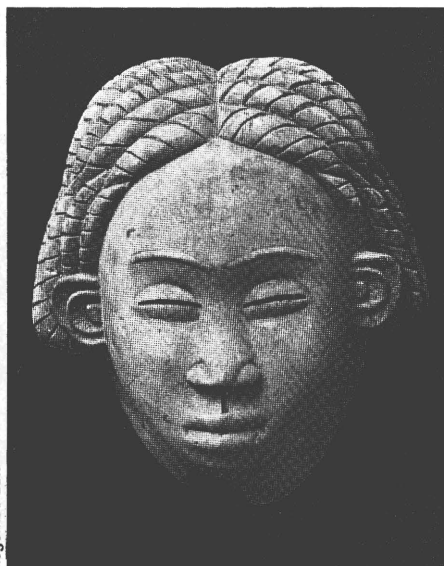
A "high head": sculpture on Mbigou stone by Pierre Lossangoye, head of Mbigou village handicraft

So there are high class hotels of an international standard for the tourist to stay in.

The international conference complex

The conference palace is one of Africa's finest conference centres. It has a 1650-seat two-tier auditorium and a number of 200-280 seat rooms for smaller meetings. All the halls are equipped for simultaneous translation in six languages.

Then there is a press room with its own telex, a video room for direct retransmission and a closed circuit television to make for ease of supervision. Many sitting rooms, restaurants, bars,



The Mukumdji mask: wood sculptured and polished with coarse leaves, used for stilt dancing during wake-keeping ceremonies

shops, technical services, offices and other facilities are also provided.

The banqueting hall is next to the conference palace. It has excellent facilities for receptions of all kinds and can run to 600 place settings and receptions for as many as 2000 people. International dishes are served alongside Gabonese specialties.

Then there is a theatre, which can be used for both entertainment and serious works. The technical equipment is some of the most modern in the world—there is a revolving stage and it is possible to produce more than 600 special sounds and lighting effects.

o A.L.



A beautiful beach near Libreville

Find out more about Gabon

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THE CONVENTION AT WORK

The Consultative Assembly meets in Luxembourg

On 28-30 September, the sixth annual meeting of the ACP-EEC Consultative Assembly and the first since Lomé II began was held in the European Parliament building in Luxembourg. The joint presidents were Simone Veil, president (speaker) of the European Parliament, and Solomon Tandeng Muna, the president of Cameroon's national assembly. The meeting was attended by 122 European MPs and as many ACP representatives. They discussed various reports and resolutions drawn up by the Joint Committee (61 EEC and 61 ACP representatives) at its meeting in Strasbourg on 23-25 September.

The main discussions at the plenary sitting were on five documents — the Insanally (Guyana) report on the 5th annual report of the ACP-EEC Council of Ministers on the implementation of Lomé II, the Chasle (Mauritius) report on ACP-EEC cultural cooperation, the Jacquet (socialist, France) report, a resolution submitted by Mr Kassé, the MP from Mali (who heads the working party on hunger for which Mr Ferraro, the Italian communist, is rapporteur) and a resolution on the situation in

southern Africa presented by the Joint Committee.

The opening of the plenary sitting

Simone Veil's opening speech began with a welcome for the two new ACP states, Vanuatu and Zimbabwe, and for Edgard Pisani, the commissioner who replaced Claude Cheysson. She then called for fairer and better balanced relations between North and

South — where the economic situation is constantly deteriorating. "The new international economic order seems to be receding as the need for it grows", she said. But the Ottawa summit, the Nairobi and Paris conferences and the attendant tense diplomatic activity suggest that the north-south dialogue really will be relaunched at the Cancun summit.

Mrs Veil also stressed that global relations between developing and industrialized countries and, in particular, the chronic disorder of world markets very largely conditioned the results of the Lomé Convention. She illustrated this by referring to the problems of the sugar protocol and the world cocoa agreement. She pointed out that ACP-EEC relations were a model, if not a reference, in the field and insisted on the fact that a careful, realistic study of the Insanally report would make it possible to see where the Lomé Convention fell short. She ended by congratulating the Joint Committee on the high standard of its preparatory work, particularly in the field of cultural cooperation, which showed the Assembly's desire to stress the human aspects of cooperation and bring the peoples of the Community and the ACP group closer together.

Colette Flesch, Luxembourg's foreign minister and a former member of the Consultative Assembly, underlined the new potential of Lomé II, defining the problem of development and inequality as the biggest challenge facing the international community.

Solomon Tandeng Muna, who was elected for his 4th term as co-president of the Assembly, outlined the things that the Assembly had come to Luxem-

Also in the yellow pages

The Convention at work

- V. EDF financings
- VII. ACP ambassadors and Edgard Pisani hold talks

General Information

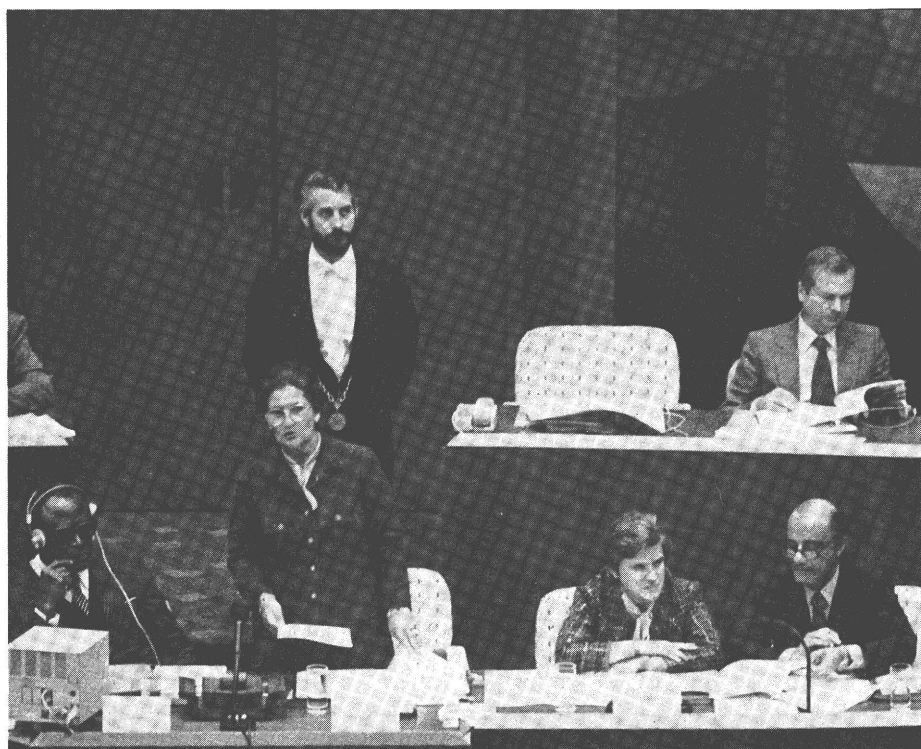
- XI. Conference on the least development countries
- XII. World hunger
- XIV. Non associated LDCs

European Community

- XVI. EMS realignment

CID

- XVIII. Industrial opportunities



Simone Veil, president of the European Parliament and co-president of the ACP-EEC Consultative Assembly, makes her opening speech. On her right is Solomon Tandeng Muna, president of Cameroon's national assembly and also co-president of the Assembly. On her left, Colette Flesch, Luxembourg's foreign minister

bourg to do. It had to strengthen the ties of cooperation and friendship, review the work accomplished so far and look at the efficiency of the ACP regional activities and organizations, which represent a developing community that has common interests and must work with long-standing and smoothly-functioning European institutions.

The co-presidents open the discussions

Western Samoa's finance minister, Filipo Volovasamanaia, who chairs the ACP Council, felt that it would not be possible to over-emphasize the work of the Consultative Assembly and the Joint Committee when it came to taking initiatives and suggesting solutions to problems that had been thought to be insoluble.

On the subject of the Insanally report, which brought up the problem of submitting the annual report of the ACP-EEC Council of Ministers to the Assembly in good time, he mentioned two main problems, sugar and Stabex, both of which were thought to be serious and urgent enough for the ACP countries to propose that an extraordinary session of the ACP-EEC ministerial council be called for the first time. As far as Stabex was concerned, the ACP countries had only obtained ECU 137 million in 1980, a loss of ECU 120 million in one year, a shock which they found difficult to absorb, and something which created a situation diametrically opposed to the one Stabex aimed to achieve. The cost of sugar production and transport are already worrying the ACP group and the principle of equal price rises for ACP and EEC producers was brought up. The EEC has, in fact, given the ACP producers an increase that is 1% short of the one it offered Community producers and this discrimination could mean losses of several million pounds over the coming years.

In the longer term, critical situations, such as the growing food shortage (that is directly linked to hunger in the world), the paralyzing energy problem and the structural changes due to ACP-EEC industrial cooperation call for proper solutions.

Cultural cooperation is concerned with enriching the quality of global ACP-EEC cooperation, Mr Volovasamanaia stressed.

He then reviewed the prospects of more countries joining the Convention (the inclusion of Belize on the ACP side and Spain and Portugal on the EEC side) and went on to ask the Community to refrain from encouraging the racist regime in South Africa by the



Rapporteur S.R. Insanally, the Guyanese ambassador. "Are the provisions of Lomé II being applied in the spirit of Lomé I?"

policy it implemented and to join the ACP countries in their firm fight to put an end to this degradation of mankind.

In reply, Douglas Hurd, minister of state in the British Foreign Office and president of the EEC Council, was quick to emphasize the limited nature of the resources channelled into the Stabex system. And, although he recognized the current problems, he said



Commissioner Edgard Pisani makes his first speech to the Consultative Assembly. "Africa is a continent in danger"

that the EEC might not be able to give a final reply in the near future to the ACP request for additional resources. He then went on to present the EEC's price increase offer for ACP sugar as "more generous" than the one for EEC sugar, as European producers had a 2% tax to pay. The council of Ministers for agriculture had undertaken to apply the sugar protocol in a friendly and effective manner, he said. Mr Hurd also told his ACP partners that the Community was considering a mandate that would enable it to open negotiations on joining the International Sugar Agreement. He launched a general appeal for people not to spoil the delicate balance between the ACP-EEC institutions. An escalation of problems at the political level would only detract from the value of the Council as a political arbiter.

The Insanally report — for optimum implementation of the ACP-EEC contract

Ambassador Insanally began his annual report to the ACP-EEC Council of Ministers with a fairly pessimistic outline of the Lomé system, situating the current problems not at the level of the legal and administrative provisions, but in the attitudes that affected its actual implementation.

What the ACP states wanted, obviously, was to get the most out of Lomé II and to do so in the light of what had been learned from Lomé I. By concentrating on a certain number of sectors where difficulties had arisen, the rapporteur wanted to bring out the uneasy feeling that hung over ACP-EEC relations at present and put people on their guard by emphasizing that, if Lomé wanted to keep its special character, implementation had to be in the spirit of the original Convention and the current hostile and unproductive climate had to be broken down.

A good example of the present climate of relations, and a significant one, ambassador Insanally felt, was the series of problems that accompanied the accession of Greece to the EEC. As far as the ACP group was concerned, there had been no consultation here and a repetition had to be avoided when Spain and Portugal joined. Another test of the outward looking nature of the Convention would have been the supply of surplus EEC agricultural products to the ACP countries on special terms, but little progress had been made within the framework of the common agricultural policy on this point.

Commercial cooperation was a field where the ambassador thought it was vital to go into the root causes of the

very limited increase in ACP exports to the Community (something which had happened in spite of the so-called liberal legal provisions), bearing in mind the fact that the GSP eroded the advantages the ACP countries got from the Convention.

The shortage of Stabex resources, although not negotiable as things stood, meant a certain number of ACP states could not have their immediate needs satisfied. And, in addition, there were the problems of implementing the provisions of the sugar protocol, normal negotiations between the ACP group and the EEC on fixing a price for raw ACP sugar having failed to come to anything. Mr Insanally concluded his remarks, which he hoped would help get Lomé back on the right track, by pointing to the small amount of progress in the field of industrial cooperation.

The difficult period the world economy was going through had affected the dynamism with which the Convention should have been implemented. The original determination had to be revived and, above all, there had to be more solid foundations — which could be found in the general context of north-south relations — if it was hoped to continue beyond the present Convention.

In a long final resolution, geared to action, the accent was placed on the need to make full use of the consultation procedures that Lomé provided, particularly when it came to enlargement of the EEC and to commercial cooperation (textiles). The resolution then referred to the conclusions of the recent Nairobi conference on energy and called for Lomé provisions to be made full use of here. It also mentioned the Paris conference of 1981 on the LDCs and invited the EEC and the member states to run schemes and action programmes that were specifically designed to help the least developed, landlocked and island countries. It also envisaged giving priority to boosting food and agricultural production in the ACP countries and stressed the importance of opening an agricultural technical cooperation centre very soon. Lastly, it devoted a whole chapter to the situation and trends in global development policy.

Edgard Pisani's first speech

In his first political speech to European MPs and their ACP counterparts, Edgard Pisani put the Community's development campaign in the more general context of the world situation.

He said that Lomé was special in the dependable, foreseeable possibilities it



Rapporteur Raymond Chasle, Mauritian ambassador, makes operational proposals for the implementation of cultural cooperation

offered and stressed that it was something which had to be constantly adapted to changing realities. It was an instrument that could be perfected and which, with thorough management, could pave the way for its own development.

Mr Pisani ran the risk of being accused of wanting to split up the Third World when he insisted on the need to



Rapporteur Gérard Jacquet (socialist, France), a vice-president of the European Parliament, calls for greater flexibility in the rules of procedure of the Consultative Assembly

recognize the substantial differences between the various countries that make it up, while preserving their solid political front. This unity could only be strengthened if, technically and economically speaking, people showed enough flexibility in adapting things with a view to greater effectiveness.

He set ACP-EEC relations in the world context, stressing the ever-heightening tension between east and west, resulting in a marginalization of the north-south dialogue and leaving us with a world where general deregulation was increasingly the rule. Faced with strategic instability and ideological conflict, Europe, which was born 20 years ago, was finding it difficult to "be itself", as it was no longer what it was and perhaps did not know exactly what it wanted or what it was going to be.

Looking at Africa today, Mr Pisani found that the continent was in danger, as its degree of self-sufficiency in food was constantly decreasing. As he saw it, "Africa has let itself be attracted by the mirage of industrialization before solving the elementary problem of food and agriculture".

Faced with this dramatic problem, Europe had to adapt its policy and think about the definition of development. As Mr Pisani saw it, Europe could no longer afford to leave maieutics (an image taken from Platonic philosophy and one of Socrates's great contributions to human thought) out of its overall strategy for the developing countries. (Maieutics is the art of allowing the other to know himself and, in so doing, becoming equal to the first party. The respect of he who knows for he who does not yet know, because he is a man, is a fundamental principle of maieutics).

A fundamental thing we have failed to do, Pisani suggests, is to drop the idea of imposing a development model and to give the other person the means of discovering himself, perhaps because our methods are wrong. So the project approach to development should be replaced by an overall strategy which can help build an integrated reality. External contributions can only be a small, integral part of coherent national effort that takes account of man, the community and culture, all as essential dimensions.

Aims have to be adapted, so we do not provide the artificial instruments of an economic development made for us.

Two basic inadequacies, one to do with demography and one with unsuitable technology, are the major obstacles with which we are faced, Edgard Pisani said. He blamed the ideological

frenzy of the champions of the market economy — over to which a whole continent could not be turned. The only way of fighting poverty, then, is via European cooperation which develops the public economy.

We have no right to have clear consciences just because the Lomé Convention is a coherent whole, he said. It is our duty to decide whether this whole has reached the targets we set and whether we can improve its yield by making the development of other countries more effective, Mr Pisani concluded.

Chasle report — culture, the new cultural dimension

For the first time, ACP representatives and European MPs debated the vast subject of culture on the occasion of a report and a resolution containing a certain number of operational proposals, by Mauritian ambassador Raymond Chasle.

Cultural cooperation means a mutual perception of cultures and, therefore, a respect for a difference in sensitivity and tradition in other countries. But, as things stand, both Europe and the ACP countries are living in a state of cultural alienation. But culture cannot go on being a marginal issue, as the whole problem of development has to be seen in its overall historical, social and cultural context.

Chasle emphasized the need for Europeans to shoulder their historical responsibilities. Sugar cane, he said, was surely brought to our countries by the Europeans, for example.

As Raymond Chasle saw it, the Lomé Convention is a unique opportunity for a new kind of development which takes in all the sectors and takes account, perhaps even integrates, the specific socio-cultural nature of each of the countries.

The resolution was greeted favourably by everyone present. Mr Chasle made practical proposals with a view to translating into fact all the hopes generated by cultural cooperation as a new dimension that could lead to a reshaping of ACP-EEC cultural exchange. These proposals were mainly concerned with the socio-cultural field (the effect of local cultures on the development programmes, the development of local technology, the adaptation of imported technology and the expanding role of the NGOs); with training (a greater share of EDF funds, better publicity about the ACP and other developing countries in Europe, better training for cooperation officers sent out to the ACP countries, a better welcome for ACP students and migrant workers in



Boubakar Kassé, Malian MP and chairman of the working party on world hunger

Europe and Community involvement in the ACP literacy campaign); with information (better balanced information, the promotion of scientific and technical exchanges and ACP access to Euronet and the member states' data bank); with cultural exchange (the culture industry, cultural data banks, better publicity about ACP cultures in Europe, establishment of a foundation to promote and circulate ACP cultures); with the cultural heritage (restoration, the setting up of a fund to recover and return native works, inventories, the



The new co-chairman of the Joint Committee, Francis K. Butagira, speaker of the Ugandan national assembly

creation of museums and similar institutions in the ACP states, help with conservation and the reconstitution of the cultural heritage); with tourism (its role in the economy, culture and social trends in the ACP countries, the introduction of a more cultural and human tourist trade, the establishment of a body to carry on a dialogue with a view to finding out how Europeans can be made aware of the cultural wealth and tourist potential of the ACP group); with ACP schemes (ACP-EEC investigation to see whether the Lomé Convention can promote cultural cooperation in the ACP group, boosting ACP-EEC cultural cooperation and developing cultural talent and local technical traditions).

This new philosophy of cultural cooperation, which is based on reciprocity, really could be a turning point in the history of development and be the next step towards the new world order, the resolution concluded.

The Jacquet report — more flexible rules of procedure for the Assembly

Adoption of the Jacquet (socialist, France) report brought two changes in the rules of procedure of the Consultative Assembly. First, with a view to the Joint Committee not having to meet immediately before the Assembly, a change was made to enable extraordinary meetings to be held. Second, the current linguistic arrangements were maintained for both the Assembly and the Joint Committee, but derogations will now be possible, at the bureau's proposal, in the case of texts and documents put forward during meetings.

In spite of the increase in the size of the Committee, which is now far bigger than a parliamentary committee would be, the joint aspects of the Joint Committee were able to be maintained.

Although the report did not say as much, it is worth noting that many ambassadors and other ACP representatives regret that the Assembly's rules of procedure require a majority both in the ACP group (which is usually unanimous) and in the EEC group. This voting procedure means that amendments can in fact be blocked by a simple majority within the EEC group, although they may well have got a large majority among the members of the Assembly as a whole.

Hunger in the world, the focus for the next meeting of the Joint Committee

Mr Kassé, the chairman of the working

party on hunger, gave the Assembly a progress report. Mr Ferrero (communist, Italy) is the rapporteur for this group.

In their resolutions, members stressed the seriousness of the situation and the urgent need to find solutions. They also insisted on the positive nature of the Colombo emergency plan which the Italian government had brought out. They urged all the EEC to take an active part in drafting and implementing this scheme.

The situation in southern Africa — an investigatory mission

In its resolution on southern Africa, the Joint Committee once more condemned the ill-fated role played by the racist regime in South Africa and its many violations of the right to self-determination in Namibia and to the sovereignty and integrity of the front line states.

The resolution deplored the lack of government measures to prevent multinationals from continuing with activities that were counter to UN commitments. It then recorded the actual suspension of a certain number of cultural agreements between various states and the Pretoria government.

It also insisted on the importance of strict observation of the embargo on all arms and oil bound for South Africa.

Practically speaking, it proposed that an investigatory mission be sent out to the countries affected by South African aggression as soon as possible.

Next Joint Committee in Zimbabwe

The investigatory mission should prepare and present a report to the Joint Committee scheduled for Zimbabwe on 1-5 February 1982.

At the Consultative Assembly in Luxembourg, the Joint Committee also held its constitutive meeting under the chairmanship of Giovanni Bersani (Christian democrat, Italy), whose term of office was renewed, and Francis K. Butagira, speaker of the Ugandan national assembly, who took over from André Guillaibert (Senegal), who, as the eldest member, had chaired the Strasbourg Joint Committee.

One of the main subject under discussion at the next Joint Committee, in addition to the problem of southern Africa (the meeting is of course being held in a front line state), will be world hunger. o R.D.B.

EDF FINANCING

Following a favourable opinion by the EDF Committee, the Commission has taken the following financing decisions:

Chad

Programme to assist production in the cotton industry.

Grant: 4th EDF — ECU 9 600 000

Cotton is extremely important to the economy of this country (250 000 small farmers and about 600 000 people working out of roughly 2 million inhabitants in the Sudan area).

Cotton is the main source of money income for the people living in this area.

Production slumped after the political and military events of 1979. The government wishes to push up its cotton production considerably and the EDF is providing financial aid to cover the cost of the inputs (fertilizer, insecticides, equipment and so on) required to achieve this aim.

Somalia

The Goluen-Gelib road

Grant: 4th EDF — ECU 8 000 000

The aim of this financing is to increase the funds allocated to the Goluen-Gelib road so that problems met with during implementation can be overcome and the project completed.

This asphalted road of 257 km was granted its first financing worth ECU 19 652 000 under the EDF in 1977 (52 % of the total cost of the work).

Niger

Guidam Roudji-Tchadaoua road

Zinder-Mirriah road

Grant: 5th EDF — ECU 16 220 000

EEC financing will enable major improvements to be made to Niger's main east-west highway (Niamey-Zinder-Lake Chad). The work includes:

- strengthening and widening the existing road between Guidam Roudji and Tchadaoua (96.3 km), which was financed originally by the 2nd EDF;
- developing and asphaltting the track between Zinder and Mirriah (21 km), which will provide a link between the Zinder-Niamey and the Mirriah-Lake Chad roads.

Western Samoa

Construction of an HEP station at Sauniatia

Grant: 5th EDF — ECU 4 100 000

Community aid will mean that costly thermal power stations can be replaced by an HEP station. This project is sited on the Falefa river about 25 km from the capital, Apia (Upolu island). The station is scheduled to come into operation in 1984.

The project includes a supply dam, a tunnel and a penstock linked to two turbines (total capacity 3.5 Mw).

The total cost of this project is an estimated ECU 7 400 000.

Kenya

Modernization of small rice-growing concerns (Nyanza province)

Grant: 5th EDF — ECU 4 350 000

Four plantations were set up a few years back at the instigation of the local population and rice is still grown, but in extremely poor conditions.

Community aid will enable these small concerns to be modernized and rice production to be pushed up. The total area under cultivation will increase from 130 to 650 ha and some 1 625 families will be involved.

Suriname

Carolina bridge

Grant: 5th EDF — ECU 784 000

The government is planning to build a 530 m wooden bridge to replace a 20-year old ferryboat. The Community contribution will be used to buy equipment and materials. A special public works team will be responsible for construction.

Somalia

Mogadishu dairy

Grant: 4th EDF — ECU 1 250 000

Community financing should mean that the Mogadishu dairy can be renovated and management and collection methods improved. The aims of the project are to:

- meet part of the demand for dairy products (14-20 %) in the capital;
- stimulate production in rural areas by running a more extensive and more efficient milk collection service.

Lesotho

Improvements to rural primary schools

Grant: 4th EDF — ECU 400 000

This project is to construct and furnish 10 two-classroom units so as to develop primary education in the rural areas of south-west Lesotho. It is scheduled to take 18 months.

Zambia

Five health centres in rural Zambia
Grant: 5th EDF — ECU 2 000 000

The aim of the EDF financing is to strengthen the public health infrastructure by building and fitting out 10 health centres in rural areas and providing 30 units of accommodation for the staff.

Barbados

Development of the Scotland Back River Valley district
Grant: 5th EDF — ECU 1 225 000

The EDF is financing the first stage in the general development of agriculture in the Scotland district, which has various problems with soil conservation which affect production and agricultural productivity.

The EDF funds will be used to build terraces, small dams and feeder roads and for reafforestation (190 ha).

Djibouti and Somalia

Djibouti-Berbera road
Technical study (regional project)
Grant: 4th EDF — ECU 1 200 000

The Community grant will mean that technical studies on execution of the Djibouti-Berbera road (270 km in Somalia and 20 km in Djibouti) can be financed.

The study should mean that the financing needed to build the road can now be sought.

Somalia

Saakow experimental agriculture centre
Grant: 4th EDF — ECU 4 950 000

The Community financing is intended to cover the creation of an experimental agriculture centre at Saakow. This will be the vital element in a much larger programme to develop the Juba Valley.

The work will involve:

- developing a 60 ha area and dividing it into experimental irrigable units;
- the relevant investments (in pumps, buildings etc);
- agricultural equipment and materials;
- installation of the staff.

Mali

Segou rice scheme, phase 4
Grant: 5th EDF — ECU 14 000 000

This financing is phase 4 of the rural development project centred on irrigated rice-growing in the Segou area. The aim is to have controlled flooding

over about 14 000 ha in the Tamani and Farako areas.

It should mean that paddy rice production will go up by more than 10 000 t and 60 000 people get a better standard of living. ○

SYSMIN

The Commission has just announced that Zaire and Zambia are entitled to transfers from the Sysmin fund.

Both countries applied for funds to compensate for a drop in production in the copper and cobalt industries. This is a vital sector of their economies and it has suffered from political events in the region (fighting in Shaba, Angola and Zimbabwe).

But the biggest drawbacks have been economic ones (a price slump for several years in a row and higher production costs) and this has prevented a return to a normal rate and made it impossible to maintain the production apparatus.

The Commission will be holding talks with both countries involved and making financing proposals to be submitted to the EDF Committee. ○

EIB

Niger: uprating a power station

The European Investment Bank, has made a loan for the equivalent of ECU 10 million (CFAF 3 000 million), under the second Lomé Convention, for the second stage in building the Anou Araren coal-fired power station in northern Niger.

The project focuses on the installation of an additional 16 MW generating unit, chiefly to meet the power requirements of nearby uranium mines. This power station, of which the first unit (also 16 MW) was commissioned recently, will use local coal.

The funds have been advanced to Société Nigérienne de Charbon d'Anou Araren (SONICHAR) for 15 years at 8%, after deducting an interest subsidy drawn from resources of the EDF.

This new unit, planned with technical assistance provided by Electricité de France (EDF) and scheduled to come on stream during next year, is costed at a total of about CFAF 25 000 million (more than ECU 80 million).

The African Development Bank, Caisse Centrale de Coopération Economique (France), the Abu Dhabi Fund

and the Niger government are also financing the works.

Togo: port extension at Lomé

The EIB has also lent the equivalent of ECU 4.4 million (about 1 300 million CFA francs), under the Lomé Convention, towards financing extension of port facilities at Lomé in Togo.

The funds have been advanced to Lomé Port, an autonomous public body responsible for operating the port, for 20 years at 8% after deducting an interest subsidy met from EDF resources.

The project is costed at a total of some 9 600 million CFA francs. It includes construction of two new berths at a new pier 250 m long and 140 m wide and development of a 5.5 ha storage area; these facilities will be specially tailored to meet the needs of container traffic.

Kreditanstalt für Wiederaufbau and the Saudi Fund for Development are also helping to finance the project.

Tonga: smaller scale industrial and tourism undertakings

The EIB has lent ECU 1 million under the second Lomé Convention to assist in financing smaller scale industrial and tourism undertakings in Tonga. This is the EIB's first operation in this Pacific island group.

The funds, advanced from risk capital provided for under the Convention and managed by the bank, have been made available in the form of:

- a conditional loan of ECU 500 000
- term: 25 years, rate of interest: 1%
- to enable it to boost its shareholding in Tonga Development Bank (TDB);
- a global loan for ECU 500 000 to Tonga Development Bank, the only long-term finance institution in the country, set up in 1977 with aid from the Asian Development Bank. It is 90% state-owned.

The global loan formula involves making available a line of credit to a finance institution which on-lends lesser individual amounts for financing smaller scale investments selected with EIB agreement. In this case, the funds will be used for acquiring equity participations in, or making loans to, smaller undertakings. The term of the global loan, which carries interest payable at 2%, will depend upon the manner in which the proceeds are deployed: 12 years in the case of credits to undertakings; up to 25 years for equity participations.

Swaziland: hydro-electric scheme

Under the terms of the second Lomé Convention, the EIB, has lent the equivalent of ECU 7 million towards a hydro-electric scheme in Swaziland.

The loan is to the state-owned Swaziland Electricity Board (SEB) for a term of 15 years with interest at 8%, after deduction of an interest subsidy drawn from the resources of the Community's EDF.

The project will be situated some 10 km from the capital Mbabane on the Lusushwana river. It will comprise a dam with a 20 million m³ reservoir, a tunnel 5 km long and a power station equipped with two 10 MW turbine generators. Estimated cost is about ECU 50 million.

In a year of average rainfall, the station is expected to generate about 90 GWh and the scheme will also raise output by 2 GWh at downstream hydro plants.

The new station, which is due to come into operation in 1984, should cover about 20% of the country's forecast electricity consumption in 1985, reducing Swaziland's dependence on power imports from South Africa.

Another aspect to the scheme: the additional storage capacity will provide improved river flow conditions, with potential benefits for irrigation.

The World Bank, the African Development Bank, the Kreditanstalt für Wiederaufbau (Germany) and the Commonwealth Development Corporation (United Kingdom) are also contributing to the financing of the project.

Zaire: loan for smaller businesses

The EIB has lent the equivalent of ECU 6 million towards financing small and medium-scale industrial ventures in Zaire.

The funds have been advanced in the form of a conditional loan financed from risk capital resources provided for under the Convention and managed by the bank. The borrower is Société Financière de Développement (SOFIDE), the country's main provider of medium and long-term finance.

SOFIDE, set up in 1970, is 40% owned by the Zaire government. Its foreign shareholders include the Deutsche Entwicklungsgesellschaft, the International Finance Corporation, the Caisse Centrale de Coopération Economique (France) and the EIB, which acquired a stake under the first

Lomé Convention on behalf of the Community.

The bank's loan will be made available on very favourable conditions tailored to the different uses for which it has been earmarked. A maximum of ECU 1 million, carrying an interest rate of 2% p.a., may be used for financing feasibility studies or equity participations. The balance of ECU 5 million, advanced for 15 years at 8%, will be onlent in foreign currency in support of small and medium-scale ventures in industry, agricultural processing, mining and tourism, selected in agreement with the EIB. In enabling businesses to import capital goods and equipment, this facility will be of great value in giving a much-needed boost to Zaire's industrial sector.

Zambia: support to small and medium-scale industry

The EIB has lent ECU 8 million under the second Lomé Convention towards financing investment in small and medium-scale industry in Zambia. This is in the form of two loans to the Development Bank of Zambia (DBZ), the national development bank set up in 1972 by the Zambian government.

A global loan of ECU 6.5 million has been advanced from the EIB's own resources (chiefly the proceeds of its borrowing operations on the capital markets), to run for 10 years at a rate of 8%, after deduction of an interest subsidy financed from the European Development Fund. The proceeds will be onlent by DBZ in support of small and medium-scale ventures selected with the approval of the EIB.

A further ECU 1.5 million has been lent in the form of a conditional loan from risk capital funds provided for under the Convention and managed by the EIB, towards financing feasibility studies, equity participations and loans on special conditions for very small ventures. The term and rate of interest of conditional loans are linked to deployment of the funds. In this case, the rate of interest and maximum term have been set at 2% and 10 years respectively for studies, at 2% and 25 years for equity participations and at 4% and 15 years for special loans to very small enterprises.

These new EIB loans follow on from an aid package totalling 3 million ECUs made available to DBZ in 1978 in the form of a ECU 2.5 million global loan and an equity participation in DBZ. The first global loan helped to finance 8 ventures generating almost 200 jobs in industry and agricultural processing.

West Africa: loans for small and medium-scale investment

Under Lomé II, the EIB, has lent the equivalent of ECU 6.5 million (about 2 billion CFA francs) as a contribution towards financing small and medium-sized investment in West Africa, mainly in the industrial, energy and telecommunications sectors:

— ECU 5 million have been lent to the Banque Ouest-Africaine de Développement (BOAD) in the form of a global loan for 12 years at a rate of 8%; this rate takes account of an interest subsidy financed from the resources of the European Development Fund;

— ECU 1.8 million (the equivalent of CFA F 500 000), is in the form of an equity participation in BOAD taken by the EIB for the account and at the risk of the European Community; these funds are drawn from risk capital contributions foreseen under the Convention and managed by the EIB.

Operational since 1976 with its head offices in Lomé (Togo), BOAD is the regional development bank of the member states of the West African Monetary Union: Benin, Ivory Coast, Niger, Senegal, Togo and Upper Volta.

The global loan granted from the bank's own resources will help to finance small and medium-sized ventures selected in agreement with the EIB, while the risk capital funds will increase BOAD's scope for providing financing from its own resources mainly in the form of equity participations and funds for feasibility studies.

France and Germany are also shareholders in BOAD.

NIGERIA

Nigeria signs its indicative programme

Nigeria's indicative programme under Lomé II was signed at the Commission on 21 October 1981. It is worth ECU 50 million of non-reimbursable aid plus ECU 120 to 150 million for regional cooperation from the EDF. Under the programme, Nigeria will also have easy credit line to the European Investment Bank.

Chief Peter Afolabi, Nigeria's ambassador to Belgium, Luxembourg and the EEC, signed for Nigeria while development commissioner Edgard Pisani signed on behalf of the Commission.

In a brief statement afterwards, ambassador Afolabi noted the paucity of



the resources made available to Nigeria taking into consideration its needs and its importance to the European Community, but said that it was a tremendous improvement from the previous Convention. The amount now available was seven times what Nigeria had under Lomé I.

Replying commissioner Pisani said that, in signing the programme, Nigeria has shown that it was willing to cooperate with the Commission in finding solutions to the problems of the developing countries. It was more a political act than an economic gesture. He looked forward to greater cooperation between Nigeria and the EEC.

Ambassador Peter Afolabi signing the programme

Informal talks between ACP states' representatives and commissioner Pisani

On 18 September, representatives of the ACP states, headed by the chairman of the Committee of Ambassadors, Mr Sy, had talks with the new development commissioner, Edgard Pisani. Mr Pisani had asked that informal talks be held so that general problems raised by the Lomé Convention could be discussed.

After outlining his views on what shape the EEC's development policy should take, Mr Pisani took note of the many questions raised by the ACP am-

bassadors. They asked for information on the negotiations on ACP sugar prices, generalized preferences, the enlargement negotiations, consultation on trade cooperation, customs cooperation, Stabex, Sysmin and agricultural cooperation. The ACP representatives were keen to point out the need for better consultation with the Community. Mr Sy criticized the EEC for thinking that it always knew how to defend the ACP states' interests than anyone else. Mr Pisani assured him, "I would never

claim to be able to represent your interests better than you can". Although he said he would stand firm in negotiations, Mr Pisani added that he would always willingly consult with the ACP states before any talks.

Sugar: ACP speak of "acute crisis"

During the meeting, the chairman of the ACP sub-committee on sugar, Mr Jackman, said that failure to agree on a guaranteed price for ACP sugar for the current year had created an acute crisis. He renewed his demand for the ACP countries to call a special meeting of the ACP-EEC Council of Ministers. The ACP countries, he said, submitted a detailed memorandum to the EEC each year setting out the economic factors which they consider should determine the price. He said that over the years the EEC had unilaterally changed its domestic prices in such a way as to steadily reduce the price offered to the ACP countries.

A few days earlier the chairman of the ACP ministerial sugar committee, Sir Satcam Boolell, who is the Mauritius agriculture minister, following talks with the president of the EEC agriculture council in London, has confirmed that the EEC is not prepared to offer an increase of more than 7.5% for the guaranteed price applicable to imports of sugar from the ACP countries. In other words, the EEC has kept to its initial position. However, Sir Satcam made it clear that given the 1% discrimination between the guaranteed price to EEC sugar beet producers and that granted to ACP cane sugar producers, "some political solution must be found at the highest level", i.e. the ACP-EEC Council of Ministers (which is to meet before the end of the year). If no solution is found, there will be no guaranteed sugar price for next year. "How", Sir Satcam asked, "can we allow this situation of disagreement to continue, when we have signed binding treaties?"

The ACP's negotiating position is simple: they want the same price as that granted to EEC producers (8.5%). In addition, they want special concessions for transport costs and insurance. The Community is prepared to have one unified price in the future, i.e. to revert back to the old method of calculation. However, Mr Walker suggested this time that the ACP countries should accept the increase of 7.5%, because Tate & Lyle have offered an additional premium of 1%. Mr Walker claimed that he understood very well the ACP countries' position and that he would advocate their demand for transport costs to the Council. Sir Sat-



Edgard Pisani and ambassador Sy before the start of the meeting

cam said that he was sure that the EEC's long-term intentions toward the ACP cane sugar imports were honourable, but until the Community joins the international sugar agreement, it would not be possible to stabilize the world market nor to prevent criticism of Community behaviour with regard to ACP countries. ○

GREEK ACCESSION

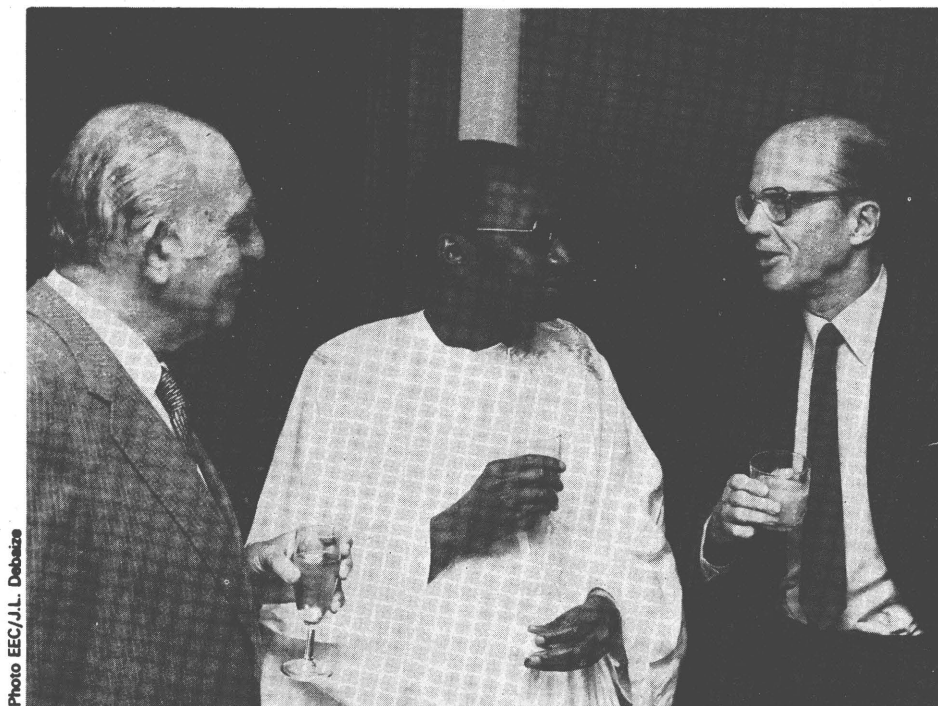
At a ceremony presided over by Sir Michael Butler, permanent representative of the United Kingdom and chairman of the permanent representatives committee (COREPER), and Seydina Oumar Sy, ambassador of Senegal and chairman of the ACP Committee of Ambassadors held at the headquarters of the EEC Council, the protocols to the second Lomé Convention were signed following the accession of Greece to the Community.

The protocols were signed for the ACP states, by the ambassadors accredited to the European Community and for the Community, by Sir Michael Butler, and Klaus Meyer, director-general for development at the Commission. The EEC member states, were represented by their permanent representatives.

These protocols provide for Greece to become a contracting party to the second Lomé Convention and to the agreement on ECSC products. Since, in the context of its accession to the Community, Greece undertook to apply the principle of free access, and, for certain products, preferential arrangements, to ACP exports to the common market, the protocol provides, subject to the transitional arrangements applicable by Greece to the nine other EEC member states, for the necessary adaptations to be made in the application of the Lomé Convention.

Those measures provide for the progressive elimination of customs duties and for the possibility of maintaining certain quantitative restrictions, the latter according to a set timetable.

At the signing ceremony both parties also made a joint declaration to the effect that, to meet the concern felt by the ACP states — the Community's principal preferential trading partners — with regard to the enlargement of the Community, the means provided for by the Lomé Convention must be used to resolve in the traditional spirit of co-operation any problems which might arise following the accession of Greece or subsequent accessions to the Community.



From left to right Marcos Economides, permanent representative of Greece, Seydina Oumar Sy, chairman of the ACP Committee of Ambassadors and Sir Michael Butler, British permanent representative and chairman of COREPER

As regards, in particular, the concern expressed by the ACP states regarding the accession of Spain and Portugal the Community will, in the context of the consultation procedures provided for in the Convention, keep the ACP states appropriately informed of developments in the accession negotiations, and will at the proper times have talks with them on the possible implications for the ACP states of the enlargement of the Community.

In compliance with article 181 of the Lomé Convention, the Community and the ACP states will take, as necessary, the appropriate measures of adaptation and transition.

The protocols will enter into force after the necessary internal procedures of the parties concerned have been completed. ○

the Lomé Convention such countries receive better treatment; for example, they do not have to repay Stabex transfers. ○

ENLARGEMENT

Belize to seek membership of the ACP group

Britain has told its Community partners that the newly independent state of Belize will seek to accede to Lomé II. Since it was a former overseas country and territory (OCT) the process will be rapidly put into effect. ○

CID

Centre indicates promising areas for small-scale enterprise

The Centre for Industrial Development which was set up under the Lomé Convention, has informed European business and industry of a series of sectors in the ACP countries which are "particularly promising" for Community small and medium-scale enterprise. The sectors are: chemicals (including fertilizers, paint and glue, detergents and medical and veterinary pharmaceuticals); mineral processing (quarries, blown glass, clay bricks, sanitary fittings, subsidized housing compo-

COUNCIL

— The EEC Council has given its agreement on the decision to include new ACP countries on the list of least developed and island countries. The proposals are to be formally approved by the ACP-EEC Council of Ministers:

— Saint Vincent and the Grenadines and Vanuatu are to be added to the list of least-developed and island countries.

— Equatorial Guinea is to be included on the list of island countries.

These changes have more than merely formal significance, since under

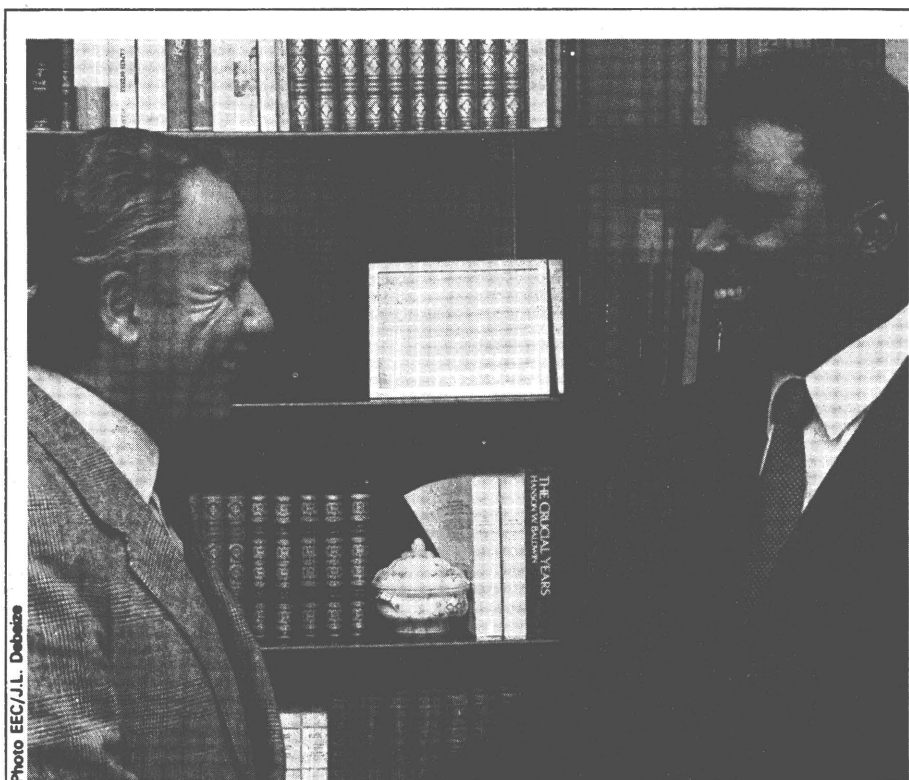


Photo EEC/J.L. Debaize

Rwandan President Habyarimana visited the EEC Commission in September and had talks with President Thorn. The Rwandan leader had been in Paris for the opening of the UN conference on the least-developed countries, which include Rwanda

contact companies directly whenever it receives cooperation requests from ACP businesses in areas likely to interest them. ○

ACP COOPERATION

Seminar on cooperation in education, research and training comes to an end

An ACP conference on cooperation in education, research and training, held in ACP House in Brussels, began on 5 October and finished on 9 October.

During the course of the week, three basic talks were given on the main subjects under discussion — Professor M.K. Bacchus of the University of Alberta (Canada) spoke on cooperation in the field of education, Professor N'Sougan Agblemagnon (the African university association's permanent representative with UNESCO and the European Community) spoke on research and Professor Brosnahan, from the University of the South Pacific, spoke on training.

The seminar, which was chaired by Professor M.J.C. Ssekamwa, from Ma-

nents); packaging; food processing and agri-food industries; mechanical and electrical engineering (farm implements, small tools, transformers, etc.); metalworking (foundries, sanitary equipment, and metal engineering); rubber, plastics and leather (tyres, leather); woodworking (furniture, houses, charcoal, wood gasification); vehicles (bicycles, trailers, small fishing boats, and spare parts).

Regular information

The CID tries to keep European small and medium scale industry informed of cooperation offers its receives, and regularly publishes information, with contact references.

By way of example, recent offers include: a joint-venture for manufacturing footwear in Barbados; a cotton milling project in Mali; a joint-venture for building materials in Swaziland; a tyre-remoulding factory in Mauritania; a cattle feed plant in Nigeria; a non-ferrous metal foundry in Ghana; a joint-venture to produce cement and refractory materials in Jamaica. In order to inform small and medium enterprises directly, the CID asks companies to register with it as potential partners for joint ventures in the ACP countries. This makes it possible for the CID to



Photo EEC/J.L. Debaize

Thomas Okelo-Odongo with Mr Van Huynegen, president of the Institut des Relations Diplomatiques

On 8 October at ACP House in Brussels a number of Eurafican merit medals were presented. The recipients were Thomas Okelo-Odongo, secretary-general of the ACP group, Alain Lacroix, editor of the 'Courier ACP-EEC' and Mr Razafindrasoava, a CID expert on the transfer of technology. Mr Okelo-Odongo spoke about the ACP group and its programme for 1982. He was followed by Mr Sibenaler who described the activities of the Institut des Relations Diplomatiques which awards the Eurafican merit medals and ambassador Chasle of Mauritius who spoke on the theme of ACP-EEC cultural cooperation

kerere University (Uganda), split into two working parties to deal with education and training and with research. The overall rapporteur for the seminar was Professor N'Sougan Agblemagnon (Togo).

The final recommendations were as follows.

Education and training

The ACP Council of Ministers should urge the EEC member states to pay greater attention to the sort of training that would develop ability in informal and traditional sectors wherever it has been overlooked. The Council was also invited to adapt the education system to the needs of development, with a view to making people aware of fundamental values.

The Council should think about the means of developing the structures needed to promote local languages as official languages of instruction. It should set up an association of ACP universities and a fund to underwrite films and the publication of magazines on the social, cultural and economic development of the countries of the Third World.

The possibility of joining with the relevant regional organizations to open joint book and audio-visual material production centres was felt to be an attractive one, and the people at the seminar were also interested in seeing the resolutions in the Chasle report on ACP-EEC cultural cooperation implemented.

Research

The seminar recommended that steps be taken to convene a seminar for representatives of ACP universities and research institutes and of the various governments. The idea here was to look into priority research areas in the light of the resources available and to draw up research programmes that were of interest to all concerned.

They also recommended that an exhaustive list of ACP research structures and programmes be produced and circulated. Sub-regional and regional meetings should be the opportunity to go further into the measures adopted in the Nairobi action programme (new and renewable energy) and research teams should be working on more extensive agronomical programmes.

A pool of research workers and technicians willing to work in the ACP countries at local rates should be formed.

Representatives at the meeting felt that the resources needed for these schemes could be obtained if the ACP

countries contributed to an ACP secretariat fund or if financing was found at national, sub-regional and regional level. Possibilities offered by the non-governmental organizations (NGO) should also be explored.

All these recommendations will be put before a forthcoming ACP Council of Ministers for approval. The seminar was attended by 38 ACP countries

and, in addition, there were representatives from regional ACP organizations, observers from the EEC Commission, the CID, the UN liaison office in Brussels, the Catholic university of Louvain, the cultural and technical cooperation agency in Paris, the Commonwealth secretariat, UNITAR (Geneva), the study and training centre in Brussels and the CEG (a Belgian NGO). o

GENERAL INFORMATION

Paris conference on the LDCs

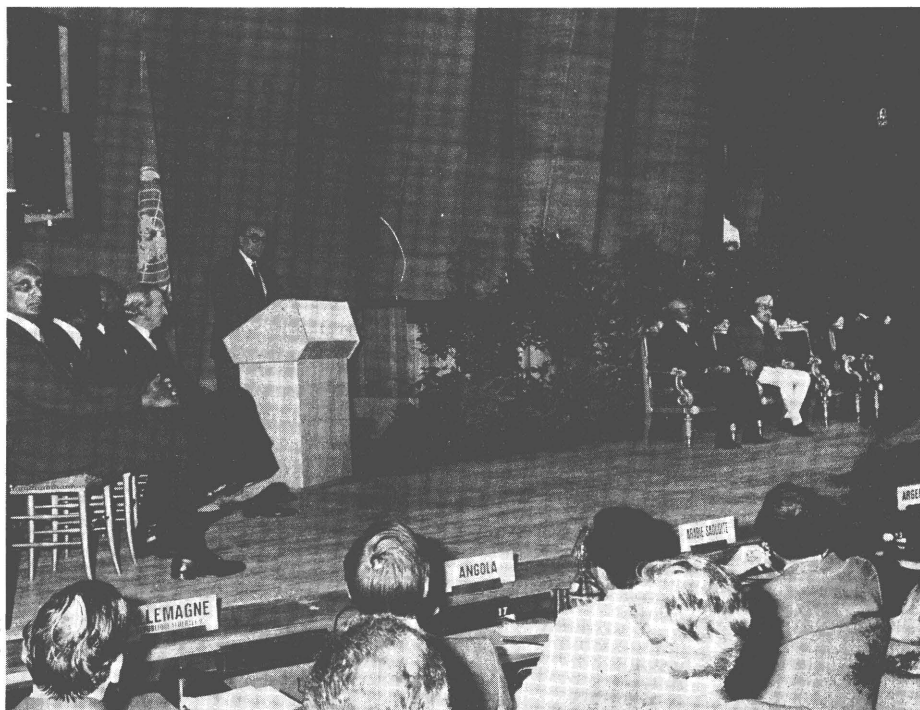
World support for the most underprivileged

The UN conference on the least developed countries (LLDCs) was held at UNESCO headquarters in Paris on 1-14 September. Jean-Pierre Cot, French cooperation minister, was in the chair and, at the opening session, French president François Mitterrand had discussions with many leading figures, including the King of Nepal, the presidents of Kenya, Cape Verde and Rwanda, Mr Kurt Waldheim, secretary-general of the UN, and many ministers and UN agency directors. At the end of the conference, a new basic action programme, a genuine plan for the development of the LLDCs in the 1980s, was adopted.

There are 31 least-developed countries, as the UN calls them, and their GNP, educational coverage and low level of industrialization make them the

poorest nations in the world. Twenty-two of them are ACP countries (1). Be-

(1) The UN and the Lomé lists are not the same.



President Mitterrand of France (standing) making the opening address. On the left, Gamani Corea (UNCTAD), K. Dadzie (ECOSOC), Mahtar Mbow (UNESCO) and Kurt Waldheim (UN secretary-general). On the right, President Aristide Pereira of Cape Verde and King Birendra of Nepal

cause their economies are so weak, the LLDCs have been harder hit by the international economic crisis and the gap between them and the developed countries and, indeed, the other under-developed countries is constantly widening.

This is nothing new. But it took more than 15 years (the idea of dividing the developing countries into groups goes back to 1964) for a detailed action programme for the LLDCs ultimately to be adopted in Manila by UNCTAD V. And this means overcoming the reluctance of the Group of 77, which is hostile to any attempt at division and afraid of seeing aid from the developing countries concentrated on the LLDCs to the detriment of the rest. So the programme has not even begun to be implemented, at least, at the time of writing.

This is why the LLDCs are disillusioned and insisting, with the backing of the Group of 77, on getting the developed countries to make precise financial commitments so that the new action programme can be implemented. The Paris conference achieved something here, in that most of the donors of official development assistance will be giving 0.15 % of the GNP to the LLDCs in the coming years and others will be doubling their assistance over the same period. All in all, this should mean that the LLDCs will be getting twice as much in official development assistance by 1985 as they have had over the past five years. This is what the conference finally came up with and it confirms the attachment to the 0.7 % of GNP as the target for official aid in the international strategy for the third UN development decade.

But it did not prove possible to reach agreement on a precise timetable, although this was one of the main things the LLDCs were asking for. And the amounts mentioned (double the present amounts by 1985 and a target \$24 bn for 1990) are also a long way from the \$15 bn p.a. throughout the decade (i.e. four times as much) that the LLDCs and the Group of 77 are in fact calling for. Their representatives (Tanzania and Sri Lanka) were quick to emphasize this fact at the closing session—but they also mentioned the undeniable progress that the conference had made.

However, the final declarations by the US representative, who went over all the major aspects of the consensus that took two weeks of hard work to reach, and the Bulgarian representative, who spoke on behalf of all the socialist bloc countries to the effect that the countries of the western world should be repairing the damage, some-

what reduced the extent of the agreement.

Nevertheless, a precise list of measures was drawn up, including, for the first time, a whole series of reforms and decisions that the LLDCs should adopt at national level plus various schemes to be run at international level.

Another innovation is the monitoring mechanism, which will involve meetings between each LLDC and all the donor countries over the decade to make progress reports and promote implementation of the new programme. A general review of the situation will be made at UNCTAD in 1985 and a further one towards the end of the decade.

So all in all, it would appear that the countries of the EEC will be making the biggest contribution to the extra financial effort for the LLDCs. Some of the member states have already reached and some gone beyond the 0.15 % GNP target (Netherlands and Denmark). Others (the UK, Germany and Belgium) are very close and the rest, France in particular, have agreed to make up for lost time.

The March-April 1982 edition of the *Courier* (N° 72) will look at this conference and publish a complete dossier on the situation in the LLDCs. ○

WORLD HUNGER

On 1 October Edgard Pisani held his first press conference in his new capacity of development commissioner on the subject of hunger in the world.

He recalled that on the same day that the Paris conference adopted a "substantial new programme of action for the 1980s" to assist the LLDCs (14 September), the Council of the European Communities, following an Italian government initiative, requested the Commission to make proposals for action against hunger in the world, which is not threatening only the LLDCs.

In response to the Paris conference appeal the Commission made a proposal to the Council on 28 September concerning exceptional food aid to the value of ECU 40 million for the LLDCs. On 30 September it adopted a second communication to the Council, which put forward the guidelines and practical measures which could serve as a basis for a more general plan of action to combat world hunger. There are four categories of Community action in the plan.

Special food aid operation

This aims to make available to the

international emergency reserve the 100 000 t of cereals which it still lacks to reach the 500 000 t objective set in 1977. This operation will be financed as part of the exceptional food aid to be granted to the LLDCs.

Action to devise and implement food strategies

The Community intends to take the initiative of launching schemes coordinated among the member states and other aid donors to implement cohesive food strategies in conjunction with certain countries that request such aid and that are particularly affected by food shortfalls.

The lessons drawn from experience are causing an increasing number of developing countries to adopt an overall approach to the development of food production and to equip themselves as a result with national strategies for the food sector (for instance, 22 ACP countries are already doing so). These efforts require the coordinated and cohesive backing of all external aid sources. Consequently, the Commission proposes that a "task force" be set up grouping together initially, alongside three or four LLDCs, those member states that are prepared to help implement such a strategy.

This exercise should lead, first of all, to improved utilization of the resources available or mobilization of fresh resources and, secondly, it should prompt the various donor countries or bodies to enter their operations in a sort of "comprehensive rural development and food security contract", to be concluded with the developing countries concerned.

Regional operations

The Commission considers that regional operations should also be undertaken. They would deal with priorities in the safeguarding and development of the agricultural potential of the developing countries since the problems they pose often extend beyond the context of a particular state, such as, for example:

- the fight against erosion and desertification;
- more rational use of timber as a source of energy and reafforestation schemes;
- stepping up the resources and research activities devoted to food-crop farming in the tropics;
- the fight against the major endemic diseases such as trypanosomiasis and onchocerciasis, the existence of which prevents any agricultural development in the affected areas.

The consultations between donor countries suggested by Italy could provide the opportunity to throw more

light on the priorities for and possibilities of implementing such operations. To this end the Commission intends to convene a group of national experts, which will be called upon to make practical quantified proposals.

Community contribution to international action

This involves more determined Community participation in international organizations and schemes concerned with improving the developing countries' supply situation, particularly where the International Wheat Agreement is concerned.

At the same time, the Community must also step up its own contributions towards the attainment of this objective, notably within the common agricultural policy (e.g. by the conclusion of multiannual food-supply contracts) and by allocating additional financing to schemes under such a plan as part of the attempt to reach the 0.15% target of aid to LLDCs agreed on in Paris (which, as far as the Community as a whole is concerned, could mean an annual increase of 0.01% of GNP in official development assistance).

Marco Pannella on hunger strike

While Commissioner Pisani was holding his press conference, Marco Pannella, Euro-MP, entered the 30th day of his fast in support of the aims set out by the 54 Nobel prizewinners in their appeal on 25 June.

On the basis of that appeal, Mr Pannella submitted a proposal for a resolution to the Parliament's bureau which, after having invited the governments to respect the obligation to devote 0.7% of their GNP to public development aid and to meet their other commitments, invited them to urgently refer to the UN Security Council the problem of world hunger as a threat to peace. The draft resolution, in addition:

"Requests the Commission to draw up an emergency plan to save in 1982 the lives of at least five million people who are already condemned to death from hunger and malnutrition in the present circumstances and to submit this plan not later than thirty days from the adoption of this resolution;

Requests the Commission to plan, therefore, an extraordinary supplementary budget of ECU 5 000 million for 1982 financed by extraordinary contributions borne by the member states to supply the appropriate technical and financial means to carry out the emergency plan and to submit the plan to the Council within and not later than

forty-five days from the adoption of this resolution."

The number of Euro-MP's signatures to this draft increases every day; it is therefore not impossible that the resolution might be adopted automatically, which would stir up a process with exceptional political impact, and would make it possible to envisage as realistic the essential objective: saving millions of human lives. ○

UNCTAD

Not enough ratifications for common fund

So far, only 55 countries have signed the agreement on setting up an UNCTAD common stabilization fund for raw materials, and only 11 have ratified it. In order for the fund to be brought into being, 90 countries must ratify the agreement.

This was the statement made by the head of UNCTAD's raw materials department, Mr McIntyre, at the opening of the third meeting of the fund planning committee. He pointed out that there was little time left, since the deadline for joining the fund is 31 March, 1982.

Mr McIntyre pointed out that the only commodity agreement concluded within UNCTAD was the rubber agreement, and that the provisional implementation of the cocoa agreement had already had positive effects on cocoa prices (now at their lowest level for years).

Here are details on other international agreements:

— **Sugar:** The executive committee of the International Sugar Organization thinks it too early to start negotiations with the EEC on European participation in the next agreement.

However, the committee's executive director, Mr Miller, has approached the Community about the possibility of the EEC taking part in the meeting of the International Sugar Council in November, as an observer.

— **Coffee:** The London conference between producers and consumers was unable to agree on maximum and minimum intervention price limits (between 115 and 155 cents under the present agreement) or on the global export quota for 1981-82 (some countries had proposed that in order to allow rates to rise, the quota should be reduced from 58 million sacks to 51.2 million sacks in 1980-81).

All 47 countries are apparently in favour of a system whereby quotas are adjusted in accordance with prices, with a minimum quota of 50 million sacks being set for any price below 125 cents per lb, and with a maximum

quota of 59 million sacks for the rate of 164 cents per lb. ○

CONFERENCES

Edward Heath: Apartheid in South Africa must end if the white man is to "survive"

In a speech at the end of August in Johannesburg (South Africa), former British Prime Minister Edward Heath, talked about the dangerous political situation in South Africa and its consequences for southern Africa and the international community. Mr. Heath began by warning against what he called "the Soviet Union's advances" in Africa which, he said, "gravely endanger both South Africa and the West". He considered that "the emergence of black rule in Angola and Mozambique and, more recently, the birth of Zimbabwe, bore witness to a changing international environment, which South Africa must not ignore. "No international development in recent years, he added, has done more to embolden the hearts and minds of black nationalists everywhere as the victory of the Patriotic Front in Zimbabwe".

The creation of a new economic pole in the region by this prosperous black ruled nation is also giving psychological reassurance to the black population in South Africa. "The slow, but marked, progression towards more free and responsive government on the African continent" is "the third feature of the international environment which, like the second, will inspire black people everywhere who feel downtrodden and depressed".

On the survival of the racist minority white regime in South Africa the former British Prime Minister has this to say amongst other things:

"The fury, and the frustration of the non-white population in South Africa, which are born of the system of apartheid and fanned by the emergence of black majority rule elsewhere in Africa, constitute one of the greatest opportunities for Soviet advance in the world today. The longer their bondage lasts the more they will resort to the armed struggle which the Soviet Union is only waiting to sponsor, and the more they will seek comfort in the historically inevitable victory which is promised by Marxist ideology. That, more than anything else, would provide the Kremlin with the opportunity and the means which she needs for developing her stranglehold on the region as a whole".

"Let no one imagine that repression of black militancy will deny the Soviets this opportunity for geopolitical advance in southern Africa. At best, repression will serve only to push the focus of the conflict outside the borders of South Africa itself and thereby to suck its already vulnerable neighbours further into the conflagration. No one in a country so alert to the danger of Soviet mischief as South Africa has always been, will fail to understand the opportunities which this would give to the designs of the Kremlin.

"Nor should anyone believe that the West would step in on behalf of South Africa in a moment of such national peril. Neither in peacetime nor in war would the West stand in strategic alliance with South Africa as long as she pursues a system which it considers to be profoundly insulting to the rights of the overwhelming majority of her population. The Angolan liberation war provided clear evidence for this. The United States was unable at that time to join South Africa in the war against the Marxist MPLA and their Cuban supporters; and under no conceivable circumstances would she have done so even had the will of her people not been sapped by the crises of Vietnam and Watergate.

What makes South Africa so unique...

"It is absolutely true that the West has co-operated and continues to co-operate closely with other governments which shamefully violate the rights of their citizens. But what makes South Africa so unique in the modern world is that the debasement of human rights has become institutionalized, enshrined in law, and even sanctified by religious doctrine. No Western country with a history of colonialism or with a multi-racial society could ever support such a system of legislative discrimination.

"To do so would not only violate our most deeply held principles; it would also have unimaginable consequences for racial harmony at home. It would turn allies and friends throughout the world against the West...

"Unless and until the dismantlement of apartheid is assured, it would be a grave mistake for South Africa to base her strategy on the assumption that when the chips are down the West will stand with her. The commanding irony of South Africa's present situation is that for those reasons it cannot even be in *her own* strategic interests to encourage the West into political or military partnership against Soviet aggression". o

René Dumont: Impasse in rural development

René Dumont, whose long-standing attachment to rural development as the basis for industrial development is well-known in the developing world, lectured on the decline, impasse even, in development in rural Africa in Brussels on 24 September. The idea he defends and tries to get the underdeveloped countries, particularly those in Africa, to apply is that, unless agriculture is prosperous and rural structures are protected from breakneck expansion in the towns, there can be no real economic development in the countries of the Third World.

Dumont bases his ideas on his wealth of agricultural experience and on historical and economic data about progress in the industrialized world. The problem, he said, is to find out why the countries of Africa fail to join forces to achieve the sort of productive agriculture that will feed their populations.

The answer, a diagnosis, René Dumont felt, was to be found in the colonial structures and models that these countries inherited when they became independent. This type of development (the Rostow model) is based on the pillage of the Third World, he said, for it involved using their raw materials to build up industries in what are the developed countries of today. And the Rostow system is based on a firm hierarchy, whereby a minority always gets the benefit of the work of the majority, without that majority getting any noticeable improvements in its standard of living.

The aggravation of the food and agricultural problem in Africa today, René Dumont said, is the result of using the unsuitable colonial model that many countries were unable or unwilling to cast aside and which, moreover, is being prolonged by the educational system which still turns out more civil servants (a privileged class) than people to do other, frequently underpaid and low-prestige jobs. And then there is the problem of urbanization and the city slums to which people flock from country areas.

Dumont gave a number of examples of industrial investments in Africa which were pointless, as far as the Africans who could not run them were concerned, but which had enabled suppliers in factories in the industrialized countries to earn a lot of money.

Mr. Dumont ended by asking what solutions could change the current

trends and save millions of people for whom famine is a constant threat. It would be difficult, as there was no miracle answer. The first thing to do, he said, is to pay proper prices for all Third World products.

If people preferred to buy iron ore from Mauritania instead of Lorraine, for example, it was because the former was sold at less than cost. Second, consumption in the industrialized countries, particularly of meat, which stood at 42% (and only 10% in the Third World), should be reduced and balanced, as this would avoid the rapid development of heart trouble and provide the most underprivileged with the means of subsistence.

René Dumont appealed to the conscience of the industrialized countries which, he felt, were still too selfish and, above all, he emphasized the responsibilities of the African leaders.

The food situation in Africa and elsewhere in the Third World was particularly serious. "Never in history have so many people been killed as are being massacred today by the economic system". o

EEC/NON- ASSOCIATED DEVELOPING COUNTRIES

Financial and technical cooperation in 1982

The European Commission has just agreed the general lines of its 1982 programme of financial and technical co-operation for non-associated developing countries (since the passing of the EEC regulation with regard to this matter last February, it is the Commission which now takes the individual decisions for finance after consultation with the management committee for this form of aid).

In its communication to the Council, the Commission confirms, in essence, the same trends as last year in relation to this aid, its geographic distribution and its sectorial structure. The themes for next year are:

Objectives of the aid. In general, it concerns the least well-off developing countries, at the same time assuring an equal interest of the EEC in the major developing regions of the world. The financial side of this aid can be of three types: for the development of rural areas and of food production; for regional projects; for exceptional circumstances (catastrophes, etc.).

Despite the insufficiency of means for their needs, the developing countries concerned appreciate certain aspects of EEC aid: its objectives, its free loans, the possibilities offered for the regulation of local costs. However, it seems that the present socio-economic criteria are not adequate in determining the "poverty threshold" of the beneficiary countries. Another difficulty is represented by the synchronization of the EEC procedures with those of its partners in joint financing operations, which are very substantial (about 40 % of the loans).

Volume of aid. The Commission believes that for 1982 it is absolutely necessary to provide at least ECU 200 million: the EEC must not "diminish the modest effort" it has made since 1976 for some thirty Asian, Latin American and African countries, representing a population of about 1.3 billion (of which 1.2 million live in 15 countries which have an annual per capita income of below 360 dollars).

Geographic distribution of aid. The same distribution of aid is proposed for 1982, i.e.:

(a) Asia: 75 % of the total. The beneficiary countries will also be the same (India, Bangladesh, Pakistan, Afghanistan, Sri Lanka, Nepal, the Maldives, Burma, Thailand, Indonesia, the Philippines, Vietnam, Laos, and the Arab Republic of Yemen), in addition to very poor countries such as Bhutan. Furthermore, if China showed an interest in financial and technical cooperation the EEC would be likely to give a favourable response (however, because of the size of the country, the budgetary proposals would have to be somewhat modified).

(b) Latin America: 20 % of the total. To the list of the present beneficiary countries (Honduras, Nicaragua, Haiti, the Dominican Republic, Bolivia, Ecuador and Peru), Columbia will be added as well as Costa Rica which is to receive exceptional aid in 1982 following the serious economic crisis, which will provide a safeguard for a country which has a central position in Latin America. Furthermore, the Andean Pact is to continue to be a special partner in the EEC's efforts to help Latin America.

(c) Africa: 5 % of the total. The potential beneficiaries are Angola and Mozambique (Zimbabwe having become an ACP country). The Commission stresses the importance of seeking opportunities for schemes or regional interest, such as ports, communication lines, and providing coastal links outlets for landlocked ACP countries.

Selection criteria. The Commission sets out the following criteria: the amount of aid given to beneficiaries in the past, their ability to make good use

of aid, and their ability to plan viable and sufficiently advanced development projects. At the same time, aid should continue to be concentrated where it is most needed though more modest schemes should not be overlooked.

Sectoral structure. Priority is to be given to agriculture, stock rearing, fisheries and forestry (including social and educational schemes). In regional schemes priority will be given to rural projects with agricultural research being backed up at all levels (national, regional and international).

For the special disaster fund the Commission proposes to set aside 5-7 % of the total fund. Finally, 1 % of the funds is to be set aside to enable a small number of experts working within the Commission to oversee the implementation of aid plans. 3 % of the funds will be used for paying outside experts in the initial stages of planning.

FAIRS

Partners in progress

Over the years, Berlin, a city famous for the role it plays in East-West relations and for its academic and research traditions, has become a meeting place for North and South, with its increasingly popular trade fairs and the Berlin tourist fair, one of the biggest European events of its kind.

The 19th "partners in progress", a now firmly established event, was at-

tended by 62 countries and territories, including 14 ACP states. The aim was to promote exports from the developing countries and thereby boost trade relations between Europe and the Third World.

Various speeches were made at the opening ceremony. Dr Richard von Weizsäcker, mayor of Berlin, spoke, as did the federal economics minister, Dr von Würzen, Dr Klaus Meyer, who is director-general for development at the EEC Commission, and Dr Michael Otto, chairman of the board of the trade fair.

Klaus Meyer spoke about world trade and relations between Europe and the developing countries. He also mentioned the current problems facing the developing countries (mounting debt, an increasing food shortfall and the energy crisis) and finished by saying how he wanted to see more events like the "partners in progress" fair, as they were an opportunity for professionals in Europe and the Third World to get together and exchange information.

MARITIME CONFERENCE

The Caracas declaration

Leaders of the world shipping industry have called for an end to political confrontations on maritime affairs in



From left to right: Klaus Meyer, Dr von Würzen, Dr Richard von Weizäcker and Togolese ambassador in Bonn, Mr Agbenou during the Partners in Progress fair

such bodies as UNCTAD and offered their cooperation in assisting developing nations to build and operate their own fleets.

The appeal was made at the end of a four-day maritime conference (which ended Thursday, 10 September) organized by the International Chamber of Commerce (ICC).

The ICC's fourth maritime conference was designed to analyse the intricacies and risks of the shipping business for the benefit of new entrants and countries with growing maritime ambitions.

The ICC statement, — "the Caracas declaration"—invited the world business community to initiate a new approach to the development of international shipping.

More than 250 shipowners, brokers, insurers, bankers and shippers, as well as government representatives and officials from international organizations, attended the conference including Mr John Walla of Cameroon, secretary general of the Conference of west and central African states on maritime transport.

Mr. Walla told the shipping establishment, in blunt terms, that traditional carriers had acquired a sense of monopoly which they found difficult to share even with trading partners.

"The developing countries are not asking for anything more than their fair share of their external trade, or better still what they can actually carry in that trade" he said. ○

IFC

A more cheerful report

The International Finance Corporation (IFC), in its 1981 annual report, came up, surprisingly, with a more cheerful but paradoxical analysis of the economic performance of many developing countries.

It suggests that the current unsettled world conditions have worked and may yet work in their favour.

The report says that, because balance of payment pressures and depreciating exchange rates have tended to keep labour costs low by world standards, and because of higher energy costs, the international competitiveness of the more labour-intensive, less energy-intensive export-oriented and

import substituting industries in the developing countries, has improved. There are now stronger incentives for them to increase the domestic value of their export products by additional processing.

Many developing countries, the report points out, were able to maintain their gross domestic product (GDP) and export growth rates at or near 4.5 %, (slightly lower than the 5 % plus rates in recent years) as against 1 to 1.5 % recorded in the industrialized countries. Income per capita GDP in the low-income countries of Africa, however, actually declined and the future is bleak. ○

EMERGENCY AID

ECU 400 000 for Angola

Following the recent disturbances the government of Angola has asked for emergency aid on behalf of displaced persons in Cunene and Huila provinces.

The Commission has approved a grant of ECU 400 000 to be distributed via non-governmental organizations running emergency relief programmes: FAO/OSRO, Caritas Germanica, and the Dutch Consortium formed by CEBEMO, MEMISA and Mensen in Nood. ○

EUROPEAN COMMUNITY

Adjustment of parities in the European Monetary System (EMS)

On 4 October 1981, the pivot rates in the EMS were readjusted by decision of the Council of Ministers (economy and finance), in accordance with Community procedures. Two currencies were revalued by 5.5 % (the mark and the florin) and two more (the French franc and the lire) devalued by 3 %. Vice-president Ortoli said that "the Commission was involved in the groundwork for this decision, which was fully in line with the principle of fixed and adjustable rates on which the EMS was based. The Commission considers that the new parities are realistic ones—that is to say they are neither exaggerated, which could well have provoked artificial distortion, nor inadequate, which might have compromised their credibility.

"The economic differences between the various states in the EMS, which have tended to get larger, particularly when it came to inflation and price trends, meant that a readjustment of the EMS was called for and this decision was a piece of sound management that illustrated the flexibility and adaptability of the system.

"This readjustment should make for greater convergence of the economies of the member states, and should be accompanied by appropriate economic and monetary policies. External adjustment will only have a lasting effect if it is accompanied by internal adjustment.

"Adjustment provides further support in the anti-inflation campaign in those countries whose currency has been revalued (Germany and the Netherlands). I hope it will open the way

for a drop in interest rates, an important factor as far as improving the economy is concerned and a contribution to better growth in the Community as a whole. This, moreover, underlines the importance of the relationship between the EMS and other major third currencies, particularly since movements of the dollar and interest rates have brought periodic tension to the EMS. On a number of occasions, the Commission has suggested that arrangements for organized monetary cooperation with the USA be defined and it feels that progress should be made in this direction if the EMS is to be consolidated.

"Countries whose currencies are being devalued should exploit the possibilities this offers. They should step up their anti-inflation campaigns, which means controlling the size and development of deficits in the budget and public spending in general, implementing a financial policy in conditions that make for a lasting respect for the new parities and moderating prices and, therefore, incomes. The Commission is convinced that greater convergence between the economies of the member states is both necessary and possible and it has made and will continue to make practical proposals with this in mind. These proposals in fact point to the need to strengthen the EMS with a view to moving on to stage two.

"This adjustment increases the conviction that I expressed in the forward to the 5th programme:

— There is every point in Europe getting its own interests across with a view to attenuating the problems of the international monetary system and,

consequently, its own economic development.

— Europe's external action will only be strong if it is based on a consolidated internal organization of the EMS.

— Consolidation of the EMS now demands real convergence of the various economies.

"The new decisions are in line with the ideas behind the system. But they have to be seen against the broader background of a Europe that is able to cope with the internal and external challenges it faces." ○

EUROPEAN PARLIAMENT

5th economic policy programme

Will Europe be able to climb back up the slope of economic decline? Are the members of the European Parliament prepared to join the Commission in moving beyond the stage of academic discussion to reach agreement on a programme of priority measures and encourage the Council of Ministers to follow them?

These two questions were put by the chairman of the Committee on Economic and Monetary Affairs following the discussions with commissioner Ortoli on the draft fifth economic policy programme drawn up by the Commission for the Council.

The following ideas emerged from the discussion:

- no national solution can be found to the crisis, European solutions are now imperative.
- an active employment policy must be drawn up on the basis of negotiations and consultation with workers.
- the domestic market must be strengthened by eliminating tariff and other barriers.
- the Community's borrowing and lending policy must be developed.
- the European monetary system must be strengthened.

The entire discussion was characterized by the determination of the European members of parliament to analyse Europe's present difficulties as accurately as possible and to seek realistic solutions taking account both of the current problems and of the present limits on political action.

At its November part-session the European Parliament will be holding a major debate on the fifth economic policy programme, the mandate of 30 May, the economic situation in 1981 and the prospects for 1982. On this occasion

the European Parliament will put forward its own response to the crisis on the basis of the proposals from the Commission. ○

COMMISSION

Energy

The Commission has adopted a number of communications to the Council on energy concerning the so-called 30 May mandate, making the orientations of the Commission's report last June more precise. They are also directed to the energy Council at the end of October.

The main document outlines the strategy for a Community energy policy. It prefers the phase "energy strategy" to that of "energy policy". Energy policy is in the hands of the national authorities and the aim is to set out priorities and common objectives which will guide the national authorities and help them coordinate their policies.

The five priorities of the Community set out by the Commission are the strengthening of investments for the rational use of energy (energy saving) and for substitutes for petrol; the adoption of common objectives in the field of price and energy taxes; the adoption of measures to cope with disruption in the oil market; the stimulation of research and development, and in external policy, action to help realistic energy developments in the Third World.

Budget

The Commission has also adopted two important budgetary documents. The first is a second corrective for the present budget period. This is justified by the fact that revenue in 1981 has been greater than expected and further economies are also possible in agricultural expenditure.

It has therefore become possible to finance certain supplementary activities, especially social intervention in the steel sector, and to refund to the member states quite important amounts totalling some ECU 700 million.

The second document is the usual corrective to the draft budget for 1982, which each year contains rectifications for spending under the EAGGF taking into account the latest available figures.

This year the Commission believes it is possible to reduce its provision of EAGGF credits by about ECU 400 million. Because of this the Commission is

proposing to finance an exceptional programme in Northern Ireland as suggested by the European Parliament.

Steel

The Commission has adopted its forecast for the steel industry for the last quarter of this year. It indicates a modest improvement in the position which perhaps will continue in 1982. Although the signs are encouraging, the Commission believes that the policies adopted to restructure the industry must be maintained. The Commission will shortly publish the reductions in production required for the various types of steel produced in the EEC.

Fishing

The Commission has announced that, for the first time in over a year, significant results have been obtained from the EEC Council in the organization of fishing and in the conclusion of important agreements with third countries.

The new working climate and mood of cooperation in the Council gives hope that progress will be made on other difficult problems which have to be resolved, namely access to fishing zones, the total level of catches and their distribution among the EEC member states.

The commissioner responsible, Mr Kontogeorgis, will make a tour of European capitals before the next Council at the end of October, to explore the possibilities for an agreement. ○

VISITS

Professor Karl Carstens, President of Germany, visited the Commission officially on 7 October. He attended a meeting of the Commission, and stressed his personal commitment and the commitment of the German government to developing and strengthening the Community's construction, particularly the institutions.

Particular emphasis at this session was laid on taking the common market further, on currency problems and on industrial, commercial, energy and development policies. Negotiations for enlargement were also discussed.

In their speeches, both Karl Carstens and Commission president Gaston Thorn spoke about the assassination of President Sadat and expressed concern about the consequences of his death. President Thorn attended the funeral of the Egyptian president. ○

Centre for
Industrial Development
(ACP-EEC Lomé Convention)



Centre pour le
Développement Industriel
(Convention ACP-CEE de Lomé)

INDUSTRIAL OPPORTUNITIES

EEC INDUSTRIAL PARTNERS WANTED

MAURITIUS

Manufacture of sports balls for export

Ref. 81/55a

A Mauritian manufacturer intends to diversify its activities and to establish a joint-venture with a European partner who:

- already manufactures sports balls,
- disposes of markets and a sales organization which would allow the marketing of the additional production from Mauritius, and
- is willing to consider an equity investment in the Mauritian venture.

Mauritius offers to foreign investors important fiscal incentives and a reliable, efficient labour force.

Floor and wall tiles from natural stone

Ref. 81/56a

A Mauritian firm with an installed capacity of 30 000 m² floor and wall tiles from natural stone (marble, basalt) is looking for an EEC investment and marketing partner. The company produces about 7 500 m² for the local market and intends to export further 22 500 m² with the assistance of the European partner. Several foreign clients are already available.

UPPER VOLTA

Geese breeding and processing

Ref. 81/57a

A company in Upper Volta wishes to cooperate, in the form of a joint venture, with a European partner who is specialized in geese breeding, processing and marketing.

The European partner is expected to provide know-how, and to take responsibility for marketing in Europe and elsewhere of liver paste, deep-frozen meat and down, and participate with at least 15 % in equity capital.

The envisaged production is 30 000 geese per year. A preliminary project study is available at the CID.

ZIMBABWE

Textiles

Ref. 81/58a

A cooperative society in Zimbabwe plans to set up a textile plant in an African township near Salisbury. The new factory is planned to produce:

- blankets;
- cotton sewing and weaving yarn;
- cotton polyester sewing yarn;
- fine shirting and dress fabrics;
- cotton yarn for blanket production.

The main raw material, cotton, is available locally; the other raw materials would have to be imported. The market will be local and in neighbouring countries.

Investment is estimated to be Z \$5 million (US \$6.5 million). Employment: about 600.

A European joint venture partner is required to provide equipment, production know-how and equity capital, and to assist securing imported raw materials.

NIGERIA

Columbite processing

Ref. 81/59b

The Nigerian Mining Corporation (NMC) and a private Nigerian firm are looking for an EEC joint venture partner for the setting up of a plant to process 1 200 t.p.a. of columbite into niobium and tantalum.

Estimated fixed capital investment is about US \$3 million, plus working capital.

A feasibility study sponsored by CID is available to prospective EEC investors and marketing partners.

Shipyard

Ref. 81/60c

The Lagos State government is looking for a joint venture partner in order to set up a shipyard for the production of fishing boats, trawlers, patrol boats and yachts.

The estimate capital need is about \$15 000 000 and the government is prepared to take 60 % of the equity shares.

Industrial cooperation offers from EEC firms

Motor vehicle reconditioning Ref. 81/61b

A Belgian firm specialized in the reconditioning of motor vehicles is interested to assist setting-up, eventually in the form of joint venture, workshops for the reconditioning of buses, trucks, Unimogs, tracked vehicles, etc.

The firm would also provide training in Europe and, after start of operations, in the ACP country, and would supply the necessary new or reconditioned spare parts.

The proposed reconditioning consists of: stripping down of vehicle into basic components, overhaul and repair or replacement of defective parts, sanding and painting, re-assembly and testing.

Interested ACP parties should have experience in vehicle repair, metal processing or related industries, and provide full details on their business activities.

Domestic electrical installation material Rf. 81/62b

A Belgian manufacturer of electrical installation material is looking for partners in the ACP countries which are interested in the assembly of electrical installation material such as plugs, wall-sockets, fuses and switches.

The same firm is also interested to enter into sub-contracting arrangements, e.g. for electrical appliances in the order of 50 000 per year. Part of the production could be sold in the ACP country or regional markets.

Handpumps for wells and bore-holes Ref. 81/63b

A British firm is interested in joint venture cooperation for the manufacture of hand pumps for wells and bore-holes. The pumps are designed with local materials in mind and can be manufactured with minimum skills using a very small range of tooling. Construction is of plate steel and involves profile cutting, bending and welding.

Investment in equipment is of the order of £ 50 000 for a production of 12 000 units per year. Components such as bearings, bolts, pull rods, etc. can be supplied from the UK.

Interested parties should contact the CID and provide information (a) on the existing and potential local markets for water handpumps and (b) on their commercial/industrial experience.

Metal containers for canning Ref. 81/64b

A French firm is interested to enter into partnership with ACP industrialists for the manufacture of metal containers for the food, chemical and other industries.

Interested ACP parties are invited to contact the CID and to provide information (a) on the products to be packed, the estimated size of the market, and present local consumption and imports (incl. countries of origin), and (b) their commercial/industrial experience and activities.

Maintenance shop for railway material Ref. 81/65b

A French company specialized in the maintenance and repair of railway material is interested in participating with

know-how and capital in the setting up of railway repair shops in ACP countries. The firm already has experience in several ACP countries.

Interested ACP firms should provide full details on their business activities and basic project information to the CID.

Plastic rotational moulded products Ref. 81/66b

A British firm, specialized in the rotational moulding of plastic products such as storage tanks, containers, refuse bins, etc., is interested in participating with know-how, training, equipment, managerial assistance and equity, in setting up rotational moulding operations in ACP countries. Specific features of this process are:

- (1) The manufacturing process is extremely versatile and product range can be selected to suit the local market.
- (2) No minimum production level is required—depends upon profitability.
- (3) The process is not very complex, is relatively cheap to set up and is labour intensive.
- (4) It is a very suitable process for moulding large, hollow plastic articles.

Interested parties should contact the CID and provide information:

- (a) on the product range and local markets and
- (b) on their commercial/industrial experience.

Ferrous and non-ferrous foundries Ref. 81/67b

A British firm specializing in the design, manufacture, installation and operation of foundry plants, sand reclamation, dust extraction and related equipment, is interested in participating with know-how, training, operation assistance and equity, in setting up or rehabilitating ferrous and non-ferrous foundries in ACP countries. This company already has experience in many countries around the world in supplying and installing equipment, and complete plants. Associated companies manufacture special purpose equipment, pattern equipment, tooling, etc.

Interested parties should contact the CID and provide information:

- (a) on the envisaged local markets for specific cast products and
- (b) on their commercial/industrial experience.

CID activities in the field

— to demonstrate for industrialists and financiers the type of assistance CID can provide —

The following chapter summarizes CID activities during the period July to September 1981 in relation to feasibility studies, implementation assistance and training in favour of new industrial enterprises, and the reinforcement of existing industries. It only covers major interventions which required missions by industrialists and consultants to ACP countries. In all cases but a few, both ACP and EEC cooperation partners are available. This report therefore appears merely for the purpose of information on on-going projects: it is meant to give industrialists and industrial promotion officers exam-

ples of the work of the CID, and not as an invitation to equipment manufacturers and consultants to offer their services.

New joint ventures

Feasibility studies co-financed by the CID were completed on the following projects, and negotiations on financing and implementation have started:

- **Gambia**, tanning
- **Gabon**, pre-fabrication and housing
- **Cameroon**, integrated carbonization of wood waste from saw-mills
- **Nigeria**, integrated wood complex (veneer, building boards)
- **Niger**, tanning
- **Sudan**, salt refinery

Work on the following feasibility studies is presently under way:

- **West Africa**, security printing for anglophone ECOWAS states
- **Cameroon**, electrical machinery and equipment, maintenance and repair
- **Mauritania**, metal workshop and agricultural implements
- **Ivory Coast**, infant food from local raw materials

Other projects which are receiving CID assistance:

- **Cape Verde**, mini-cement plant: CID co-finances geological work; feasibility study already completed
- **Kenya**, diatomite mining: preliminary study completed
- **Kenya**, diesel engines re-building: market survey
- **Jamaica**, solar energy: preliminary study on manufacturing potential of solar plants.

Reinforcement of existing industries

Expert missions were sent to the following countries to assist existing enterprises to solve technical, commercial and managerial problems:

- **Congo**, textile plant (rehabilitation report submitted)
- **Mauritania**, two textile plants
- **Ivory Coast**, textile industry (proposals for merger of two factories)
- **Guinea-Bissau**, milk plant
- **Cape Verde**, milk plant
- **Zaire**, yeast production (export promotion and training of sales agents)

In-plant training

In-plant training with financial support from the CID was recently completed for the following industries:

- **Benin**, food industry, one person trained in France
- **Kenya**, brick industry, one person trained in Italy
- **Tanzania**, biscuit industry, two persons trained in Italy
- **Mauritius**, weaving of leather thongs, 60 workers trained in Mauritius.

Implementation of cement tiles project in Burundi

Based on a project profile published in the CID's Inventory of Adapted Technologies, a cement tiles plant is presently under construction in Burundi, with CID technical and training assistance.

Results of CID assistance

The following report has been received from the project coordinator, Citoyen Ramazani Mwene Malungu, Commissaire du Peuple, and Member of the ACP-EEC Consultative Assembly:

Development of artisanal fishing at Lake Tanganyika, Zaire

This project was identified, substantiated and planned, in 1978/79, with the technical assistance and advice from the CID which subsequently recommended it to the EDF for financing.

The financing agreement between the EEC and the Republic of Zaire was signed on June 20, 1980, and provides for a grant of 490 000 EUA for the supply of fishing equipment and material—mainly fishing nets, lamps and accessories—to small fishermen in the Baraka region of Lake Tanganyika.

The main objectives of the project are:

- a. the improvement of the working and living conditions of the beneficiaries by means of supply at favourable conditions of urgently needed equipment and materials;
- b. increase of the protein production in a region suffering badly from malnutrition.

At its final stage, the project will create, or re-create, about 6 000 jobs and increase fish catches by approx. 4 500 tons per year.

Part of the new material has now arrived at Lake Tanganyika and was distributed to the fishermen. The rest of the material will be ordered in November 1981.

In addition to the supply of fishing material, the project also covers the installation of storage and refrigeration facilities, the supply of electrical energy, and the construction of small fishing boats. These latter activities are again promoted with assistance from the CID.

CID missions to the Central African Republic, the Congo and Zaire

During the first half of September, the director of the Centre, Mr Jens Mosgard, undertook together with a newly appointed staff member, Mr I. Diarra, a mission to the Central African Republic, the Congo and Zaire.

The need for rehabilitation and expansion of industries has again been the predominant issue in the countries visited.

Most evident now, however, is the fast growing interest of these countries in having private participation from Europe in their industrial development. All three countries have, at least for the last two years, had a most constructive attitude in this respect but the odds have been against them. However, the Central African Republic may now be entering a more stable period, whilst at the same time having some significant assets to offer in the form of existing installations and factories, which represent essential values for partnership with Europeans. Similarly, the Congo may now—in its new five year plan—open even more for private participation in industry, and it has at the same time been blessed with a

foreign exchange solution through its increased oil revenues. Finally Zaire has something to offer in its existing operating industries, which in many cases may be a very sound basis for creating extended industries. In particular, this country also offers tremendous long-term potential for exploitation. As it may be hoped that the severe foreign exchange situation will ease soon, there should also be significant attraction here for European industrialists.

The Centre may participate in the rehabilitation of existing industries by directly providing technical expertise and offering in-plant training of key personnel; however, the closing of one or two bottlenecks from such assistance is rarely enough to revive these industries. The CID is, therefore, persistently advocating that such rehabilitation or expansion exercises should be executed with the partnership of a European industrialist who can assist in attacking all aspects of the operation, be it financial, technical, commercial or management. *Although we believe that a financial engagement from a European partner is the strongest incentive to get a factory going*, we can also assist in identifying technical partners to solve an overall rehabilitation problem. However, the latter could be a very costly exercise and difficult to justify economically.

European industrialists today should feel much more at ease and be much more interested in participating in joint-ventures in African countries, not only because of the long-term potential in the development of the only nearby expansive markets, but also because the attitude towards European investors is changing. Incentives in the ACP countries are perhaps much more present today than the European investors realize. No doubt, the ACP countries must also appreciate the importance of incentives in order to make it possible to attract European partners. Although codes of investment are becoming more liberal almost everywhere, this may not be enough in many cases. Other stimulants are

the possibility for participation of local finance institutions in joint ventures and, not least, assurance of licences for the necessary import of parts and raw materials, and for reasonable repatriation of foreign exchange. Although export oriented industries may be most desirable for this purpose, one should not forget foreign exchange that may be saved through import substitution industries.

A necessary pre-condition for substantive equity investment by a European partner will be granting of management control, and the issue of work-permits to qualified expatriate staff until the factory has properly trained local staff.

In spite of the many obstacles facing investment and industrialization in the ACP countries, the CID is in no doubt that European industrialists today could benefit from being more open-minded towards joint ventures with ACP industrialists.

CID seminar in the Caribbean November 10-13, 1981

The Centre for Industrial Development (CID) together with CARICOM is organizing a Regional Industrial Cooperation Seminar for the Caribbean ACP countries from November 10-13, 1981, in Kingston, Jamaica. All Caribbean ACP member states will be sending to the seminar representatives from ministries, industrial development and finance organizations, and the private sector.

The CID will be represented by its directorate and senior professional staff who will also be visiting several Caribbean countries before and after the seminar in connection with industrial projects supported by the CID. ○

A QUICK RESPONSE

If you are interested in any of the items mentioned under "Industrial Opportunities", send us a letter or a telex quoting the reference and we will send you further information when it is available.

Please state your name and full address (on telexes), and inform us of your activities and your specific interest in the respective subject(s).

Address all correspondence to:

**Centre for Industrial Development
"Industrial Opportunities"
28, rue de l'industrie — 1040 BRUSSELS — BELGIUM
Telex No. CDI 61427
Telephone (02) 513 41 00**

CID sectorial meeting for metalworking and engineering industry – February 1982

With this meeting, the CID introduces a new approach to the identification and promotion of industrial opportunities, by concentrating efforts on a specific industrial sector in a limited number of ACP countries. For the first meeting, for East and Southern African ACP countries, the metalworking and mechanical industries sector has been chosen as it plays a major role in the development of basic industrial skills and the transfer of technology. If successful, similar meetings will be organized for the other ACP sub-regions, whereby the selection of industrial sectors will be considered on the basis of the priorities and potentials of each region.

The date of the meeting has tentatively been set for 1 February 1982 in Brussels. Its immediate objectives are four-fold, as follows:

- To bring together industrialists and persons involved in metal working industries in EEC and ACP countries.
- To inform participants about the CID and CID assistance in the industrial development of ACP countries.
- To discuss specific project opportunities on already formulated proposals for their development through joint venture, technical assistance or other approaches.
- To introduce the concept of engineering and development enterprises and its implementation in association with production operations; and to initiate definite interest and commitment towards the establishment of these enterprises.

This first sectorial meeting for the metalworking sector will be held for East and Southern African countries. Based upon the results of this meeting, it is expected that it will be repeated for other ACP countries in metalworking as well as other sectors (wood industries, food processing, etc).

Participants will be selected by the CID from industrialists and industrial development organizations in EEC and ACP countries. Individual selections will be from sponsors of suitable metalworking projects in

which the CID has been involved, and from industrialists recommended by CID consultants and antennae. Special attention will be paid to EEC industrialists who have specific projects for implementation in ACP countries, and ACP industrialists who have the demonstrated capability and commitment to develop projects for both individual and national interests. Approximately 50 participants are expected for this meeting.

The CID will be represented by its directorate as well as senior professional staff who will also be involved in specific project meetings between EEC and ACP industrialists, and subsequent development of the projects discussed.

The actual meeting will be of one day's duration with time allocated during the evening and the following day for meetings and individual discussions between industrialists. The next three days of the same week will be used for a coach tour for ACP industrialists to visit European industries interested in joint ventures. During the first day, participants will be made aware of the various services offered by the CID within the framework of industrial cooperation. At the same time, a number of industrial development project opportunities, arising from background research and studies carried out by the CID, will be discussed. Proposals for the establishment of engineering and development enterprises will also be presented. Pre-feasibility studies and project data sheets for several project ideas are already being prepared in both EEC and ACP countries, with the assistance of specialized consultants.

It is expected that this meeting will result in the development and implementation of several metalworking enterprises in ACP countries on a joint-venture basis. This type of development will be promoted throughout all ACP member states on a phased basis. *EEC and ACP industrialists interested in attending this meeting* should submit their requests, together with substantiated information on their project proposals, to the Centre for Industrial Development for consideration.

SURINAME

"The rich countries must do their bit"

An interview with President Hendrik Chin A Sen

The revolution of 25 February 1980 can perhaps best be described as the culmination of a general feeling of dissatisfaction in Suriname. After the initial euphoria—admittedly not shared by all ethnic groups to the same degree—created by the long-awaited declaration of independence on 25 November 1975, after more than 300 years of colonial domination, the young state was soon overshadowed by "a system beset by injustice, corruption, social disparities, bureaucracy and favouritism." Hence the break with the past on 25 February 1980.

So what began as trade union action by the military led on that "day of liberation and renewal", to a major turnabout designed to put a stop to the neo-colonialism which had marked the first five years of independence. The current process of renewal is focussed mainly on four areas: the administrative and political order, the social order, the economic order, and lastly the educational order, in the broadest sense of the term.

Renewal of the political and administrative order

► *Since the revolution of 25 February 1980 Suriname has been set on a new course. How do you see the Surinamese nation and society developing and what form do you think this new course will take?*

— As you know, we became independent in 1975. That was political independence, but in other areas there had in fact been little change since 1975. Our major task is to recast our post-colonial society. The four mainstays of this process are set out in the government's declaration of 1 May 1980. We must renovate the political and administrative system, and also the economic, educational and social system. Those are in fact the four main components of the process of renewal. Let us begin with political and administrative renewal: in 1975 we copied a Western model, a democracy, and after taking over power on 25 February 1980 we got down to the nitty-gritty of renovating the political and administrative system. The term 'democracy' cannot be applied to a system where the people have a say only once in every four years. We now have a form of direct democracy, in which there is much greater communication with the

people. We have already set up over one hundred people's committees and the intention is to give them a say in an assembly through district and regional councils. That assembly must prepare a new constitution. A constitutional



Dr Hendrik Chin A Sen

"Democracy cannot be limited to consulting the electorate once every four years"

Suriname is relatively isolated in Latin America and the Caribbean even if only for language reasons, and has for a long time felt a sort of odd man out. It is furthermore difficult to define the Surinamese, not least because of the ethnic and hence social, cultural and economic mix, but perhaps even more so because of a kind of latent lack of confidence in their own ability, despite the country's potential. Perhaps the clearest evidence of this are the 180 000 or more former inhabitants of Suriname now living in the Netherlands.

The new Suriname does appear to be changing for the better, however, as President Chin A Sen explains in this interview with *The Courier*. The revolution is under way and although the learning process is sometimes a halting one, the will clearly exists to create for the young nation new and more appropriate structures, which are indeed inextricably linked with the general reform of relations between rich and poor in the world.

committee has been working on a draft, that is being put before us this week (1). We hope that this will be the first step towards a more effective democracy.

► *How do you see the links between the new bodies set up, such as the people's committees, the consultative board and the policy centre?*

— As the name suggests, the policy centre is a centre for determining policy, where the military and civilian governments meet.

This gradually emerged during the revolutionary process. In the initial stages we had a civilian government, and the military stood on the sidelines, taking no part in formulating policy or making decisions. This created tension and unrest, and the solution was to set up a policy centre, where the civilians and the military can determine policy together.

The reform of the post-colonial economic system

► *What new social and economic priorities are you adopting?*

(1) This interview took place on 25 August 1981.

— First of all, it is crucial to replace the post-colonial economic system, and particularly those aspects which show shortcomings, by an economy which will make us less vulnerable. By making our economy more resitant we wish to make it more independent, and hence exercise greater control over its workings and boost diversification. As you know, Suriname is very dependent on development aid from the Netherlands for one thing. Under the treaty we were granted Fl 2 700 million in 1975 for development purposes. Secondly, our economy—our national income—is dominated by the bauxite sector. Diversification is therefore a top priority, as is job creation. In the past Surinamese, who were unsuccessful in their search for work, emigrated to the Netherlands or entered the civil service. These two possibilities have now been ruled out. One of the government's major tasks is therefore to create productive job opportunities.

The bauxite sector, a virtual monopoly

► *In view of the country's dependence on bauxite, with its virtual dominance of the economy, how do you see the bauxite industry developing nationally and internationally?*

— Firstly, our general economic policy will be based on diversification by more effective exploitation of our own commodities. We have many possibilities here—we have bauxite, but we process only a little of it into aluminium, so we should process more. We have still more bauxite reserves: talks are going on at present on whether we can process bauxite through joint ventures with companies already operating here or with others which have expressed interest. The energy problem also comes into this. We are in the fortunate position of being able to produce hydropower, and we shall hopefully find oil too—intensive prospecting is now going on. We know that we have oil, but we do not know how much or exactly where it is located. Evidence has been found in the past of the existence of radioactive substances such as uranium and plutonium, amongst others, and this too must be evaluated. A complete inventory must be made of our energy potential. To return to bauxite, talks are being held on the setting up of aluminium-processing industries. There, too, the colonial situation still prevails, with us exporting bauxite and aluminium and then importing the end-products. We do not feel that it would be such a major undertaking to begin with a number of aluminium-processing industries, for housing construction or consumer goods, for example.



Forestry Department

The Suriname river waterfront in the capital, Paramaribo

► *World aluminium consumption seems to have become critically low. Consequently, here and elsewhere, the industry has been cutting back on production.*

— Yes, the price has in our view reached rock bottom and we expect a rise when the market recovers. We regard this as a typical cyclical phenomenon and we think we shall emerge from it all right.

You know how multinationals work: we have a subsidiary of Alcoa here that sells to the parent company in Pittsburg, which in turn has an agreement with a marketing organization. We are given no insight whatsoever into what goes on, and this is something else we want to change. We would like to be able to sell aluminium on a government-to-government basis and we have been approached by Taiwan and other countries about the possibility of buying direct from us. We must reach an agreement with Suralco on such arrangement.

At the international level we are long-standing members of the International Bauxite Association (IBA). The IBA is naturally only of limited significance to us, since the interests of the various producer countries do not always coincide within the association, of which most bauxite-producing countries are members. However, it is very important for us to be members for information purposes, as the IBA has done valuable work in that area.

More effective local exploitation of raw materials

► *To what extent will there be a move away from an import-oriented economy towards one based on national agricultural and industrial production? Do you have the necessary managerial and labour resources?*

— Partly because of our history, we have a trade structure based on imports and a change is therefore called for. We must encourage local entrepreneurs more, but in a developing country there are a number of vicious circles, which have to be broken. There is a shortage of know-how and management. Capital is not the most important factor since it is people who are the main focus of our whole approach to development. These vicious circles must therefore be broken. Fortunately a number of projects have been set up by entrepreneurs who are going to produce manufactures here themselves since we have various raw materials. We have bauxite and wood, we have fish and shrimps, we have agricultural potential, we have a fertile coastal strip. It is vital to encourage national production.

The use of these raw materials fits in directly with our land use policy. The policy applied in the past proved disastrous. We gave large plots of land to property speculators, who did not put it to productive use at all. We are now reforming all that: people who have

large plots of land and are not putting them to any use must give them back to the government so that they can be given to others to cultivate. People used to become millionaires overnight. They had hundreds of hectares of land which they left idle but used as security for loans, and when the land rose in value after the government had provided infrastructure, it would be divided up and sold for millions of guilders. These were unjust situations which are now being remedied.

A fairer share for the government

► *The tendency to over-invest in infrastructure seems to be one of the problems at which a fresh look is now being taken.*

— If you wish to engage in an agricultural activity, such as planting rice, you are obviously obliged to put up infrastructure. In the past, however, the government received too little: it paid for the infrastructure but received nothing in return, with the result that we have rich citizens and a poor state. Our entire system of taxation must be adjusted and changed. The government must therefore demand a fairer share of the return on these investments. Somehow or other some of this money must find its way back to the state.

Suriname and the Netherlands, a "love-hate relationship"

► *For historical, cultural, economic and social reasons, Suriname has special links with the Netherlands. How do you see these links, with particular reference to development financing for Suriname and the emigration problem?*

— It is generally the case that the relationship between a former colony and the mother country is a love-hate one. We have had very positive experiences with the Netherlands, but also less positive ones. Our criticism of the development aid supplied, and of the 1975 treaty, is first and foremost that the aid was not given a stable value. This has resulted in serious problems. It means that the aid fluctuates, and so we must make constant financial adjustments, which are just not feasible for a developing country. If you have earmarked funds for a given project and the exchange rate changes, suddenly a month later you no longer have enough money for the project. You then have to lift the shortfall from another project, because the aid was not given a stable value.



Transport by dug-out on one of the many rivers in the "land of water and forests"

The same is true of other criteria applied. Suriname has been at a great disadvantage in the past when applying for loans from international bodies

such as the World Bank, because we have a high *per capita* income. How do we come to have a high *per capita* income? Mainly because of the development aid from the Netherlands, broken down among our small population. That is how we come to have a high *per capita* income, but it distorts the picture, because, as the aid fluctuates, the *per capita* income figure ought to be published monthly. This figure is now, for example, much lower than six months ago. It is therefore very much a time-related factor, and so a poor criterion for assessing how prosperous we are. We therefore regard our *per capita* income as a false criterion.

Furthermore, the treaty with the Netherlands incorporates a number of procedures which mean that a lot of the aid goes back to the Netherlands, so that is a form of tied aid. It was always the Netherlands which laid down the priorities in appraising projects, awarding contracts for them, and purchasing capital goods, so that you wonder whether the aid was intended primarily for Suriname. All this has given rise to a number of disputes between Suriname and the Netherlands, as a result of which the overall relationship is a love-hate one. We have a long common history with the Netherlands. Thanks to its development aid we can now carry out the government's emergency programme and a large number



Copra processing

of other projects. Our paths will also coincide in the future: one third of our people live in the Netherlands.

Back to Suriname?

► *Do you consider them as still being Surinamese, as Dutch, or as future Surinamese? How do you see them?*

— Their nationality is Dutch, since they have Dutch passports. They were born here, though, and so still have links with their birthplace, and we shall welcome them if they want to return. It is not essentially a Surinamese problem, but a Dutch problem. If Surinamese wish to return to their native country, we shall always welcome them freely. This must be done in orderly fashion, however. Now the Netherlands wants to get rid as soon as possible of precisely those categories of people we would rather not have yet — people who would be a drain on our future resources, and a burden on our own budget, such as handicapped people, down-and-outs, drug addicts—but it is obvious we cannot take them right now. The people we would like to have back as soon as possible, namely people with skills and know-how, the Netherlands wants to keep for itself. Consultations must therefore be held between the two countries to determine how we can encourage repatriation. We, for our part, have set up a special body, the institute for population movements, to prepare for orderly repatriation.

Breaking down the isolation

► *What steps has Suriname taken to break down its relative isolation on the Latin American continent and in the Caribbean, and what specific form do you see regional cooperation taking in this context?*

— Firstly, a number of things which previously were only talked about have now been translated into action. We are now an active member of the OAS⁽¹⁾ and we have observer status in Caricom. We have intensive relations with our neighbours. These are the first steps which have been towards talks and consultations with other countries in this region. We are also members of the Amazon Pact, and there will soon be a follow-up to this, in that we shall be meeting in Lima to discuss projects which can be carried out under the Pact. These are the steps taken so far to increase our integration in the region. The same objective underlies our cultural cooperation within the Caribbean and Latin America, for example our part in Carifesta.

► *Has the fact that as an ACP state you often meet up with neighbouring and other Caribbean states at meetings and elsewhere contributed towards the reform of regional relations?*

— That has certainly had an effect, and we therefore take a very positive view of the EEC. We are very pleased that the EEC wants to help us. My cri-

(1) OAS: Organization of American States.



Forestry Department - R. Tjin

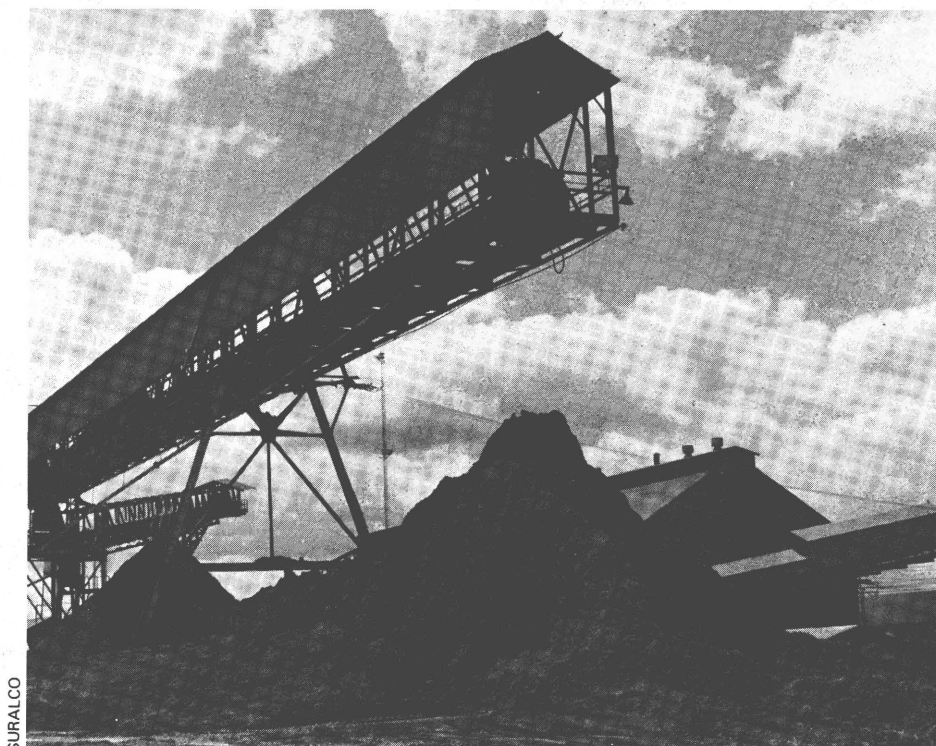
Planting out rice, Suriname's main farm product

ticism is that certain matters advance far too slowly. I do not know the cause of this. If we submit a project to the EEC, it is months before we get a response. I do appreciate that there is a problem of organization, with documents having to be translated into seven languages, for example, which is a very slow process. Otherwise we take a positive view, especially as regards the regional developments that are being encouraged, which we see as very beneficial.

Steps to promote regionalization

► *Within Suriname most of the population is concentrated in the coastal strip. What specific steps are being taken to distribute the wealth on a regional basis? Is the population of Suriname prepared to open up the interior?*

— I think so. The steps which we have taken in the interior show clearly that we have already made considerable progress towards a regional spread. We began with the provision of services: previously, anyone from the interior who needed an extract from the register of births or anything else from a government department had to travel to the capital, but there are now regional offices for the population register and other services. Furthermore, we try to keep people in the interior, and hold urbanization in check, by setting up development projects inland. We must make areas in need of help into development areas. We have now launched a number of economic activities in the interior. Usually we



SURALCO

Bauxite has so far dominated the economy

start by setting up a microwave plant which then attracts a number of small enterprises such as a rice mill or a saw mill. In short, we must set up economic activities actually in the interior.

► *As part of the whole process of renovating Surinamese society, is account being taken of the fact that a certain type of business climate must be created if investment is to be attracted?*

— Yes, we are working on that. Last week the decree on the INDEX was adopted by the Council of Ministers. The INDEX is the board being set up to promote industry and exports. There will also be an investment code as a guide for investors, both local and foreign, so that they know exactly what conditions they must fulfil, what the economic rules are, and what the facilities are. These are matters which are now being finalized.

New structures for diversified agriculture

► *Will attention continue to be focussed in agriculture on rice and palm oil or will other crops such as sugar and bananas return to favour?*

— The aim is to diversify as much as possible. Our main agricultural product is rice, for which we can extend the area under cultivation and thus increase production, but we must eliminate bottlenecks created by a lack of storage and drying units, rice mills and means of transport. Our port facilities must be extended to give access to larger ships, which would enable us to enter the world market at competitive prices. Suriname is a rice-producing



Suriname Information Service

"The individual has the central place in our concept of development"

country, but has no place on the world market, whereas the Netherlands is not a rice-producing country, but exports rice to major markets. That is one of the old structures that has to be profoundly changed. We cannot have a situation where we export paddy to rice mills in France and the Netherlands, for subsequent export. Rice is yet another of those commodities to which more value needs to be added locally. Apart from rice we also have palm oil mills. There, too, our refining capacity must be increased and fundamental changes made. Only the skin of the fruit is processed—in part—while the oil from it is exported untreated, as are the kernels. The kernels give high-grade oil, however, and one of the by-

products is oilcake, and yet we import feedstuffs for our cattle. This is another situation that must be changed. The investment to get the most out of our country is urgently needed. There are naturally other products, such as bananas, vegetables, etc. We must lay as much emphasis as possible on diversifying our agriculture.

Changing people's attitudes

► *So you see the restructuring in Suriname against the background of the trend towards a new international economic order?*

— It can be said of all developing countries that they will never develop unless the international economic order is changed. The dilemma is that, if we really want to bring about development in developing countries, the rich countries must do their bit, and that is the crux of the matter.

At national level educational reform is also very important: it is essential to bring about a change in our people's attitudes. For 300 years we have been nurtured in a colonial society, and our people have no faith in their own abilities. They have always set greater store by all that came from abroad. They never valued their own culture. Everything from abroad was better and, as for the Netherlands, it was heaven on earth. To go there was a must!

"We are on the right path"

► *Is the whole process now geared to creating a fully Surinamese identity?*

— Yes, the aim is to establish our own priorities and work towards objectives which were in fact formulated as long ago as 1948: making our economy stronger and independent and creating a just society. These were all objectives which were formulated but never seriously tackled, and that led to a decline in all areas of society. People became disillusioned and everyone had plans for emigrating—everyone who could, that is. The crime rate was very high, and our society was dominated by trivial issues. Now, one year after the revolution, one of the things that struck me, as I was walking along the waterfront and passing through Onafhankelijkheidsplein (Independence Square), was the sight of flowers in bloom. That would not have been possible a year ago, they would not have lasted an hour, they would have been destroyed. That suggests to me that we are on the right path and that there has been a genuine improvement in attitudes. ○

Interview by
Roger DE BACKER



Bringing in the crop from an oil palm plantation

What kind of future for the new Suriname?

The wind of change is blowing through Suriname, and it is not just the trade wind, which brings relief from the sticky tropical heat of Latin America. The teams of young people clearing up and tidying the roads and open spaces in the capital, Paramaribo, are merely symbolic of the present government's new approach.

The "switie kondre" — Surinamese or Sranangtongo for "beloved country"—has, in less than two years, undergone sweeping changes which began with the coup on 25 February 1980. Analyses of the first five years of independence, which was granted by the Netherlands on 25 November 1975, are rather scathing, as emerged from the government declaration of 1 May 1980 and the revolutionary manifesto of 1 May 1981.

This explains the new approach being taken by Suriname, which at first sight appears to be a relatively rich country—this is certainly the impression gained from the figures if criteria such as per capita GNP are applied—but in actual fact it shares most of the features and handicaps of young developing nations. People are not dying from hunger, there are no obvious signs of poverty, but the handicaps and obsta-

cles to development can be detected: because of its official language (Dutch) and legal system, and for social and other reasons, it is in an isolated position on the north coast of the Latin American continent; thinly populated—2.2 inhabitants per km²—with a relatively inaccessible hinterland verging on the Amazon jungle; a small, still highly import-oriented market; very dependent on foreign aid (from the Netherlands); an economy dominated by bauxite, whose exploitation is in foreign hands; a considerable reputation as a rice producer, but one which nevertheless experiences marketing problems; a high level of unemployment (17%), combined with a shortage of people with senior and middle management experience, as a result of emigration and the brain drain; for many the promised land is the Netherlands, where one-third of Suriname's population has settled; and last but not least, an ethnic melting-pot with as yet few vestiges of a common past.

This list is far from complete, but in the gradual process of Suriname's renewal, the aim is to eliminate or counteract some of these tendencies. If you wanted to put Suriname's economy, past and present, in a nutshell, one could put it under these heads: Dutch aid, bauxite and rice.

A wide cultural spectrum

"A world in miniature"—that is one of the tourist slogans which Suriname—also called "the United Nations writ small"—uses to project itself. Although it has a number of features in common with neighbouring countries in the region—both on the mainland and among the Caribbean islands—it stands out with its striking ethnic diversity, which has its roots in history.

After discovering them in the second half of the sixteenth century, the Spaniards claimed the Guianas—present-day Guyana, formerly British Guiana, present-day Suriname, formerly Netherlands Guiana, and what is still the French overseas department of Guiana—for their king.

Dutch and British seafarers soon made life difficult for them, and British colonists first attempted to settle along the river Suriname in 1630, but were more successful in 1651. The indigenous Indian population, now only approximately 10 000 strong, retreated into their "land of water and woods".

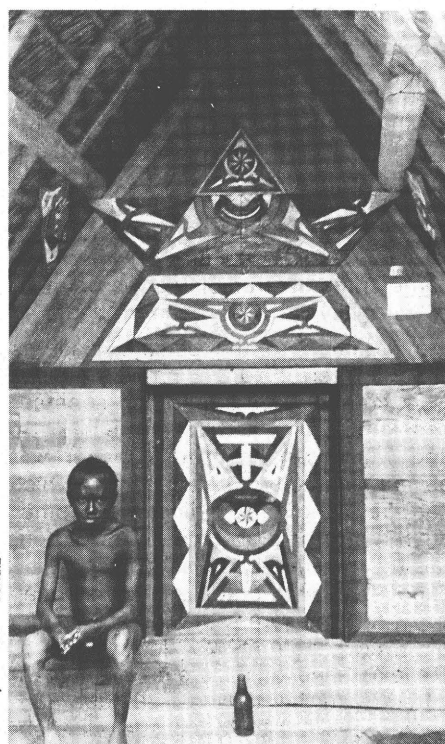


Teams of young people, cleaning up Paramaribo, symbolize the present government's new approach

In the second half of that century, Suriname also very quickly became a welcome refuge for Jews expelled from other countries and it is not insignificant that the first synagogue in the western hemisphere was built there.

The Dutch victory over the British in 1667 gave rise to the famous exchange under the Treaty of Breda, by which the Netherlands handed New Amsterdam, now New York, over to the British in order to keep Suriname.

From the very beginnings of its colonial history Suriname was a plantation economy based on slaves imported from Africa. In contrast to the Caribbean islands, however, escaped slaves had a good chance of keeping out of their owners' hands by hiding in the impenetrable jungle; this led to the settlements of Bushnegroes—now some 40 000 strong—who often engaged in fierce combat with their oppressors, especially as this was one of the places in the region where slaves were exploited most cruelly. This combination of factors gave rise to a specific culture peculiar to the Bushne-



Amerindians, about 10 000 of them at present, and Bushnegroes, some 40 000, are just two examples of Suriname's wide ethnic and cultural diversity. These two ethnic groups contribute little to the economy, but they are not considered politically insignificant.

groes, with a strong African flavour and still distinguished by a separate language, cromanti.

Ethnic diversity

When, on 1 July 1863, the scourge of slavery was finally abolished, the plantations still in existence were endangered by a shortage of workers. To remedy this, first of all Chinese were taken on as contract workers, and they were followed, from 1873 onwards, by workers from India who now make up over one third of the total population of 360 000, with Creoles accounting for almost another third.

When the influx was halted in 1916 as a result of opposition from within India, inhabitants of the Indonesian island, Java, were drafted in, the last coming in the 1930s.

Apart from the forced influx of slaves and the organized import of Chinese, Indians and Javanese (now accounting for about 15 % of the population), various other races and peoples have come in this century to add to the ethnic melting-pot—more Chinese, Europeans, Lebanese, etc.

All these elements have given rise to a multiracial, multi-religious, multilingual kaleidoscope, in which almost all the original cultures survive—with their own ceremonies for occasions such as weddings and funerals, and their own temples, mosques, etc.—with Dutch as

the language of administration and education, and Sranang tongo as the common language that binds the various ethnic groups, though they continue to use their original languages among themselves.

Integration, assimilation, unity within multiplicity are some of the well-worn slogans used to describe the broad spectrum of Surinamese society; however, it is striking that a number of economic activities are still the preserve of certain ethnic groups—although there is no a hard and fast division—so that some groups are to be found more in trade and industry, whereas others tend to work in the bauxite mines or on the rice fields.

The present government clearly wishes to make the population more conscious of being Surinamese, with respect for one another's cultural values, founded on more intensive and more self-reliant exploitation of the country's natural resources.

"Land of water and woods"

The 360 000 Surinamese are, however, very unevenly spread over the country's territory (163 300 km²)—making it about five times as big as the Netherlands. A large stretch in the south-west is the subject of a dispute with neighbouring Guyana as to which tributary of the Corantijn frontier river the boundary follows.

From the economic angle the interior is still virtually unexploited, apart from some forestry, and the approximately 10 000 American Indians and 40 000 Bushnegroes—who prefer to be called river people—are effectively outside the economy. The main focus is clearly the capital, Paramaribo, which is a swollen mass of people—about 250 000 for the whole city area. The rest of the population is similarly concentrated in the coastal region, mainly in the rice polders around Wageningen—Nieuw Nickerie in the north-west.

Paramaribo has a rather provincial look about it, with its predominantly wooden houses and buildings among flower beds and palm groves. Using what could be termed an ingenious precursor of the much noisier modern air-conditioning system, most of the colonists built their airy houses on stilts in order to catch every cooling breath of wind in the sticky climate, in which humidity levels of over 90 % are not unusual.

Van Blommestein Lake is a physical feature which, when seen from the air, stands out among the green of the polders and the all-pervading jungle; it is an artificial reservoir about 1 500 km² in area which provides the bauxite industry with the energy required for the various stages of processing into alumina and smelting into aluminium; part of this is also used to supply greater Paramaribo with energy.

Its abundant water supplies have definitely contributed to Suriname's economic growth, by providing a means of communication, which has helped open up the interior, a source of energy for industry and irrigation for agriculture, and in the longer term could also play a decisive role in its further growth once the crucial issue of the Kabalebo project—a reservoir complex in West Suriname in the area adjoining the boundary with Guyana—has been settled.

In addition to the bauxite reserves already referred to, Suriname's subsoil also contains, among other substances, kaolin, lying just under the bauxite, and which can be used in paper and china manufacture, layers of clay which can be used in building; plus small amounts of gold, pegmatite rocks containing minerals such as tin, and also supplies of high-grade sand which can be used, for example, in the production of optical instruments. Indications of the existence of oil are being investigated by further drilling. Although Suriname does not have any real sea-fishing tradition — shrimp-fishing, mainly by foreign concerns, is a source of revenue.

A stronger economy combined with a higher level of employment

As explained by Winston Caldeira, the director of the planning department, past mistakes can best be attributed to "a failure to meet what are still valid objectives". These objectives are: strengthening the Surinamese economy; improving the standard of living of the average Surinamese; providing more jobs; distributing economic activities throughout the country. The main emphasis will now be placed on the link between a strong economy and employment, since a Surinamese in directly productive employment cannot but make the economy more resilient, and job creation is an essential factor in human development.

Attempts to realize these objectives in the past have misfired at both the regional and the sectoral levels, mainly because investment policy was geared to heavy infrastructure and certain sectors were neglected; the social and welfare sector was particularly badly off, with for example, insufficient attention being paid to housing the elderly and the handicapped, the status of women and general living conditions. The emergency programme announced on 1 May 1980 was accordingly attuned to the people's expectations.

In figures, of course, Suriname is not badly off with a "flattering" GNP

which the World Bank puts at US\$ 2 370. That figure includes not only aid from the Netherlands—which, when expressed in Surinamese guilders (1), fluctuates considerably since the currency is tied to the US dollar—but also covers the public sector, which can hardly be described as making a direct productive contribution to GDP. Under the current reorganization the number of public sector jobs has already been cut back by 6 000 to 35 000, but overall the sector's share of GDP is still close to 27 %. While real growth of GDP was still rapid over the period 1975-78—5.6 % which as a result of the falling population gave a *per capita* figure of 7 %—there began a period of stagnation in 1979-80, with real GDP rising by an average of only 2 %.

The analysis made by the Planning Board for 1975-80 reveals "apparent" growth in GNP based on the increase in revenue from the mining and public sectors, with the latter creaming off revenue from the former through the introduction of the so-called bauxite levy, a tax now amounting to about US\$ 11 per ton of bauxite produced.

Apart from mining, then, there has been little or no growth in the directly productive sectors such as crop- and stock-farming, forestry, fisheries and

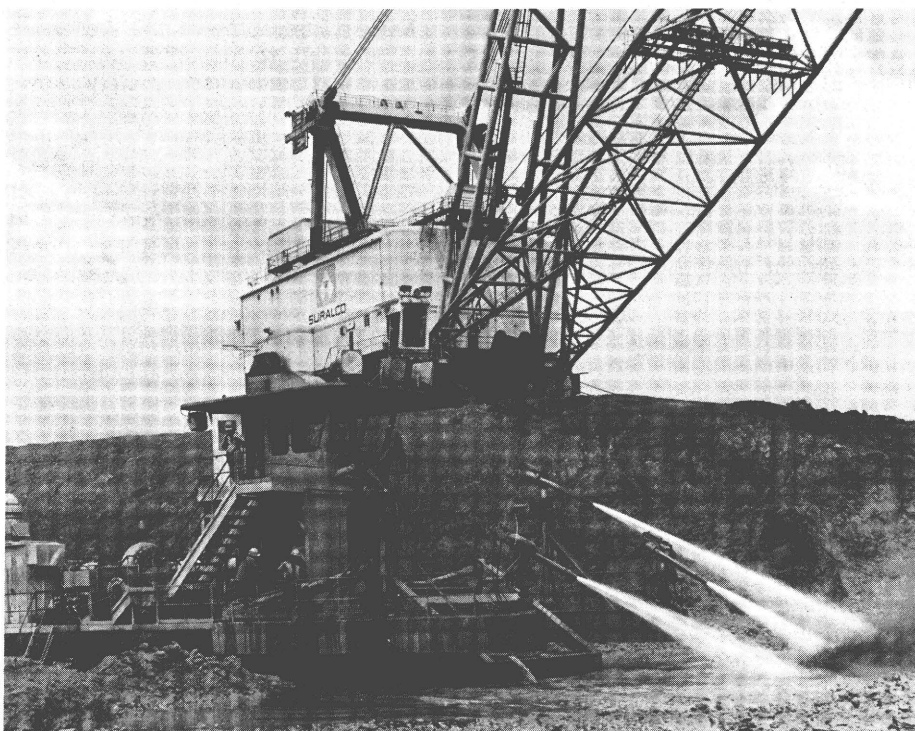
manufacturing over the last few years.

The new policy-makers clearly want to take this bull by the horns. As Mr Caldeira pointed out, given the advantages and disadvantages of a young, small and relatively isolated state, self-development to cover basic requirements must be the central concern—against the background of the general need for a new international economic order—and not so much the dogma of economic growth for growth's sake". In this context priority is being given to creating a modern agricultural sector directly linked to industrial development, both of them allowing to develop at least those amenities that are strictly necessary.

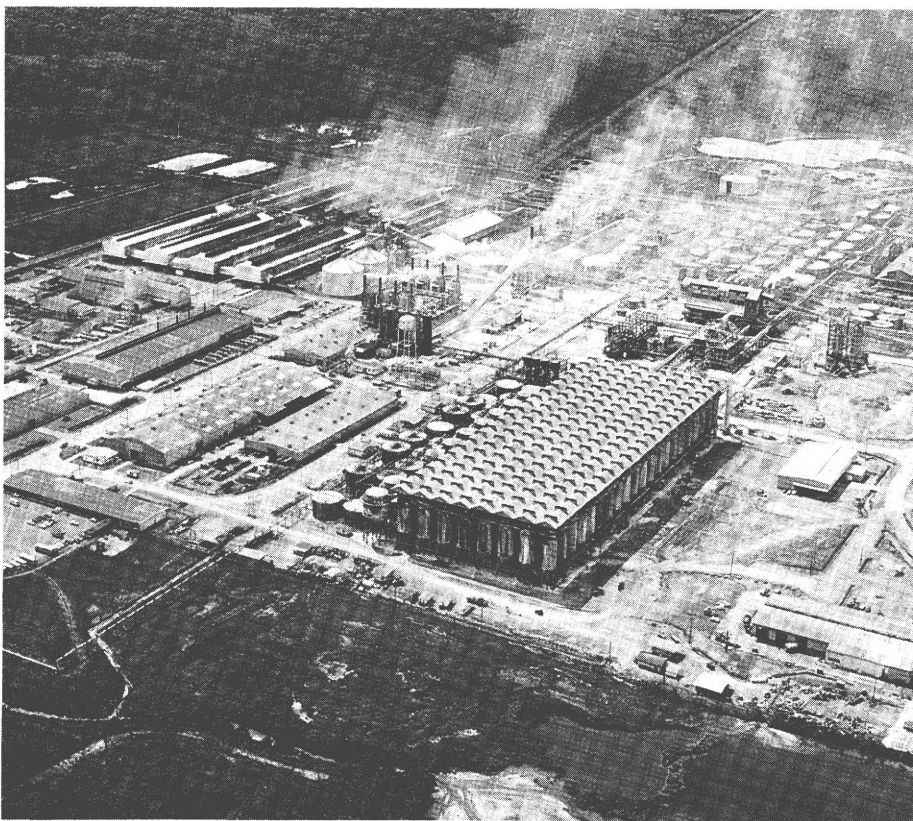
The basis for making the economy defensible is firstly the principle of continuity—"achieving ongoing development under the country's own steam"—and secondly, diversification in order "to be able to absorb any shocks" as Caldeira puts it. To this end, a flexible spread of activities needs to be advised, both regionally and within the sector themselves.

Clearly, therefore, a spreading of the risks, diversification, a willingness to innovate and make changes, and the building up of a home-grown investment capacity are the lines along which the Surinamese economy wants to develop.

(1) US\$ 1 = Sur. f. 1.785.



In order to remove the overburden at the Lelydorp bauxite mine, an impressive technological combination has been put to work: foreground, the slurryfier's four cannons inject some 45 tonnes of water per minute into the top layer; background, South America's biggest walking dragline (2300 tons) whose bucket takes out about 60 tons at a go.



The technologically advanced Paranam plant, where bauxite is transformed into alumina, then partly melted into aluminium, a clear example of the level of integration of Suriname's main economic sector

Hard times for the bauxite sector

This trend towards renewal and diversification must be seen against the background of the general situation of the Surinamese economy, in which the bauxite industry plays a predominant role. This sector accounts for a fifth of GDP, more than 80 % of total exports in terms of value, nearly a third of government revenue and employs 6 % of the total workforce.

As one of the few bauxite-producing developing countries Suriname can pride itself on an integrated aluminium industry producing bauxite, alumina and aluminium. Four tonnes of bauxite is needed to produce approximately 2 tons of alumina, which in turn produces about 1 ton of aluminium; price-wise the ratio is roughly 1 : 5 : 40.

Present mining activities are controlled by two firms: Suralco (a subsidiary of the US company Alcoa), which accounts for two thirds of total output, and Billiton, part of the Royal Dutch Shell group. The *Surinaamse Bauxiet Maatschappij N.V.* (which later became Suralco, a Western Hemisphere Trade Corporation) was set up back in 1916 to mine, process and export bauxite (an ore containing 45 % to 60 % aluminium oxide) at Moengo on the eastern coastal plain.

In 1922 the first 2 200 t of bauxite was shipped after a hard pioneering struggle. Billiton did not begin exploration until 1939 or actual mining activities until 1941, yet by the mid-'50s, Suriname's output had already reached 3.4 million t, from three deposits: the one at Moengo, where "plateau ore" lies just below the surface, and others at Lelydorp and Onverdacht (Billiton), south of Paramaribo, where a top layer of some 35 to 40 m has to be removed (about 7 tons of earth has to be shifted in order to obtain 1 t of bauxite). The war effort, combined with the increasing use of aluminium, particularly in the aircraft industry, made Suriname the world's biggest producer and—a fact that should not be overlooked in the present day relationship between Suriname and Alcoa—helped build up Alcoa as the group's only foreign bauxite supplier at that time. The discovery and exploitation of new reserves elsewhere in the world has pushed Suriname, with its current annual production of nearly 5 million t (approximately 6 % of world output) into fourth place among world producers (Eastern countries excluded) behind Jamaica, Guinea and the leading producer Australia. Recently discovered easily mined bauxite deposits, particularly in Australia and Suriname's neighbour Brazil, hang, in the longer term, like a kind of sword of Damocles over the future of this sector

which is so vital for Suriname.

A crucial step towards the present integrated production process was taken in 1958 with the conclusion of the Brokopondo agreement, a joint venture between the Suriname government and Suralco. By constructing the Afobaka dam on the river Suriname, the purpose of the agreement was to create an artificial reservoir for providing an alumina plant and aluminium smelting plant in Paranam with cheap hydro-electric energy. The 1560 km² reservoir now provides a maximum of 189 MW, of which only 118 MW is used, however, because of the water level. This giant project, which came on stream in the mid-sixties, will remain the property of Suralco, the firm which financed it, for 75 years and will then be handed over to the government. Since a hydroelectric power station of this kind is written off over a period of some 20 to 25 years this provides the whole bauxite sector with its most valuable trump card: cheap energy. We say the "whole" sector, because as a result of a royalty agreement between Billiton and Suralco the former has a share of around 45 % in the alumina capacity of 1.2 million t in return for having co-financed the alumina plant. The aluminium smelting plant can supply 60 000 t of aluminium ingots per annum. Technologically, the whole Paranam operation is among the most modern in the world.

Both subsidiaries are important to their respective parent companies: Suralco accounts for some 15 % of Alcoa's bauxite production worldwide and is also the group's only supplier of specialized products such as abrasive and refractory bauxite; Billiton-Suriname is the group's leading bauxite supplier. Of the total 5 million t of bauxite approximately two-thirds is further processed in Paranam to produce alumina and aluminium. In view of the relationship between the price of the raw material and that of the finished products the Surinamese government wants to do its utmost to carry out even more processing locally and this also includes, for instance, an effort to produce aluminium products again, for Suriname imports some 8 000 t of processed products per annum and yet has an 18 000 t capacity processing plant which is now lying idle but could be started up again in conjunction with the present importers.

Another factor which was important for the whole sector was the introduction in 1974—following similar action by Jamaica—of the bauxite levy referred to earlier.

As the recession began to bite, demand for aluminium fell sharply causing Suriname's total output to fall by over 2 million t to its present level. Despite bringing in a lower revenue for the government in 1981, the levy is still a source of irritation to the two firms, which both function as cost-production centres. The headquarters of both firms handle their respective marketing so that the two subsidiaries are competing not only with other world producers but also with other subsidiaries within the same group, each of which endeavours to supply the parent company with bauxite, alumina and aluminium as cheaply as possible. This is also why Suriname's present policy-makers stress the need not only for more local processing of bauxite but also for direct marketing by Suriname itself, for instance via government-to-government contracts.

"To produce as cheaply as possible, that is the prime aim", according to Frank Worth Hobbs, managing director and vice-president of Suralco. He remains optimistic about the sector's future, both nationally and internationally: "The present depression on the world market will come to an end, probably in late 1982, and locally we feel that there is sufficient incentive to go ahead with investment to expand our activities". In view of the present world recession and low aluminium prices—in the second half of August Alcoa's published price was US\$ 0.76/lb compared with US\$ 0.54/lb on the spot market—Suralco has announced an overall cutback in production of around 20% for 1981, "although this should not have any effect on employment". Also in August impressive rows of aluminium ingots weighing a total of 40 million lb stood in Paranam awaiting better times and above all higher prices. "At the present rock-bottom world prices", said Mr Hobbs, "we are stockpiling rather than selling, even though this ties up a considerable amount of working capital".

So that Suriname can continue to play a significant role as a bauxite producer in the future the private sector will of course keep a watchful eye on its cost-benefit analysis. Apart from the quality of the local bauxite reserves, which for Suriname are estimated at 490 million t⁽¹⁾ or some 2.2% of world bauxite reserves, the crucial factor is the efficiency of all the operations involved: the mining activities themselves (Lelydorp, for instance, is a "costly" mine because of the thick top layer but it produces high-grade ore), transport costs and accessibility of the ports, and potential

smelting capacity, which in future will be determined primarily by the cost of energy.

West Suriname has great potential for new raw materials. Here, in the Bakhuis Mountains there are for instance some 300 to 400 million t of low ore-content bauxite reserves.

The Kabalebo project: a key question?

Working the deposits requires considerable amounts of extra low-cost energy for the different stages of processing, and it is for this reason that the "Kabalebo project" has been under investigation, notably by the World Bank, for about ten years. As Mr Henk Dahlberg, the Minister for Development, explained, this hydroelectric project, which would use the power from the Corantijn, the river forming the border with Guyana, consists of two phases: with an initial investment of around \$750 million 300 MW could be generated and supplied (with high tension lines included) to the various customers; a further investment of \$200 million could subsequently produce a surplus of around 500 MW. In Mr Dahlberger's opinion "the 800 MW would not be too much if all industrial opportunities are exploited". He also sees Kabalebo as "a kind of mortgage on Suriname's future".

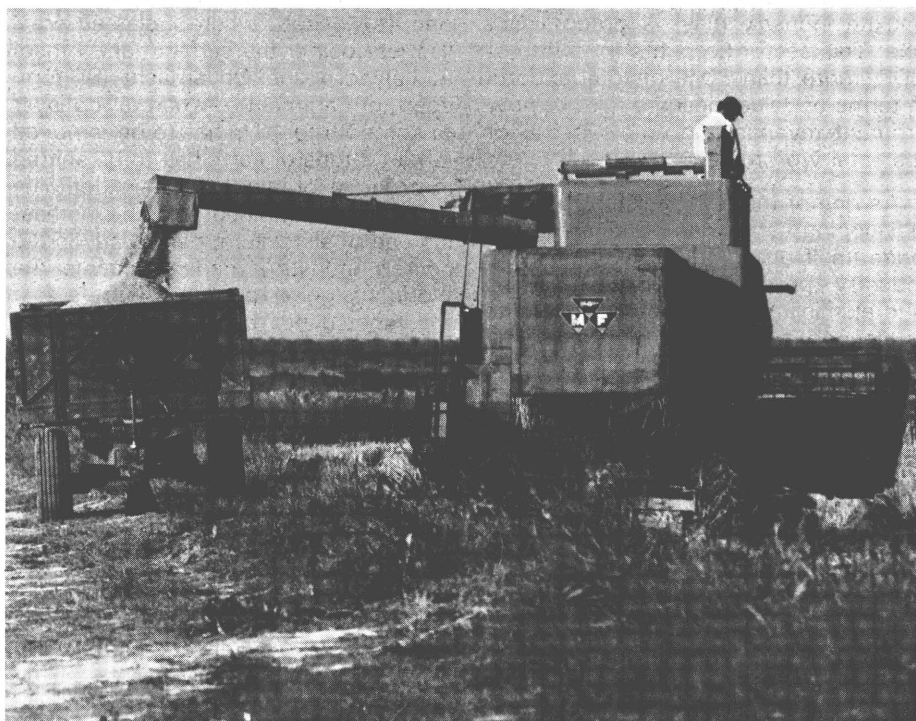
For Suralco's chief executive Frank Hobbs (one of only 18 Americans out of a total workforce of about 4 800) "Kabalebo and mining in West Suri-

name are, however, not inextricably linked: one is not a passport to the other as the cost of energy will be the determining factor for future sales". If Kabalebo goes ahead there will be hard bargaining between the private sector and the government on energy prices. At the world level the private sector compares this hydroelectric power with, for instance, the hydro-electric potential of the Amazon Basin in Brazil, where there are also bauxite reserves, or with Australia's vast brown coal reserves, again combined with considerable bauxite reserves, and so wants Kabalebo to be competitive.

The low ore-content of West Suriname's bauxite makes optimum processing levels virtually imperative; this is in line with the Ministry of Development's general approach, which is "to inventorize, exploit and process local natural resources as thoroughly as possible in order to produce finished end products", as the Minister, Mr Dahlberg, put it.

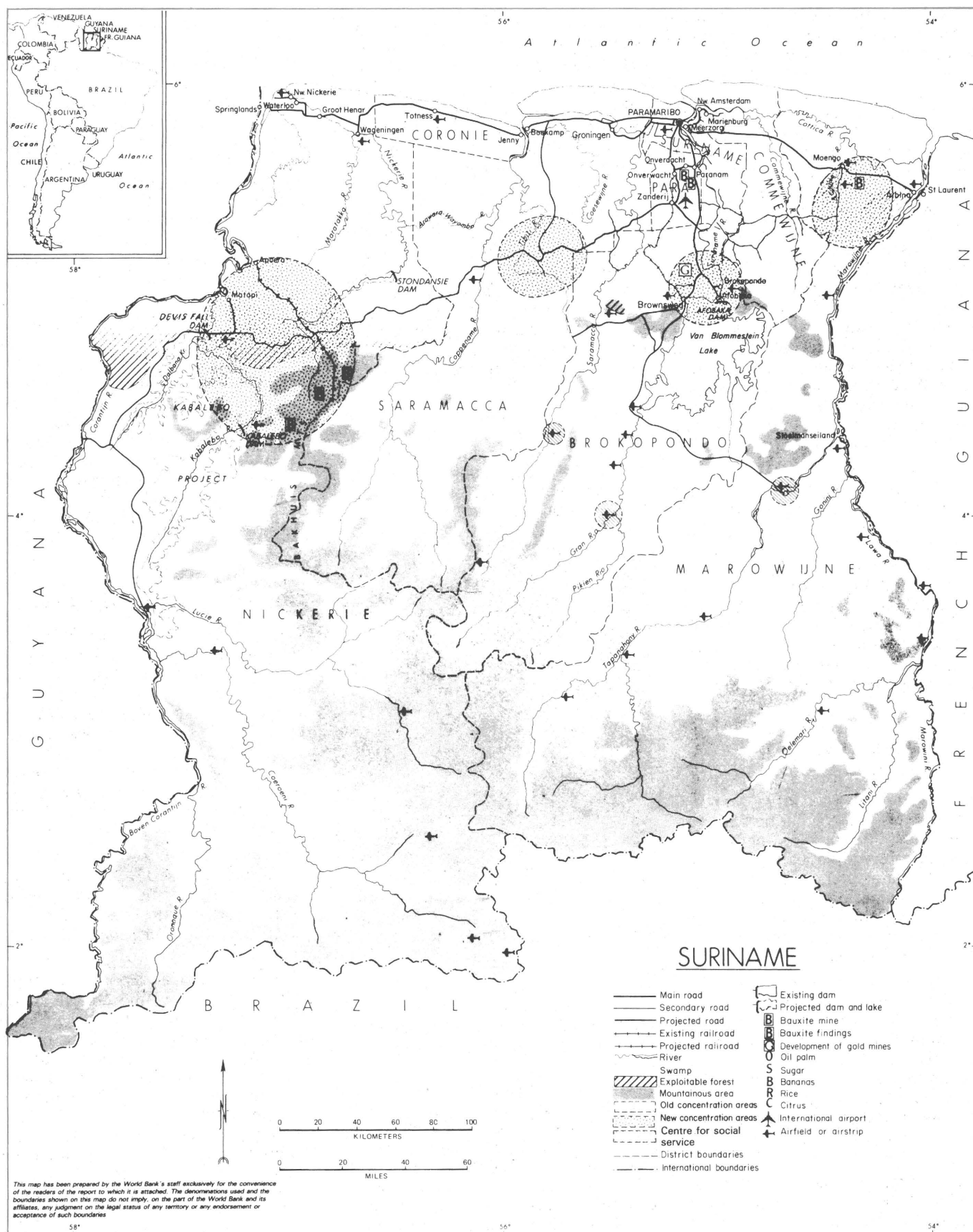
Steps have already been taken in that direction with the construction of a railway at a cost of some Fl 200 million though it is not being used at the moment, and the establishment of a new settlement, Apoera—where Grassalco, the already established state mining company for West Suriname, will later be setting up its factory and smelting plant in conjunction with foreign firms.

At a time of increasingly acute energy shortages the exploitation of natural hydro-electric potential certainly seems



The growing of Suriname's main agricultural product, rice, is highly mechanized, as shown here at the Wageningen farm

⁽¹⁾ US Bureau of Mines, July 1981.



Area: 163 300 km²

Population: 360 000
density 2.2 inhabitants per km²
growth rate - 1% (1972-1980)

Capital: Paramaribo

Main languages: Dutch (official language)
Sranang-tongo (vernacular language between the different ethnic groups)

GNP per capita: \$ US 2 370 (World Bank est.)

Principal resources: bauxite - alumina - aluminium, rice, oil palms

a good idea, but because of the large-scale approach adopted the present policy-makers are having to consider the details more carefully. All aspects of the project are therefore also being discussed internally, including matters such as an agreement with Guyana on the use of the frontier waters, an issue where "difficulties" have arisen, and above all the question of energy sales and the possible alternatives for directly increasing energy supplies by means of small-scale projects. According to Mr Caldeira, Director of the planning department, these small-scale projects include the "Jai creek option", a scheme for diverting the creek to the Afobaka dam, which would increase its present 118 MW output to an average 133 MW, or the Phaendra dam, downstream the Afobakadam on the River Suriname, which could produce another 12 MW to replace current diesel imports.

Financially, Kabalebo is a feasible proposition because, in addition to Suriname's own contribution, EEC, World Bank and Interamerican Development Bank credits and possibly commercial loans, the sum of about US\$ 225 million has already been provisionally earmarked for Kabalebo from the Netherlands aid appropriation. There remains the question of whether or not Kabalebo is going ahead and, if so, when?

More drive in the rural sector

Efforts to make Suriname's economy really take off could either be based on cheap energy, paving the way for further economic and industrial development at a later stage, or also a start could be made by getting firmly to grips with the other directly productive sectors such as agriculture, forestry, stockfarming and fisheries.

Malicious tongues sometimes claim that Suriname does not need farming experts but expert farmers, although agriculture minister Mr Franklin Vreden feels that there is now "a growing realization that a national primary system of production, controlled by Suriname itself, should be developed as this is an effective way of absorbing unemployment".

Agriculture, stockfarming, fisheries, together with forestry and wood processing, on average accounted for some 10% of GDP between 1975 and 1980, the main products being rice, palm oil and shrimps. In the case of palm oil a few new projects are in the pipeline or are being implemented while the citrus fruit sector has lost some ground because of poor storage and transport facilities. The importance

of sugar production has also decreased although a project for renovating the aging factory has just been approved.

With regard to fishing, the existing structures will be reorganized and the problem of the unused by-catches resulting from the more lucrative shrimp fishing will be scrutinized.

In the forestry sector there is, according to Mr Vreden, "a lack of knowhow preventing the potential from being fully exploited". Of the just under 200 varieties of wood available only ten or so are used regularly. Problems have arisen with regard to marketing and the technology for using new varieties of wood and so the forestry administration too is now being reorganized.

Reorganization is in fact the key word for the whole of the agricultural sector, where the aim is to organize producers along more cooperative lines and also to bring the sales structure more under state control.



Forestry and wood exploitation, "lacks technical know-how to take full advantage of the existing potential"

Rice, Suriname's rural success story, provides a striking example of this. With a rice-growing area of nearly 59 000 ha (1979), a highly mechanized production of 236 000 t of paddy (14% moisture content) and total rice exports of just under 100 000 t in 1979 (of which 77% went to Europe, two-thirds in the form of unmilled cargo rice) Suriname has built up a considerable reputation as a supplier of high quality rice. According to Mr Vreden the constraints on rice production and sales are now being examined more closely: apart from drying capacity and transport facilities the whole sales set-

up is now also under discussion, from the stage where the products are bought up locally right through to the international marketing structure. The government's intention to set up a national rice marketing organization—Sur-exco—has, however, not been welcomed with open arms by all the present pressure groups of producers and buyers and will probably be yet another source of heated debate. The marketing of rice is also being discussed with Europe in view of the current restrictions governing the carriage of "milled or bleached rice" but an EEC-financed study will now look at this problem more closely.

Mr Vreden does not deny that generally speaking "a change of attitude will inevitably have to come about to make the Surinamese more interested in farming and more inclined to work on the land", but he is relying on the revolutionary process, which here too will have a favourable effect and will "create greater enthusiasm in the rural sector".

Promoting local initiatives

In the same way as an effort is being made to create greater enthusiasm in the agricultural sector moves are also afoot among people in industry and commerce to put their shoulders to the wheel more and increase local production. Politically and ideologically this trend is fully supported by the *Progressieve Arbeiders- en Landbouwers Unie* (PALU), which is now playing an important role in Surinamese policy-making.

Industry contributes more than 7% to the country's GDP, while the commercial sector in the broad sense of the term (including hotels and restaurants) accounts for some 16% of GDP.

To give practical support to people who want to seize the chance to do something concrete a number of institutions have been set up both by the government and by the private sector itself. INDEX, the Centre for Industrial Development and Export Promotion, is an example of an initiative of this kind taken by the government. As INDEX Deputy-Director Mr Waldemar Henar explains, this new centre will promote industrial development by informing both domestic and foreign investors about investment conditions and government facilities and by further streamlining the marketing of Surinamese products. With a new approach and wider powers—previously eight or nine different government departments were all involved in industrial investment policy—INDEX intends to "gear industrial development more to the use

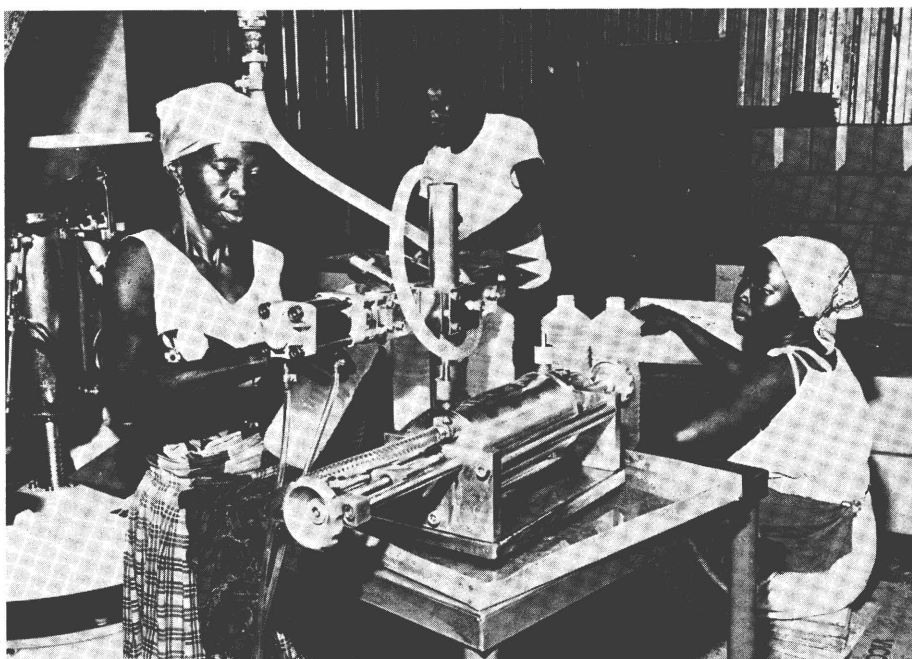
of domestic raw materials, acquire greater control over the overall production process and promote the production of unique goods for which there is a good market", according to Henar. The law on investment, which dates from the late sixties, is now being drastically revised by a committee and when the amendments have been made INDEX will be able to propose a manageable investment code.

One of the main organizations working with INDEX on this is ASFA, the association of Surinamese manufacturers, a newly established pressure group consisting of local manufacturers. The existing lobby, which includes the VSB (the association of Surinamese industry) does not confine itself solely to the interests of directly productive firms but also comprises representatives of for instance the bauxite industry—who, here too, exert a considerable influence—plus bankers, insurers and, last but not least, the import sector. The earlier Surinamese manufacturers foundation folded because it did not have enough punch and also because its framework was too limited.

Without making any real effort to recruit, in the space of about a year ASFA has already acquired some 115 members who are concerned to promote the interests of their industry within the framework of the government declaration of 1 May 1980.

As Mr Ramon Reeder, the ASFA chairman put it, "by setting up viable firms in the face of the past general lack of understanding on the part of the government the manufacturers now grouped together have given sufficient proof that they are a force to be taken seriously". "To produce goods of reasonable quality at a reasonable price, but above all with guaranteed continuity of supplies, and to gain experience on the home, albeit inevitably protected, market—these are some of ASFA's prime objectives", according to Reeder. Import substitution, whether or not on the basis of local raw materials, is therefore also the order of the day ("the government must pursue a raw materials policy geared to the end product").

Both the ASFA and INDEX spokesmen agree that "for the first time there are good relations between the government and manufacturers and that the private sectors years' of mistrust of the government have now at last been brought to an end". As Mr Ramon Reeder said: "as a group we are keen to come up with ideas for the new structures and the economic direction which the country must take within the framework of the revolution". The ASFA's members of the na-



Increased attention is paid to the promotion of local entrepreneurship; photo shows a palm oil bottling plant

tional planning council will therefore play an active and constructive role.

Getting the Surinamese to do more to help themselves

The whole philosophy of giving priority to the Surinamese contribution in all areas of socio-economic activity has also had a direct influence on how development aid from the Netherlands is at present being used. Upon independence in 1975 Suriname received a kind of "golden handshake" from the Netherlands, spread over ten to fifteen years and totalling Fl 3 500 million (not inflation-proofed, and with the Surinamese guilder tied to the rate of the dollar), broken down into Fl 2 700 million direct project aid, Fl 300 million on a basis of parity, i.e. subject to an equal contribution being made by Suriname itself, and Fl 500 million as a loan guarantee fund.

Of the Fl 2 700 million in "tied aid", as it is referred to by the Surinamese themselves, some Fl 2 000 million actually remains to be spent, although the bulk of this sum has already been earmarked for specific projects and sectors. That allocation of the funds dates back to before the revolution however, so that in addition to financing the government's emergency programme the remaining funds are being examined by the new authorities with a view to reallocation in the light of the new philosophy and priorities. The overall reallocation of funds, which will be decided in the forthcoming meetings of the Netherlands-Suriname Joint Committee for Development Cooperation (CONS),

is therefore also under discussion and will itself indicate the direction in which Suriname will ultimately be heading. Employment and the ability to defend the economy will be matters of central concern.

In connection with employment it is worth mentioning the considerable number of Guyanese manual workers—including many "illegals", estimated by some at 15 000 to 30 000, though, no-one knows the exact figure—who are only too willing to do hard work for less pay than the Surinamese themselves.

Despite the introduction of a visa requirement, emigration to the Netherlands is down but has not stopped completely. Immigrants from Suriname now number some 180 000 in the Netherlands—Surinamese Dutch on paper, Dutch Surinamese in their hearts. The family ties which nearly every Surinamese has in the Netherlands can only serve to perpetuate this traditional one-way movement to the former motherland and give him cause to cherish the old dream of a "social paradise". In Surinamese it is a problem of "*mi goe—mi kobaka*", I go but I shall return...

The Surinamese alternative for the first five years of independence is increasingly taking shape and will have to prove itself to be a realistic one in the years to come but, as Mr Caldeira, the Director of the Planning Department, points out "it is no easy matter when you are suddenly saddled with a revolution without any prior ideological build-up, but we will manage".

o R.D.B.

Suriname and the European Community: a global survey ⁽¹⁾

Suriname was associated with the European Community as a Dutch overseas territory under the Treaty of Rome and the two Yaoundé conventions. After its independence in 1975, Suriname signed the Lomé Convention and—in doing so—continued its cooperation with the EEC.

EDF financing

From the beginning of the sixties to the middle of 1981, the European Development Fund spent a total of ECU 41 600 000 in project financing, of which 93 % was in grants and 7 % in loans. The main spheres of activity

have been social infrastructure (52 %), economic infrastructure (30 %), agriculture, including a credit line to the agriculture bank (13 %), training, technical assistance and studies (5 %).

In practical terms, these figures represent: among others.

- 10 000 m² of covered market;
- 90 primary and secondary schools spread all over the country;
- 80 ha of land fit for building low-cost housing;
- 13 000 m² of fully furnished and equipped classrooms and laboratories for the technical faculties of the university;
- 520 m of harbour quay plus six warehouses;
- 110 km of asphalt road;

- main irrigation works which started the rapid growth of rice-production in Nickerie;
- 2 000 ha of polders;
- a research vessel;
- 3 000 m² of offices, warehouses and laboratories for the public production and distribution centre for medicines.

A difficult choice of projects

On the whole, the investments financed by the European Development Fund have been well used and have certainly contributed to improve both the working and living conditions of the population. Nevertheless, in the middle of 1981 the amount really spent represents only half of the total amount the Community has made available to Suriname up till now. This proportion indicates that in recent years the rate of disbursement could have been twice as high as the actual one. There are many reasons for this situation.

At independence, the former colonial power—the Netherlands—allocated to Suriname Fl. 3 500 million of which 2 700 million was a grant for a period of 15 years. The translation of this amount into projects and their implementation absorbs a large part of the country's human and physical resources.

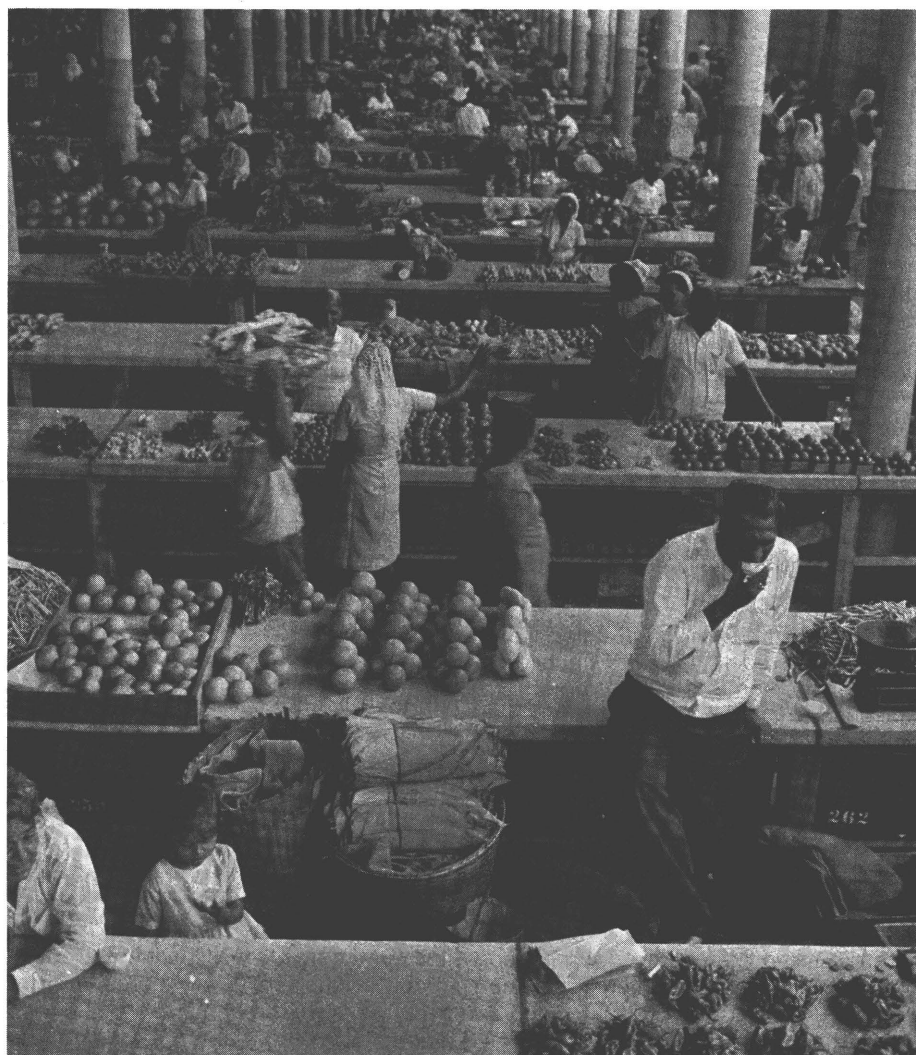
The two most important projects foreseen under the third and fourth EDF have not been executed, because for the first project the cost was underestimated and the second proved not to be feasible during the appraisal. There was also more long-term reasons.

Careful decisions

The Suriname administration tends to think over its decisions very carefully before taking them. There are a number of recent examples.

Paramaribo is built in a polder, the drainage of which functions with the river tides. The rapid growth of the city since World War II has overburdened the drainage system. Many quarters overflow when heavy rainfall coincides with a high tide. A few months ago, the construction of three pumping stations started. The characteristics of these stations are those proposed by an EDF financed consultant, who submitted his recommendations ten years ago.

The work on one of the two polders was finished in 1974. This polder was



A partial view of Paramaribo's covered market financed by the EDF

to be used for citrus. Too few farmers were really interested in growing this crop, because mechanization is impossible on the heavy soil. Since then its conversion into a rice polder has been under study, but until now, no final decision has been taken.

Project preparation requires time

Some delays are also due to the very detailed questions asked by Brussels to ensure accurate briefing and a better implementation of a project. It is also necessary to make sure that the requests for finance go to the appropriate Community source (EDF and EIB).

A different treatment for big and small projects would allow a more rapid implementation of the very simple ones.

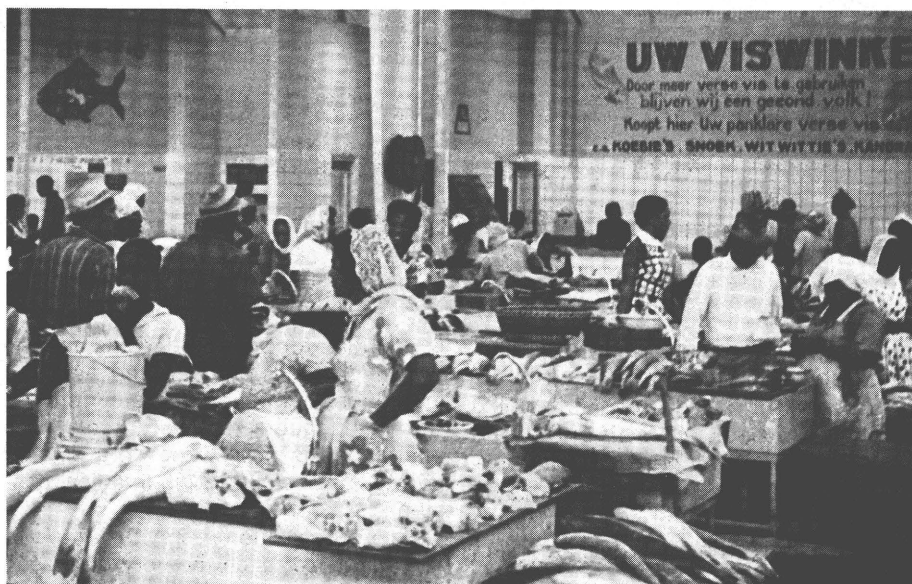
The role of the Commission's delegation, in partnership with the national authorities, is to ensure that cooperation between the EEC and Suriname runs smoothly.

Trade

In matters of trade, two of Suriname's products should be specially mentioned: sugar and rice.

As a member of the sugar protocol, Suriname obtained a quota of 4 000 tonnes. Suriname, however, has not been able to export this quantity to the Community. The rule of the protocol have been applied and the quota has gradually been reduced to zero. Given the cost of sugar production in Suriname, its participation in the protocol was in fact a burden, the suppression of which is to the advantage of the country.

Rice exports to the Community raise



Paramaribo's market is sometimes nicknamed "the United Nations in miniature"; Creoles, Indians, Javanese, Chinese, Europeans all go there to shop

another kind of problem. Suriname has a preference for the import of its rice into the Community. As in all matters related to the common agricultural policy, the application of the system is complicated. Moreover, the preference is more favourable to the raw product, cargo, than to the finished white rice. Suriname considers this discrimination to the disadvantage of its rice industry and has asked for years for its suppression.

At the signature of Lomé II, it was agreed that the problem should be examined by both sides. Recently, Suriname and the Commission agreed that a consultant would look into the different aspects of the rice export problem. This study is to be submitted at the end of this year. It aims to clarify the situation and to put the discussions that follow on a factual basis.

The future

Part of the future relations between the EEC and Suriname have been settled by the indicative programme of July 1980. The programming mission of the Commission did not only deal with the fifth EDF, but also with the remainder of the third and fourth funds. Suriname proposed and the Commission accepted that 70 % of the amount available would be committed to the energy sector, to be more specific, to the Kabalebo project.

This very important project, the cost of which is estimated to be more than 500 million dollars, naturally demands careful consideration, not only by the donors (the Netherlands, the World Bank, the International-American Development Bank and the Community), but also by Suriname itself. Recently, working groups have been established to examine aspects such as financing, the intention of the possible consumers of the power produced, possible consequences for and relations with Guyana.

It is hoped that by the beginning of next year definite solutions can be presented on these points.

The participation of the Community in the implementation of the Kabalebo project would be a very effective use for the remaining funds, the existence of which could gradually be a burden on EEC-Suriname relations. The elimination of this and an adequate solution for both sides of Suriname's rice export problem would certainly contribute to the strengthening of the already good relations between Suriname and the Community. ○



One of the 90 EDF-financed schools which are spread throughout the country

(1) Source: EEC delegation in Suriname.

A project unlike the others for people unlike the others

by L. MOOREN (*)

In recent years, remains of irrigation schemes and dams have been found on Suriname's coastal plain. These date back more than a thousand years and seem to indicate that, at that time, a more organized form of society existed than when the first European settlers arrived in the country.

Some 350 years ago, the only people who inhabited the country were Indians, living in nomadic tribes. These Indians refused to accept "white rule" and work on white owned plantations. Fighting ensued, the Indians withdrew into the forest, from where they raided the plantations. The descendants of these people, about 10 000 of them, still live in the interior of the country. Some are now settled in villages, others still lead a nomadic life.

The absence of sufficient labour, due to the refusal of the Indians to work on the plantations, opened one of the darkest periods of colonial history; trade in and exploitation of African slaves. Both working and living conditions were that harsh that, from the beginning, slave revolts and attempts at escape were numerous. Many slaves succeeded in doing both, fleeing into the forest and building their own societies. They too plundered the plantations or set fire to them.

The so-called Marroon or Bushnegro societies grew so strong that they forced the colonial power to enter into negotiations and conclude peace treaties. Despite these, it remained violent, until the abolition of slavery. Descendants of the Marroons (30 000)—now called Bushnegroes—live in villages in the interior. They still maintain their own traditions, laws, language and pride.

The EDF has recently been able to contribute to the welfare of these two original groups in Suriname's mixed population.

Medical care in the interior: the *medische zending*

Born out of the initiative of Catholic and Protestant churches, medical care

is provided for both the Indians and the Bushnegroes. Having started as three institutions working separately among the inland people, the work of these institutions is now being co-ordinated by the *medische zending* (medical mission).

This organization's first task was to find a way to reach the very dispersed population as effectively as possible. The interior has been divided into six areas and each is provided with a regional hospital or polyclinic from which a doctor conducts and supervizes the medical work. Airstrips near each hospital or polyclinic facilitate the supply of medicine and, in case of need, can be used to transport patients to a town hospital.

First-aid posts have been built and equipped in each area. They are manned by trained local personnel directly supervised by a nurse from the regional hospital or polyclinic. Contact is maintained by radio.

The *medische zending* permanently employs more than 150 people, includ-

ing seven doctors and sixteen qualified nurses. Their work is not limited to curing disease—they also try to prevent disease by giving medical advice and conducting vaccination campaigns.

The EDF contribution

In one Indian and three Bushnegro villages the EDF has recently financed a project for the improvement of medical care. Given the nature of this particular project, a large diversity of activities have been financed, ranging from the renovation of existing polyclinics, to the construction of new houses; from the supply of a four-wheel-drive ambulance, to laying an airstrip; from the supply of microscopes and forceps, to that of a mowing machine. Although at first sight not related to medical science, the mowing machine is part of the standard medical equipment in Suriname's interior: it is used to cut the grass on the airstrip and thus guarantees the doctors a happy landing.

This project has certainly not been the most important one financed by the EDF in Suriname. However, it has been a very instructive one. Amongst the many other things it shows is the fact that—however, differently they may grow up—Indian and Bushnegro babies will be brought into this world with the help of the same type of forceps!

o L.M.



One of the regional hospitals for the Amerindians and Bushnegroes living in Suriname's forest interior



Airstrips near each hospital and polyclinic facilitate the supply of medicine and, in case of need, can be used to transport patients to a town hospital

(*) Adviser at the EEC Commission delegation in Paramaribo.

Thought, word and deed

Looking at the big problems facing the African countries today, it is clear that one of the main reasons why answers are difficult is that there are no proper analyses to give us a better grasp of the situation. This is just the opposite of what should be happening if real progress is to be made.

Take some of the main African areas of concern and see to what extent the failure to conceptualize aims and define means leads to inefficiency and paralysis, because the action taken is not coherent or stringent enough. It is also the absence of unity of thought which makes the continent's positions on certain economic situations and international problems so precarious, as the following examples show.

Economic development has always been the main aim of the policies implemented and considerable sums of money and energy have gone into it over more than 20 years. But there is a paradox here. Why did hunger grow so rapidly in these countries over the same period, even in those where everything pointed to the development of large agro-industrial nations with vast surpluses? Since René Dumont sounded the alarm with his well-known *L'Afrique Noire est mal partie* in the early 1960s, in which his only mistake was being right too early, everyone has been looking at the facts but without, in Africa, sufficiently analysing them and thinking enough about the real root causes of failure. The energy crisis that began in 1973-1974 is increasingly seen as the reason for the long deterioration of the economies of both developed and underdeveloped countries. Yet, for the Third World and the industrialized nations, soaring oil prices are not the basic reason for the slump. They are only the first consequence of a crisis in the functioning and aged structures of the economic system. So what the African states need to know is how to organize and restructure their development, while in the throes of a crisis that looks more durable and far-reaching than anyone imagined. The Africans themselves should make the thorough analyses that will enable them to understand the problem and its particular repercussions on their continent and this should precede, or go hand-in-hand with, international aid. One of the economic enigmas of Africa is why, in many countries with good land, agricultural production goes on dropping from year to year. Survival and progress in the countries of Africa will depend on their ability to design and promote the sort of development that is in line with their real, or potential, means and with any international contributions that come to complement them.

Cooperation, even only as a complement, is certainly still a necessity. Without it, the Third World would be in an even more dramatic situation. But, as the last few years have shown, the underdeveloped countries are constantly anxious about the widening gap between what the rich countries say they will do and what they actually do. And then there are the growing problems of adapting cooperation structures to their specific needs. In this field of development aid as in others, some basic thinking needs to be done in the African countries. It should be based on simple findings—that, for example, the main international organizations specializing in economic and political cooperation with the Third World were neither designed nor inspired nor set up by, or with any practical help from, the underdeveloped countries. And that these organizations cannot introduce any innovations in their Third World development schemes without coming up against financial and political constraints generated by their own organic structures and the ideas that the donor countries have about progress in the underdeveloped countries. There is further food for thought here. It could explain some of the problems the Africans are faced with, help them be better organized and get international development assistance moving along different lines.

Another thing, and an important one, to which thought should be given is the ultimate aim of development. Progress is indivisible from dignity and justice for all. Freedom and justice for all nations, groups and individuals will not be generated by economic development alone. History shows that freedom and justice have always preceded and engendered economic advancement, for creative genius, that factor of development, is born of full enjoyment of these fundamental rights. The creative spirit spreads, irresistibly, in space and in time, as Japan so eloquently showed. And progress in all the countries of Europe is not just due to their individual success—some of them were carried along in the wake of others. And the same will be true of Africa if the conditions in which the people can express their creative and inventive talents are re-established, particularly in South Africa. A racist enclave on the continent is a deep wound in the side of all the countries in their great drive to achieve economic and social development and build a progressive society. As French President François Mitterrand said, we have to break the only link that exists between the world of genuine freedom and an oppressive power and "fight injustice in all its forms".

LUCIEN PAGNI

European women in paid employment

Their perception of discrimination at work

This text is a summary of a study carried out in nine of the ten countries of the European Community at the request of the Committee of the European Parliament on women's rights.

An identical questionnaire of some thirty questions was used, in June and July 1980, to interview representative samples of women in paid employment, aged 15 and over (3 392 in total), who were personally interviewed in their homes by professional interviewers. The criterion used for selecting the sample was that the women received a wage, regardless of the type of employment. Consequently, the sample does not include unemployed women nor those who were currently seeking work, nor the self-employed.

The study was conducted by nine specialist institutes; the practitioners of the "European Omnibus Survey", under the general coordination of Helene Riffault, director-general of "Faits et Opinions" in Paris.

This report, which was written by Helene Riffault, in no way binds the institutions of the Community (1).

30 million women

The task of those who devote their efforts to the struggle for equality at work between men and women is not an easy one.

If the 30 million European women in paid employment are, in theory, concerned about the problem, it is not yet evident that the consciousness of them all has been awakened.

We can estimate that there is a hard core of women in paid employment, representing about 13%, who have personal experience of discrimination and who think that women are at a disadvantage at their place of work compared with men on most factors: salary, getting employment, promotion, training, etc. (2). It is important to remember that this 13% represents almost four million people; thus, this is far from an insignificant minority.

An equally significant number of women who have not personally experienced discrimination think that women are at a disadvantage on most counts at work.

The rest, the largest group, state that they are not aware of any differences between men and women at work.

Why are the majority of women in paid employment not more militant? Undoubtedly, there is an important background of tradition; this is a viable explanation, but it cannot be substantiated in a scientific way. However, two important findings which emerge from the results of the current study should be mentioned here.

On the one hand, a large proportion (one third) of jobs for women are in government or public administration; these jobs, particularly in those connected with education, generate less discrimination than other fields; this is confirmed by all the findings in this report. On the other hand, there are

many women who work in an all-female environment and, because of this, have no experience of, and perhaps even lack of understanding of, what it is like to be in competition with men in a working environment. It is clear that when this competitive atmosphere exists—and it does for more than half of all women in paid employment—awareness of discrimination is much more common.

Perception of discrimination

In what areas do women feel most strongly at a disadvantage? In rank order: first, in salary levels, next in opportunities for promotion, then in the opportunity for in-service training. It is only to be expected that the idea of salaries would come to mind first; the disparity between men and women's salaries has long been the subject of numerous articles and features in the press; equally women are aware of this disparity through their family circumstances; finally, in periods of economic strife the topic of salaries is always the most frequently mentioned area of dissatisfaction, irrespective of context.

But the study also reveals a heightened level of awareness of discrimination in the sphere of promotion and its corollary, in-service training. Furthermore, it shows, for the first time, and shows quite clearly that in the eyes of those women actually faced with a situation of competition with men, inequality in the sphere of promotion is a more sensitive point than the disparity between salaries; it is fair to add that, in many cases, promotion is a necessary step on the path towards reaching a higher salary level.

Male bosses for 68 out of 100

Should it be emphasised again here that today—in 1980—68 out of every 100 women in paid employment have a man as their immediate superior at work? Leaving aside the all-female working environments, it is in about 80 per cent of cases that the immediate superior is a man.

The often complacently held stereotype of what are called difficult relationships between women at work is of little substance; the study shows conclusively that women in paid employment, whose immediate superior is a woman, are often less discriminated against than are other women at work,

(2) In an earlier European survey (see "European Men and Women 1978") a related question was asked both of working men and women: "Do you think that being (a man) (a woman) has been more of an advantage or disadvantage in your working life?"

	Men's replies	Women's replies
More of an advantage	63 %	38 %
More of a disadvantage	3 %	13 %
No difference	34 %	49 %
	100 %	100 %

We cannot fail to notice the striking similarity of the results of the current study with those of the survey which was conducted two years ago.

(1) Supplement no. 5 to "Women of Europe", EEC/DGX, Information for women's organizations and press.

irrespective of the sex of their colleagues: women alone or both women and men and irrespective of the area of discrimination under observation.

Is it possible from the data of this study to identify in sociological terms an under-privileged group, suffering from most of the handicaps—poor education, lack of training, job without responsibility, low wages and who are, at

the same time, aware of discrimination at work? No, for the situation is not as simple as that.

The vast majority of women in paid employment seem to be strongly involved in their work; even among those doing ordinary jobs, the majority think that their job carries some responsibility and this is so among the less educated and even among those

at the lowest income levels. Moreover, the sense of being under-employed with regard to their abilities—not a widespread feeling—seems strongly linked to the sociological factors measured in the study; at most, it is possible to identify a slightly lower level of satisfaction among the youngest of the women in paid employment.

Level of satisfaction

Previous surveys have shown that the level of satisfaction of women at work is almost as high as that of men; more precisely, to the question "If you had enough money to live comfortably without working, would you still work?" a clear majority responded in the affirmative (3). In fact, it is clear from a great number of studies that, in respect of opinions and value systems, women who work hold attitudes which are midway between those of women who do not work and those of men. From a sociological point of view, it seems that work intrinsically reduces the distance between men and women.

In contrast, the analysis of the data suggests the importance of psychological variables in the attitudes of women towards discrimination. There are only a few available indicators, but they are convincing. On one hand, the women who, more than any others, feel themselves to be the victims of discrimination are widows and divorcees, that is, those women who also have problems in areas other than work. On the other hand, it seems that attitudes towards discrimination are linked to the actual level of professional ambition women have. For example, among those women who have a limited level of education, those who are the most bitter are not those who are completely lacking in qualifications, but the women who have obtained some form of qualification as a result of their studies; the qualifications created raised expectations which have not been realized.

Discrimination in the area of promotion is a sensitive point for many women and the most sensitive for those with considerable further education; here again, it is the gap between the desired level and the daily reality that creates the bitterness.

It would be rash to try to conclude that this research is in any way definitive, given that from the first lines of this report it was qualified as being exploratory. It is to be hoped that every reader, male or female, can find in it some food for thought. ○



Photo London Pict. Serv. - EEC

Although they have specific skills such as in electronics (photo), women are often the first ones hit by unemployment.

(3) European Men and Women in 1978, page 86.

Books about Europe

EUROPEAN DOCUMENTATION — **The social policy of the European Community** — 51 pp — BFR 40 — £ 0.65 — 1981

The first section of this booklet describes the origins of social policy in the treaties establishing the three Communities. It describes the far-reaching rapid progress made in the 1950s and 1960s when per capita gross domestic product doubled in real terms.

The second section deals with changes in the Community's social policy during the 1970s.

This is followed by an explanation of the social action programme and the way in which it is being implemented. The programme is far from being complete.

Future prospects are far from rosy with the jobless total passing the 7 million mark in the Community in 1980.

Will the combined efforts of the member states and the European Community be up to the demands of the European Community be up to the demands of the situation?

This brochure is published in six languages.

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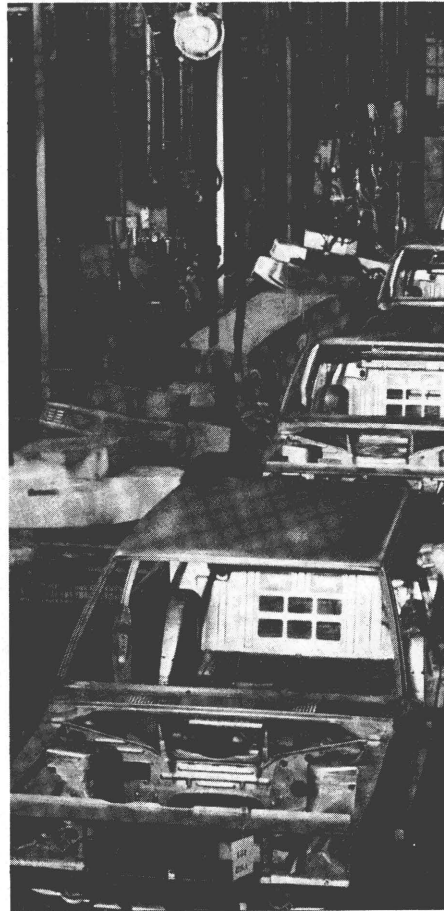
European Communities Who's Who — Editions Delta — 2nd edition 1981-82 — 500 pages — BFR 1950 — 1981

Alone of its kind as a work of reference, the *European Communities and other European Organizations Who's Who* includes biographical details of those who are building today's Europe and preparing tomorrow's: politicians, senior officials of the main European organizations, accredited diplomats, leading figures in the private and public bodies which are helping to build Europe (European movements, professional associations set up at Community level, etc.). The complementary work to the European Communities Yearbook (*bilingual English-French*).

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Daniel T. JONES — **Maturity and Crisis in the European Car Industry: Structural change and public policy** (1981, 121 pages, £ 4) — Giovanni DOSI — **Technical Change and Survival: Europe's semiconductor industry** (1981, 103 pages, £ 4), Sussex European Papers no. 8 and 9, The University of Sussex — Sussex European Research Centre (Brighton BN1 9 RG).

The Sussex European Research Centre, whose director is Mr François Duchêne, has devoted a multinational research project to the international implications of industrial adjustment in the major European countries. The project covered ten industrial sectors and four countries. The first two studies, one on the car industry and the other on the semiconductor industry, have been published in a new series, "Industrial Adjustment and Policy". The authors did not confine themselves to analysing the structures of industries and government policies, but also elaborated different scenarios of future development.



Car-assembly line at Fiat

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'Antonino PITRONE — **The EEC GSP Scheme in the '80s**, Preface by W. Haferkamp, European News Agency — Agence Européenne d'Informations (46 Av. Albert-Elisabeth, B1040 Brussels), 1981, 307 pages + Annexes (150

pages) + appendix (300 pages), Price: 12 600 FBR

Mr Pitrone, a European Commission official who has already written books on the Community generalized preferences scheme, has updated this study which gives a historical picture of generalized preferences, explains and clarifies the texts of regulations and decisions. It evaluates the effects of generalized preferences for the first 10 years of their application and reviews the systems of other countries. A 300-page appendix contains all the regulations in force.

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Jacques PONCIN — **Le Soleil, énergie de l'espoir (The sun — power of hope)** — Rossel Edition — 168 pages — Bfrs 290 — 1980

Some people see solar energy as more than a pipedream, the miracle answer. Some people look down on it, thinking that it will not work in countries where it rains all the time. This book, which avoids polemics, is for all those who are truly interested in finding out exactly what they can expect from the sun and how it can be achieved. It is an attempt to tell as wide a public as possible just how much hope solar energy holds out.

The author, 31-year old Jacques Poncin, holds a degree in political and social science from the University of Liege. Since 1970, he has been on *Le Soir*, the Belgian daily newspaper, specializing in problems of the environment, energy, science and technology. His articles, particularly a series of reports on solar energy in the USA, won him the Glaxo prize for science in 1979.

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Stanley HENIG — **Political parties in the European Community** published for the Policy Studies Institute by George Allen & Unwin, 1 Castle Lane, London, SW1 6DR — £ 5.95 — 1980

When the first direct European elections were held in June 1979 to the enlarged European Parliament, a new dimension was given to European politics. But the average citizen could be forgiven if he found confusing the number of different parties which were contesting those elections across the continent. The ordinary man in the street in any European country knows little about the politics in neighbouring states. Even someone who follows Eu-

ropean politics with interest might find it difficult to describe the exact difference between a German and French socialist, a Dutch and Italian liberal or a British conservative and a Belgian christian democrat. This book will be of use to the latter because it analyses, country by country, the philosophy, organization and membership of the main political parties in the nine member countries of the EEC. (The book was written before Greece became a member of the Community).

Although the editor is British, (and a former member of parliament) the contributors are multinational. Of particular use are the two chapters on the emergence of transnational parties which the existence of the EEC and in particular the election of the European Parliament, has stimulated.

The book is essentially an updating of an earlier work published under the title "European Political Parties". The evolution of politics in Europe both at national and Community level is such that frequent updatings of this useful book will be necessary in future.

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Guy MICHAUD — Edmond MARC — **Vers une science des civilisations? (Towards a science of civilisations?)** — Editions Complexe, 24, rue de Bosnie, 1060, Brussels — 240 pages — 1981 — BFR 426

Human science has been changing for 30 years now. Some subjects, history, anthropology and sociology, for example, have completely revised their ideas and methods and new subjects, systems analysis, semiology, prospective studies and so on, have been born. And everyone has woken up to the unified nature of their fields of study and begun to cooperate and work along interdisciplinary lines so that, today, societies can be seen in all their complexity, with all their interactions as both the subject and the object of history.

So there is a new challenge facing human science. It has to look at each civilization and each culture as a single unit, while situating it in a general analysis of the evolution of the planet.

This work is based on the idea that a science of civilizations, considered as whole moving units, is now possible. But it is essentially didactic and practical in aim, based on long educational experience—which has been clarified and confirmed by recent developments in human science. The authors propose a model which both describes, explains and forecasts, providing a series of keys that open doors the different lev-

els and many dimensions of the civilization itself and to its relations with the rest of the world.

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J.W. BOTKIN, M. ELMANDJRA and M. MALITZA — **On ne finit pas d'apprendre (You never stop learning)** — Pergamon Press — 179 pages — BFR 488 — 1980

This is the first report to the Club of Rome by a team of authors from the Third World, socialist countries and the west. It looks at the great problems of our planet (energy, communications, cultural identity and the arms race) from a different angle, centring its analysis on the human element instead of emphasizing the material constraints on growth. This is because man and his ability to learn, rather than material resources, are the keys to the future of the world.

Particular importance is attached to the concept of society's awareness. How can a society learn to cope with an energy crisis? Can it decipher the energy environment or understand how paths may stay open or only lead to closed doors? Can it set up the necessary institutions and create the laws and standards which are required if we are to face up to increasing demand while supply is on the wane? The dangers of too putting much faith in salutary shock are fully revealed. The authors propose to replace it by forward-looking, participatory learning. It all depends on the central question of whether mankind can move from the sort of learning that involves unconscious adaptation on to something that is based on conscious anticipation.

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Charles ZORGBIBE — **La Méditerranée sans les Grands? (The Mediterranean without the great powers?)** — Editions Presses Universitaires de France, 108, bvd St.-Germain, 75006, Paris — 169 pages — BFR 377 — 1980

Spices and the British Empire yesterday. Oil today. For economic and strategic reasons, the Mediterranean corridor has remained a vital and vulnerable communications channel.

But is it really of strategic importance in this age of intercontinental rockets? In the event of a world war, which would last a day or two at the outside, no part of the globe would be vital and considerations about commercial vessels and submarines are pointless. However, there is still the possibility of limited conventional warfare, where the great powers fight for influence,

preparing for or preventing large-scale nuclear warfare. In this case, the Mediterranean would still be important.

The author discusses the idea of refusing to accept blocs and excluding the great powers and then goes on to make various proposals on security and cooperation in the Mediterranean. What is needed is greater naval representation in the area, a negotiated reduction in tension and a development strategy.

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Jean-Marie BEAUVAIS and Jean-Philippe PILLET — **Transports et Energie: nouveaux enjeux (Transport and energy — more at stake)** — Enertrans, 18-20 rue de Presles, 75016 Paris — FF 50 — 1981

Goods and passenger traffic has trebled, five times as many families have cars as they did 25 years ago, the economy has expanded and our standard of living has risen in an unprecedented manner. Never have so many Europeans travelled so far and so often. And it is all thanks to plentiful supplies of cheap oil. And the result? — 80 % of the passenger traffic is carried by two means of transport which are 100 % dependent on oil—of which France has to import 99 % of its supplies.

In a changing world, the economic and demographic environment is going to put a brake on French growth. The consumer society is on its last legs and the production apparatus needs to be adapted. And the transport system will not escape. Far from it.

We must release ourselves from oil, develop more economical ways of life and restrict mobility. Such are the three imperatives outlined by Jean-Marie Beauvais and Jean-Philippe Pillet. All forms of transport are concerned and every kind of journey—by users and owners, by transporters and businessmen and by city-dwellers and country folk.

Mr Beauvais, a 31-year old doctor of economics, is the author of a book on the social costs of transport in Paris (*Economica*, 1978) and Mr Pillet, who is 27, is also a doctor of economics and an author (*Energy saving in transport* — Enertrans, 1980).

This remarkable little book is recommended to all those concerned with the problems of energy, relations between the industrialized countries and the Third World and, more simply, with the everyday issue of transport in our big urban centres.

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Shipping

There are a number of facts about ACP trade which makes sea transport of crucial importance. Firstly a very small proportion of ACP exports go to neighbouring ACP countries. Secondly most of their exports are bulky cash crops or primary products which are destined for other continents. Neither air freight nor land transport can cope with this trade; the only possibility is the sea. Thirdly because of their present level of economic development, ACP imports are made up of bulky machinery and construction material originating in industrialized countries, and shipping is the main way of bringing in these essential imports.

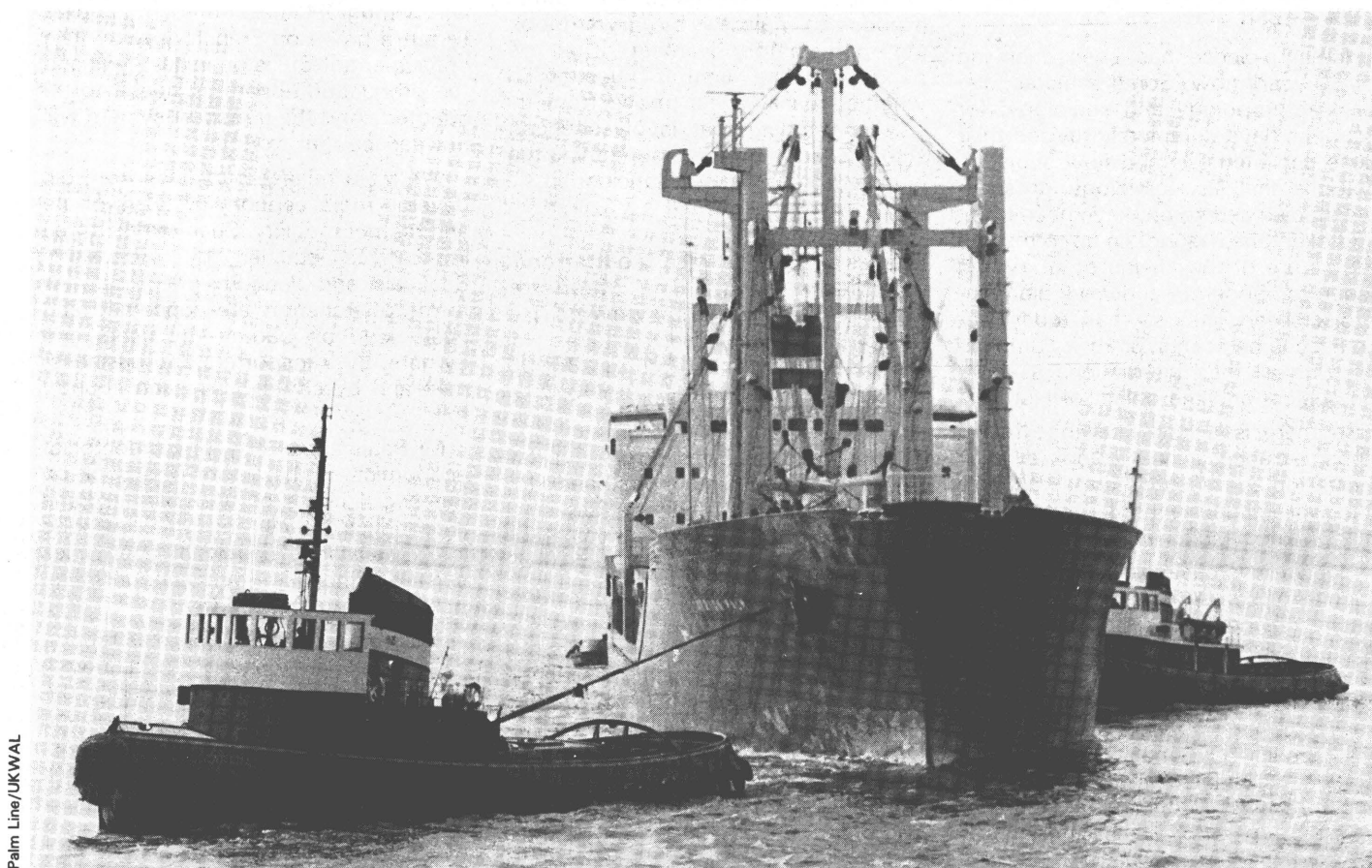
As a result, the developing countries take a keen interest in how the shipping business is run and want a greater share in it than they currently hold. But the cost of building up a merchant fleet is high. Nevertheless UNCTAD

has set a target in its code of conduct for shipping between any two areas of 40% for the ships of both sides, plus 20% for third parties. This has become known as the 40:40:20 code and is obviously of interest to developing countries because it would be they who would benefit most from such a change.

There are, however, many other preoccupations in international shipping, among them the role of flags of convenience, bulk shipping, financing for fleets and port development, manpower and the regularity and cost of services.

There is differing emphasis placed on many of these issues by those involved in the shipping business, as our dossier shows, but there can be no dispute about the importance of a healthy shipping industry to international trade and development. ◦

The "Africa Palm" under tow



Palm Line/UKWAL

International shipping: Confrontation or cooperation?

by Balt HELDRING (*)

In entering a statement on ocean shipping as an annex to the Lomé Convention of 31 October 1979 (Lomé II), it was made clear by the contracting parties that there was reason, also in this field, to get down to business with each other.

The joint declaration starts with:

"The Contracting Parties recognize that the harmonious development of efficient and reliable shipping services on economically satisfactory terms should accompany the development and promotion of trade between the ACP States and the Community."

In the previous decade, and in a wider context, a continuous confrontation, had taken place, particularly in the field of liner shipping. The countries of the Group of 77 had aimed at a greater share of this sort of carriage, especially in respect of their own imports and exports. Initially, the South American countries demonstrated this desire, followed later by many countries which are now ACP members. They generally experienced, however, some opposition from the fleets of the developed countries which traditionally covered those areas, often in the framework of shipping conferences.

A conference is an association of shipping companies which have agreed on the application of the same tariff on a defined trade route between two areas, each consisting of one or more countries. Often the conference members have also agreed on the traffic shares which each of them will have in the trade and so a "pool" is born. The sharing will then be based on the performance — in sailings or volume of cargo carried — of the individual lines before the pool was formed.

Generally, conferences are "closed". This does not mean that no other line can enter, but it means a restriction of the membership if the existing members find that otherwise nobody will have much of a share. By entering into contracts with shippers the conference rests assured of a certain volume of cargo, a certainty which is needed to be able to invest and to replace tonnage for the trade.

Independent of the conference the "outsiders" are active; they compete with the conference lines by offering rates which are often just below those of the conference. The shipper who agrees with the conference to use a conference line for all his cargo to be shipped to the area covered in the agreement, the "loyalty agreement", will also benefit from an abatement of the tariff. If he has a lot of cargo to ship to a large number of destinations, it may be more advantageous for him to remain loyal to the conference, even if outsiders would offer him greater reductions for transport to some destinations.

Some conferences became powerful groups and relations with their shippers were close. It is clear that the Less Developed Countries (LDC's), which wanted to build a fleet themselves, met with problems to break through the system. They usually had recourse to cargo reservation and other forms of preference for their own flag, which generally ap-

peared to be very successful. Not only did they obtain membership of conferences but, in addition, at an accelerated rate, a considerable share in the trade.

There were, nevertheless, some companies from traditionally maritime countries which prevented the application of cargo reservation measures by seeking co-operation. There is on record the case of the Dutch shipping company, which actually assisted in the building of two South American lines by transfer of "know-how", commercial assistance in Europe and their introduction and support in the conference concerned. The whole process became more gradual and natural, without abrupt and trade spoiling measures of flag discrimination.

Exactly such harmful effects of trade spoiling made the developing countries which applied cargo reservation (sometimes up to 70%) pause. It is, of course, not difficult to reserve say 50% for one's own flag, but if the trade partner does the same and other pairs of countries follow that example, there can be no longer any question of economic operations. A ship under the flag of country A would no longer be able to pick up cargo in the neighbouring country C (i.e. as a cross-trader) and carry such cargo across the ocean to trade partner B.

In practice the shipping lines of the traditionally maritime countries found they were losing revenue because they were not allowed to touch some cargo offered to them by shippers in their home ports. The uncertainty about the various legislations (differing from each other, particularly in respect of the actual percentage of the cargo reserved) increased. Shippers began to complain.

Finally a compromise was reached, because it was not in the interest of the group of 77 either to create a chaotic situation. The compromise entailed a cargo sharing on the basis of the 40:40:20 key:

- the national lines of two countries trading with each other participate equally in the carriage;
- lines from third countries, the "cross-traders", are allowed to carry a significant share, such as 20%.

In practice this means that the shipper has a greater choice than between the national lines of two countries only.

This became the heart of the UN Liner Code (called by its protagonists "a liberal measure in an increasingly illiberal world") which was also to contain various chapters concerning the relations between conferences and shippers. These provisions were particularly meant to give shippers more insight into the behaviour of conferences, which, on the other hand, had already showed much more openness towards their European customers.

The Liner Code, adopted in 1974, is not in force yet. But since the EEC countries took it upon themselves after years of internal negotiations, to ratify the Code Convention, there will be sufficient "weight" to cross the threshold of entry into force probably early in 1982. The EEC countries agreed, however, that their own lines would redistribute the cargoes to be allocated to them in accordance with the Code, on the basis of commercial criteria. And within the OECD the whole

(*) Mr Heldring is an official in the EEC Commission's transport directorate general (DGVII).

cargo sharing will not be applied unless other OECD partners which will ratify the Code, agree, which is probable. The LDC's, though, will have the guarantee that they can exercise as third flag lines the rights accorded to them under the Code. In the joint declaration on shipping, annexed to the Lomé II Convention, EEC and ACP countries have agreed to make the Liner Code the basis of their future relations in the field of liner shipping.

The great advantage of the code is the possibility of accomplishing a world-wide regime in liner shipping, whereby everybody knows where he stands: investments can be planned in the certainty that lines from countries which accepted the Code, will not appropriate a larger share than 40% against the will of other interested parties.

The redistribution between neighbouring countries in a range, such as between EEC countries, has also been developed at the other end of the trade routes. Thus a balanced development is achieved, whereby the lines are explicitly allowed, according to the Code, to make a reasonable profit to finance further investments.

Joint services

The co-operation — between developed and developing countries — in lines shipping, already referred to above, has also grown in the form of *joint-services* ultimately leading to a further redistribution and a further reduction of the irrational effects of cargo reservation.

Some LDC's, i.e. those which are important cargo producing countries, have built such big fleets during the past decade that the worlds "developing country" would not seem applicable any longer. Such countries as Singapore, India and Brazil have fleets which are four times as big as those of Belgium, Australia and Portugal and ten times as big as those of Canada and New Zealand. The last two countries are more interested in regular, reliable and not too expensive transport connections for their imports and exports (sometimes with legal control) than in the building of a fleet which would be in a position to carry 40% or 50% of their own trade. And particularly to maintain the freight rates at an acceptable level, so essential for overseas imports and

exports, these countries could not accept the rigid cargo sharing provisions of the code.

The Liner Code, which gives the LDC's a certain share, was necessary to stimulate changes in conference policy, i.e. an awareness that they would have to be more open to the national lines of developing countries. There would be room, in a growing world economy, for a more balanced division, even if this would mean a smaller share. By the introduction of "promotional freight rates" the conference will often be able to stimulate the export of a certain commodity, so it will help to widen its own market.

It was possible, with the rationalization process which started at the same time thanks to technological developments (multi-purpose ships, containerization, etc.), to operate in a viable way in spite of the reduced cargo shares without straining the level of the freight rates. The above-mentioned regional redistribution has assumed great proportions and co-operation between companies from North and South is underway.

Problems in bulk shipping

Anyhow, liner shipping is typified by regularity of traffic flows, one of the reasons why liners from LDC's could take up the gauntlet against the conferences. In *bulk* shipping, however, the situation is different, both in the dry bulk sector and in tanker operations.

The supply of cargo in those trades fluctuates continuously as does the country of origin, because of different harvests, political developments, etc.

The relation between demand and supply in bulk shipping is extremely unpredictable and therefore full of risks. There is a need for maximum flexibility, which would be lost if rigid cargo sharing were to be applied, because contrary to liner shipping, bulk carriers are supposed to be deployed wherever in the world there is cargo available at a rate convenient for the shipowner and the owner of the commodity. The shipowner's rate can be attractive because his ship has just delivered cargo in a neighbouring country. How irrational it would be if the cargo were not available because of its reservation for a ship flying another flag, but sailing at the

The "Apapa Palm" at Kiel in Germany. Shipping is by definition international but to what extent can it become the object of international cooperation between industrialized and developing countries?



Photo Malcolm Granfield - UKWAL

other end of the earth, or for a ship under the national flag, but without the prospect of return cargo (there being no return cargo in the country of destination).

Even if cargo sharing were applied, for the time being, in the regular oil trade between two countries only, ships of a third country excluded, this would have a disastrous effect on the spot market (about 25 % of the whole market), since most third flag carriers would not risk being dependent on the spot market only.

Thus a monopoly of only a few companies could be expected as an end result.

In the trades where no regularity exists and where voyages in ballast need to be kept as short as possible, the smooth flow of raw materials, important for both importing and exporting countries, could be jeopardized by a cargo sharing scheme and the costs of transport would increase to the detriment of the producers of the commodities themselves.

The barriers which existed in the liner sector do not exist in the bulk trades. In contrast to liner shipping there are no such price-fixing groups as the conferences, which by their size and by the use of effective loyalty agreements were in a position to retard the progress of new-comers in the trade. In bulk shipping everybody who seriously wants to do so can participate in the competition, provided he has sufficient financial resources, know-how and man-power. If he wants to get out, he can quickly dispose of his ship on the second-hand market.

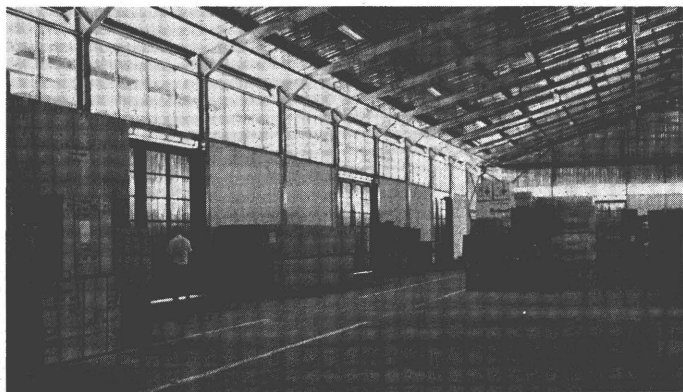
In the way described above, such developing countries as India, Singapore, South Korea, Hong Kong and Brazil entered the bulk trades. Rigid cargo sharing would completely undo the success of some of these countries.

Other LDC's have established their priorities in a different way or restricted themselves to a partial self-provision of general cargo transport only. This is not because they could not rely on cargo sharing in bulk shipping, but because they saw no reason to carry their exports of bulk cargo with their own tonnage and hence the need for finding employment for those ships on the risky and volatile charter-market as far as the transport for third parties is concerned.

The thesis that the joint LDC's own not more than 8 % of the world's tanker and bulk fleet, but export 90 % of the tanker cargo and one third of the dry bulk goods is based on the axiom that there are obstacles to entering the bulk trades.

But those who use this argument seem to overlook the fact that many LDC's establish other priorities. These priorities may well change towards bulk shipping, if they had such financial resources, man-power or know-how. The latter is regularly offered by European shipping companies, but such

The EEC is already helping a number of ACP countries with their sea transport infrastructure, an example is this warehouse in the port of Paramaribo, Suriname



B.W. Smith - UKWAL

Loading bulk timber

offers are not always entertained. There are various reasons for this:

- the LDC concerned lacks the financial resources, the man-power or the organization of a national shipping industry;
- the LDC concerned pins its faith more on co-operation with another developing country, which is more advanced itself in bulk operations.

The latter reason is a matter of political judgement, but the former is a matter which may eventually be solved with the assistance of governments of developed countries or an international organization such as the European Community. Even the need for man-power could be met: ship's officers from developed countries and company experts are already in the service of shipping companies of LDC's often on a temporary basis.

And it is here that the statement mentioned in the beginning of this article, the annex to the Lomé II Convention, means such a challenge, in particular vis-à-vis those developing countries which want to build a national fleet, be it a liner or a bulk fleet:

- studies aimed at improving the shipping services so as to meet the actual and future needs of international trade, especially between ACP States and the Community, as well as between the ACP States themselves, on the best possible terms and conditions;
- the setting up and extension of shipping companies of the ACP States and, the encouragement of ACP-EEC joint ventures in the field of shipping;
- provision of technical assistance in maritime training, in shipping policies, maritime law, export and import matters, documentation, marine insurance, etc.;
- provisions of feasibility studies and technical assistance aimed at the improvement of the efficiency of ports of the ACP States, and the appraisal of projects for harbours and shipyards.

Along those lines, and maintaining the market mechanism in the bulk trades, a contribution could be made, together with the assistance offered by European shipping companies, to the development of a national fleet of those countries which would so wish, or to larger participation in joint-ventures, in the form of bigger operational units with mutual interchangeability.

In the foregoing an endeavour has been made to describe the basic problems which existed and still exist between developed and developing countries in their maritime relations. In a following article we will go deeper into the question to what extent EEC and ACP countries may cooperate in finding solutions to these problems. ○ B.H.

Shipping from the UNCTAD viewpoint

by R.A. RAMSEY (*)

Shipping has always been a vital aspect of development. Developing countries must have some participation in shipping if they are to influence the freight rates which can strangle their potential for exports and inflate the costs of imported goods. Participation in shipping is also essential if they are to obtain reasonable benefits from the production, marketing and distribution of their goods, especially in cases where vertically-integrated operations have been set up for the benefit of their trading partners.

Considered within the general context of development, participation in shipping offers developing countries an opportunity to diversify their economies, earn foreign exchange, and to participate in the profits, especially as developing countries are able to supply the shipboard labour which the traditional maritime countries can no longer supply economically.

Up to the present time international shipping has been completely dominated by the developed market economy

(1) Chief of shipping section, UNCTAD shipping division.

countries and their transnational corporations (TNCs) — the latter operating many of their vessels under flags of open registry countries ("flags of convenience") on account of the cost and scarcity of seafarers in their home countries. Flags of convenience provide the TNCs with a device whereby they can gain all the advantages of using shipboard labour from developing countries, while maintaining ownership and control of shipping operations in their own hands.

The table for 1978 (the latest year for which full cargo figures are available) shows the extent to which the different groups of countries participate in world shipping in relation to their roles in generating the cargoes that fill the ships. The table shows clearly that the developed market economy countries are carrying far more cargo than they generate while the developing countries are carrying far less.

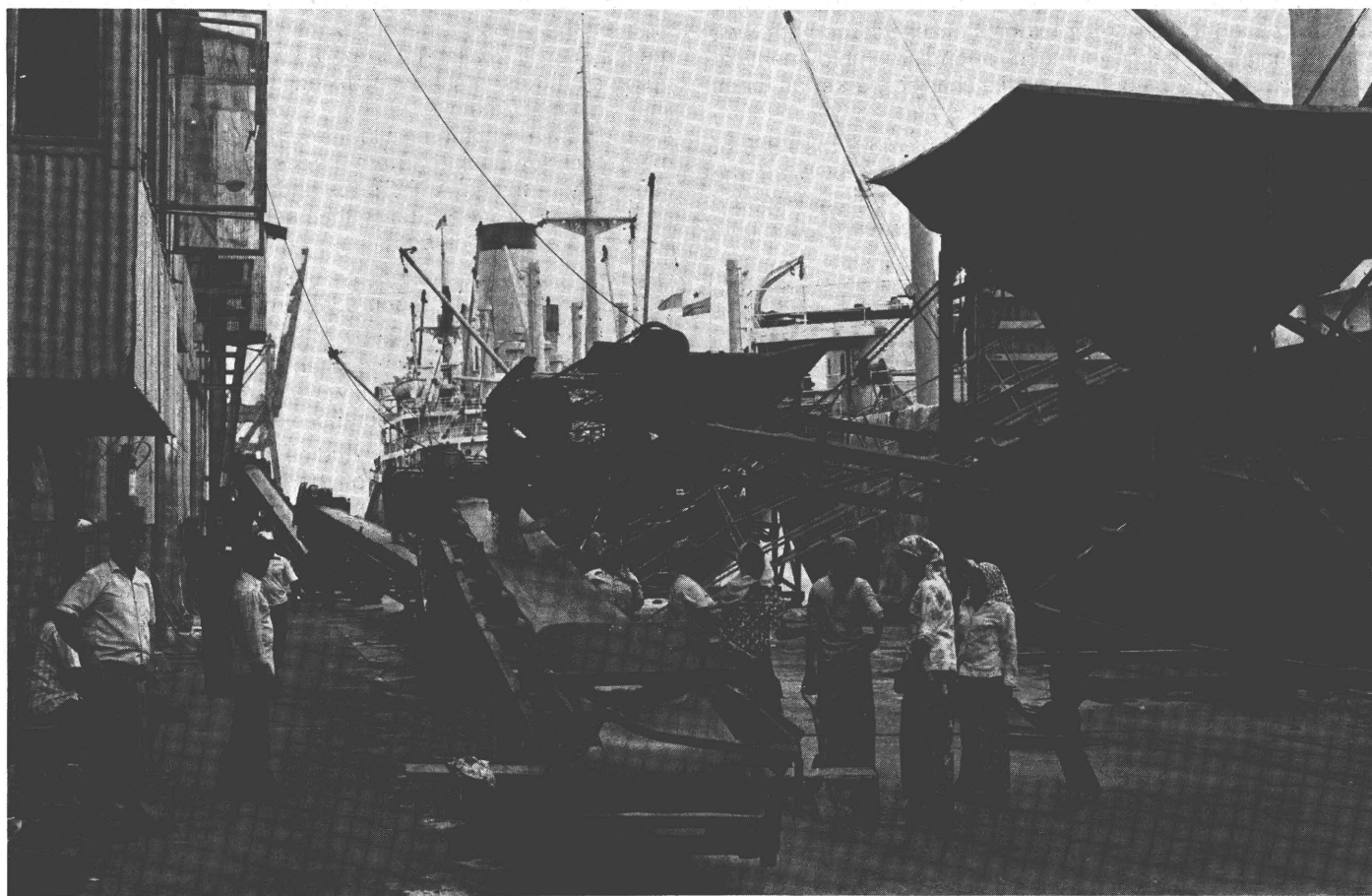
Three objectives

Within UNCTAD action to increase the participation of developing countries is taking place on three broad fronts: in the liner sector, in the bulk sector, and in relation to flags of convenience.

In the liner sector problems are on the verge of being solved by the United Nations Code of Conduct for Liner Conferences which will shortly enter into force. The Code will guarantee recognition of the rights of developing countries to participate in their own liner trades, and at the same time provide a formal framework for consultations between liner

A Panamanian ship in the port of Kelang, Malaysia.

The use of flags of convenience and their impact on the Third World is one of the preoccupations of UNCTAD



Comparison between cargo turnover and fleet ownership - 1978

	Goods loaded and unloaded (million tons)		Total of goods loaded/unloaded (million tons)	Dwt of merchant fleet (million tons)	Percentages	
	Loaded	Unloaded			World cargo turn-over	World merchant fleet
Developed market-economy and open registry countries	1 207	2 558	3 765	560.4	53.2	84.5
Socialist countries of Eastern Europe and Asia	244	201	445	43.0	6.3	6.5
Developing countries	2 300	765	2 865	56.9	40.5	8.6
World total, including unallocated tonnage	3 350	3 525	7 075	662.8	100	100

Source: UNCTAD: 'Review of Maritime Transport, 1980.

operators and shippers with regard to the fixing of freight rates.

Bulk cargoes

In the bulk sector area the participation of developing countries has been particularly low, as has been their participation in the profits which result from vertically-integrated operations based on the export of their bulk materials. Despite the fact that developing countries account for 90 per cent of bulk liquid exports and over one-third of the major dry bulk exports, at mid-1980 they owned only 8 per cent of the dwt tonnage of the world fleet of tankers and bulk carriers — which is only marginally more than the percentage they owned at the beginning of the decade. Increased participation in bulk shipping would represent a logical avenue for development since it would represent a move into downstream activities for many developing countries.

In 1979 the 5th Conference of UNCTAD adopted resolution 120 (V) which recommends the application of several principles — and in particular the 'equitable participation' by the national lines of the trading countries in cases where there is a regular bulk traffic between a pair of exporting and importing countries. The same resolution also requested the UNCTAD secretariat to investigate the controls exercised by TNCs over bulk cargo movements.

Until recently the traditional maritime countries were maintaining that the bulk markets were completely open, and hence that there were no barriers to entry by the bulk fleets of developing countries. Fortunately since the ninth session of the UNCTAD shipping committee (held in September 1980) there is now a more accurate realization of the true position. The ninth session was a turning point insofar as it was generally recognized that the bulk trades might not be as free as formerly supposed.

The Committee requested UNCTAD to convene a group of experts to draw up a questionnaire which has now been submitted to major importers and exporters of bulk commodities — in particular iron ore, phosphate and bauxite/alumina. The replies — which the group will review at the end of this year — are expected to throw considerable light on bulk operations, and this will assist the Committee on Shipping in formulating further policies.

Open registry fleets

The flag-of-convenience issue is also of relevance in considering the low participation of developing countries in

world shipping. Apart from arguments relating to the generation of cargo, developing countries also have valid claim to a greater participation in worldwide bulk shipping because they are the countries which are providing much of the shipboard labour used on flag-of-convenience tankers and bulk carriers. Shipboard labour costs constitute the most critical reason for operating vessels under flags of convenience and the developing countries have therefore valid grounds for asking the industrial countries to let them take over some of the shipping activities which they can no longer perform under their own flags economically.

In February 1978 an Intergovernmental working group already reached the unanimous conclusion that the expansion of open registry fleets has adversely affected the expansion of other fleets, including those of developing countries.

Subsequently the Committee on Shipping met in May/June 1981 to consider the whole issue, as well as a report which the secretariat had been requested to prepare on certain specific aspects such as the accountability of open registry owners, and the application of safety and social standards by these owners as compared to owners under other flags.

The secretariat's report reached the conclusion that while there are owners who apply proper standards regardless of the flags under which they operate, open registration does indeed create favourable conditions for irresponsible owners to neglect standards since they can conceal their identities and can avoid legal action by the flag state because they reside outside its jurisdiction. The report concluded that there is a need for tightening the conditions on which countries can accept ships on their registers.

By majority vote of 49 to 18, with 3 abstentions, the committee recommended a process of tightening the conditions under which open registry vessels retain or accept vessels on their registers, and called for the setting up of an intergovernmental preparatory group to prepare for an international agreement on the basic principles concerning the conditions on which ships should be accepted on national shipping registers. It is expected that a general tightening of conditions would ultimately lead to a transfer of a significant tonnage of open registry vessels to the registries of developing countries which can supply the shipboard labour.

Altogether it is expected that UNCTAD's activities in the three sectors will greatly assist the developing countries to reach the 20 % target which they had set for their share of world tonnage in the third development decade. ○ R.A.R.

Ministerial conference on maritime transport

A framework for permanent cooperation among African countries

by Méma SOUMAHORO ⁽¹⁾

The ministerial conference, which speaks on behalf of the countries of the region (2), started in Abidjan in May 1975. The first historic meeting was called at the initiative of President Félix Houphouët Boigny, of Ivory Coast. The dual aim of the meeting, which was attended by representatives of 17 countries, was to do something about soaring shipping rates and to lay the foundations for a joint regional shipping strategy in the medium and long term.

In April 1975, when the economic crisis, caused by the sharp rise in oil prices, and persistent inflation shook the whole world, the shipping companies from the industrialized countries took a unilateral decision to apply increases of between 25 % and 30 % to the price of freight carried to and

from the countries of West Africa. This was an arbitrary decision which caused shipping prices to soar and penalized the fragile economies of our sub-region, neutralizing all the planning policies and campaigns to promote external trade.

The first conference was both an undeniable success and a source of encouragement for the future. After three days of discussion, in fact, the participants, who had unshakeable faith in their common destiny, drafted and adopted a number of solutions to the maritime problems of the region in the short, medium and long term.

One immediate step was to ask UKWAL (United Kingdom West African Lines), which combined companies serving West Africa and the United Kingdom, to suspend immediate application of the general price increase that was already being applied. Other maritime conferences were asked to postpone application of the increases and the member countries were asked only to apply negotiated freight prices.

A regional negotiating committee was set up to establish an immediate dialogue with the maritime conferences with a view to arranging fairer freight prices that would be easier for the African economies to pay. This committee comprised representatives from Ghana, Nigeria and Zaïre and was chaired by Ivory Coast.

In the medium and the long term, the countries involved were invited to sign and ratify the maritime conference code of conduct which encourages the development of merchant navies in the young countries. The conference has drafted, adopted and submitted a shipping charter for west and central Africa for ratification. This is a real and permanent framework for coherent, global, and continuous cooperation between the countries involved in shipping (shippers, national navigation companies, ports, maritime training and research).

Thanks to the determination of the regional negotiating committee, the general increases announced before the

(1) Head of cabinet, ministry of maritime affairs.

(2) Ministerial conference on maritime transport — States of central and western Africa. *Members:* Angola, Benin, Cameroon, Cape Verde, Ivory Coast, Congo, Gabon, Gambia, Ghana, Guinea-Conakry, Equatorial Guinea, Guinea-Bissau, Upper-Volta, Liberia, Mali, Mauritania, Niger, Nigeria, CAR, Sao Tomé, Senegal, Sierra Leone, Chad, Togo, Zaïre.

The opening ceremony of the 5th and most recent session of the ministerial conference on maritime transport was held in Libreville on 2 July 1981. Gabonese premier, Léon Mebiame (2nd from right) was in the chair. Left to right are John Walla (in white), secretary-general of the conference, Georges Rawiri, first deputy prime minister for transport and the merchant navy and current chairman of the conference, and Adrien Senghor (far right), then Senegalese minister for equipment and chairman of the 4th conference



Abidjan conference was held have been brought down from 30% to 13.6% for the Continent West African Conference (COWAC), which serves Africa and the countries of Europe, from 25% to 12.5% for the Mediterranean-African organization, (OTRAMA) and the Italian West African Conference (IWAC). IWAC and OTRAMA merged to form MEWAC in 1978. If it is assumed that a 1% increase on 1974 figures represents an average loss of CFAF 4 000 million for the sub-region, then the global saving achieved by our countries was CFAF 58 000 million in 1975.

Between May 1975 and July 1981, the regional negotiating committee, the spearhead of the ministerial conference on maritime transport, saved the sub-region CFAF 446 500 000 000 in tariff concessions — a sum that would otherwise have had to be paid out to cover increases decided by the foreign shippers.

So the threat of the European, Asian and American conferences to transfer the harmful effects of the 1974-1975 world crisis to our countries forced states from Mauritania down to Angola to wake up to the common nature of their national interests and to devise a joint strategy whereby

they could wage an effective battle against the rising tide of shipping costs.

Conference structures

The supreme body of this regional maritime institution, which currently comprises 25 countries, is the ministerial conference of the states of west and central Africa, which holds an ordinary session once a year. It is chaired by the relevant minister of the host country until the following meeting is held. The conference approves the results of work, adopts resolutions, lays down general guidelines and defines schemes. Since 2 July this year, the conference has been chaired by Georges Rawiri, first vice-premier of Gabon, who is also responsible for transport and the merchant navy.

The secretariat, which has been operating since October 1979, has to implement resolutions, organize discussion and the activities of the specialized bodies and represent the conference in regional and international meetings, under the authority of the conference chairman. The secretary-general

What happened at previous sessions

After Abidjan, there was a second maritime conference, on developing African commercial fleets, on 18-21 February 1976 in Douala (Cameroon). This session marked the institutionalization of the conference and the regionalization of the Accra nautical college for English-speaking countries and the academies of nautical science and technology in Abidjan for French-speaking countries. The Douala conference also decided to expand the negotiating committee to include Cameroon, Senegal, Gabon and Chad (replaced by Upper Volta, as representative of the landlocked states, in January 1979), bringing the number of members up to eight.

Accra, the capital of Ghana, hosted the third conference on 23-26 February 1977. The main topic of discussion here was the development of African commercial fleets. The meeting encouraged the conclusion of cooperation agreements between the national shipping companies of the sub-region, invited the maritime conferences to open their doors to African shippers, decided on retaliatory measures against foreign shippers which failed to respect the aspirations of its member countries, recommended improvements to ongoing schemes for landlocked countries and approved the conventions on the institutionalization of the ministerial conference and its various specialized bodies.

The fourth conference was held in Dakar (Senegal) on 17-21 January 1978. The main topic under discussion here was regional cooperation in the shipping sector and the meeting provided the opportunity for the countries of the sub-region to take stock of how far they had gone with practical cooperation in African shipping and to denounce the manoeuvres aimed at revising the code of conduct of maritime conferences before it took effect. It also reiterated its invitation to its members to set up shippers' councils and to strengthen solidarity and cooperation among African shipowners. It adopted retaliatory measures against UKWAL, the British conference, the American West Africa Freight Conference (AWAFC), and the Far East West African Conference of Japan (FEWAC). The session also decided to set up the headquarters of its secretariat-general in Abidjan, as a tribute to the decisive

role played by President Houphouët-Boigny in making the countries of the sub-region aware of the dangers of a foreign-controlled maritime sector for the economies of our countries and in trying to make shippers in our area introduce fairer and more human conditions that are more in line with a balanced view of international economic relations.

The first extraordinary session of the ministerial conference on maritime transport was held in Dakar on 16-19 October 1979. On this occasion, the secretary-general was appointed and it proved possible to harmonize members' positions on the African transport decade after the Addis Ababa conference and on UNCTAD V (Manila, May-June 1979), which came out in favour of ratification and entry into effect of the maritime conference code of conduct.

The fifth and most recent session of the conference was held in Libreville (Gabon) on 2-6 July 1981. The subject on this occasion was the Third World's share of transport of goods in bulk — the case of western and central Africa. This was again a chance for the conference to boost its cooperation and thus to achieve the aims outlined by COMBAT as regards a fairer distribution of economic activity in the world.

This combined effort and solidarity on the part of the members of the organizations led to the forcing of uncooperative maritime conferences of UKWAL, AWAFC and FEWAC to negotiate with the regional negotiating committee of the ministerial conference. The work of the negotiating committee led to preferential tariffs being obtained for certain of our so-called sensitive imports and exports and to a stand being made against the conferences quoting their prices in US dollars. In addition, a rational formula for negotiations was devised and assistance was obtained from an independent accountant — which led the maritime conferences to stop suggesting fanciful price increases. The regional committee also managed to get the principle from the code of conduct respected, so that the time that elapsed between two general or special increases in freight costs was a year at least.

Freight costs in central and western Africa tend to be higher than they are in the rest of the world. In 1975, for example, palm oil from the region was exported to the common market at the rate of \$45 per t, whereas Malaysian oil, which had further to go, was sold at \$25. ○



John Salomon Walla, former head of Cameroon's merchant navy, who has been secretary-general of the conference since October 1979

is assisted by two directors. The first person to hold the post was John Salomon Walla, one-time head of the Cameroonian merchant navy, who was appointed in Dakar in October 1979. The ministerial conference of west and central African states has three subsidiary bodies.

The first of these is the union of shippers' councils, which is aimed at defining a joint platform and looking into all the problems of freight and shipping with a view to providing better support for our external economic relations.

The regional negotiating committee, which comprises representatives from the shippers' councils, is currently the driving force behind the conference and the reason for its many successes in its drive to promote all the economies of the sub-region by regular and significant reductions in shipping costs and in the outflow of strong currencies which foreign shipowners demand of the developing countries. The committee, chaired by Ivory Coast, comprises representatives from Ghana, Nigeria, Zaire, Cameroon, Gabon and Upper Volta.

The second specialized institution is the association of African shippers, which works for fruitful cooperation, harmonizes the way their vessels are utilized and the development policies of their fleets and has studies run on the type of ships that are suitable for transporting our products at the lowest possible rates.

The west and central African port management association, which was started in 1972 and integrated with the structures of the ministerial conference in February 1977, is the third specialized body. The aim here is to harmonize investment and equipment policies and port dredging programmes in the sub-region.

The lack of control over shipping contributes to upsetting the balance of payments in our countries, puts our export and import goods in an uncompetitive position and accentuates the deterioration in the terms of trade.

This is why the countries of the sub-region are displaying cohesion, determination and a desire for solidarity in an attempt to make the ministerial conference a powerful organ of cooperation and collaboration that will encourage the expansion and consolidation of the economic independence of Africa. Alongside this, they are also working tirelessly to hasten the arrival of a better balanced international maritime order, an integral part of the new international economic order, something that all countries concerned with justice are hoping and striving for — for the greater good of all mankind. ○ M.S.

Financing in international shipping ⁽¹⁾

Many different modes of financing ships have been developed. The most common form is still the *ship mortgage loan*. Usually repayment periods differ; with mortgage loans they can run from 5 to 8 years, but they can also be only 12 or 18 months where a second-hand vessel is concerned and is due for a fourth survey. The amount of the loan can vary from the classical first mortgage loan of 50% of cost up to 80% of cost or market value, depending on the security or the guarantees which are given in addition to the mortgage on the ships.

There is no question that bankers react favourably when a standard ship such as the British SD 14 or the Japanese Freedom is offered by an owner as security for a bank loan. These ships are built for a general purpose and have proven track records in the market. On the other hand, for specialized ships there is often a very limited market.

For the banks it is of major importance how the vessel will be employed. Ideally, the borrower can offer a full pay-out time charter or bareboat charter. In addition, the borrower should have financial strength, a good reputation, and proven operating abilities.

The ship mortgage loan as a means of financing has often been used by owners from the Western industrialized countries for the purchase of new as well as of second-hand ships. Owners from developing countries have made less use of the maritime mortgage, or, to put it more accurately, have not been able to make such use of it. The main reasons are:

- the first mortgage is not above 60% of the value of the ship, the borrower has to get the balance elsewhere. However, the borrower of such a country usually lacks the funds necessary to finance the balance between the loan and the price of the vessel;
- the reimbursement time is considered too short, i.e. the half-yearly instalments are too high;
- there is the question of the borrowing currency as well as the respective interest rate. The risk involved in the choice of the currency is documented by a recently published Japanese shipping paper. The study compared the theoretical best with the worst choices of currency for the equivalent of a \$3 million loan over the last three-year period. "The average interest rate for the full period was 9.36 per cent per annum for Euro-dollars, 4.68 per cent for Deutschmarks, 1.95 per cent for Swiss Francs and 4.75 per cent per annum for Euro-Yen. The loan was repayable semi-annually over the three years and interest payable quarterly. The principal repayment results were: Borrowings in Euro-dollars, \$3 million; borrowings in Deutschmarks, \$3.6 million; borrowings in Euro-Yen, \$3.7 million and borrowings in Swiss Francs, \$4.3 million. Total interest paid: \$134,000 in Swiss Francs, \$251,000 in Deutschmarks, \$271,000 in Euro-Yen and \$424,000 in Euro-dollars." (2) As can be

(1) This article is taken from a paper prepared by the Institute of Shipping Economics, Bremen, Germany, for the International Chamber of Commerce (ICC) conference in Caracas, Venezuela, 7-10 september 1981. It is one of a series of maritime studies published by the ICC, 38 Cours Albert 1^{er}, 75008, Paris, France, whom we thank for their permission to reproduce.

(2) Revell, M.D., "Fixed-rate long-term finance from institution funds", in *Asian Shipping*, April 1981.

seen, the currency with the highest interest rate turned out to be the least expensive;

— finally, there is the problem of fluctuating interest rates. As a rule the borrowing bank is not able to offer interest rates which are fixed for the whole loan period. In case of rising interest rates which are passed on to the borrower this may result in big financial problems to the shipping company.

The latter problems of course affect not only owners from developing countries but also owners from industrial countries. However, the weaker the company's situation the heavier the possible difficulties.

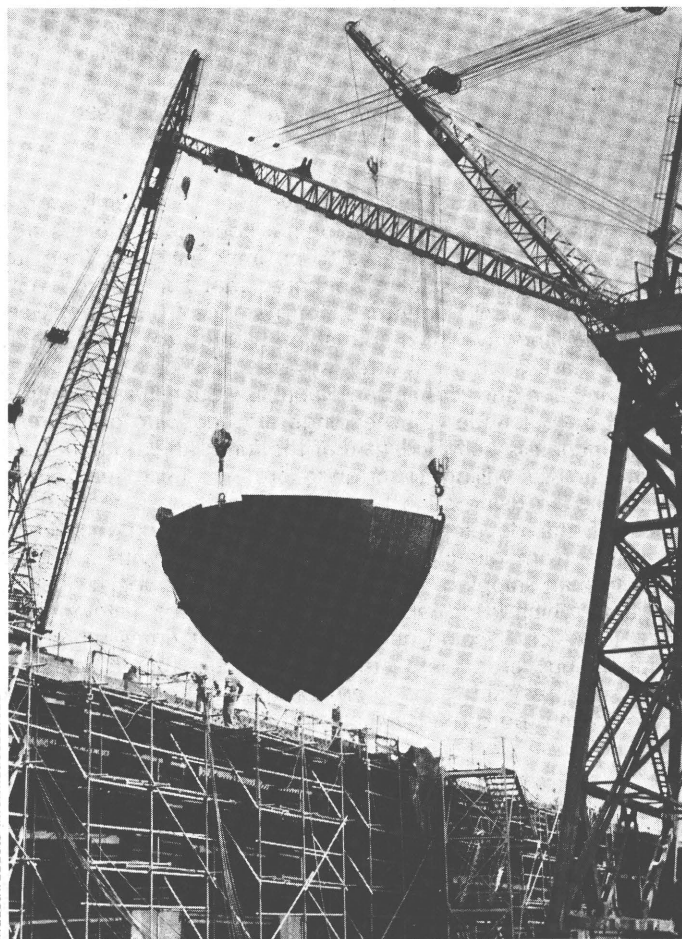
What is likely to change in the 1980s? A considerable number of shipping bankers hold the view that the conventional ship mortgage will decline in importance as the key instrument in obtaining finance by shipping companies. In the international shipping industry the trend is to a concentration of ownership in the hands of a small number of conglomerates.

Replacing ship mortgages

Anthony Renouf of *Seatrade* refers in an article to a banker with direct experience of shipping company mergers on a large scale who predicted "that where, in 1980, the world's 10 biggest shipowners had barely 5-7% of the world fleet, in 1990 they would have 35-40%".

Thus corporate finance (as well as project financing) will replace the ship mortgage as the key instrument: "the single shipowner of former days will give way to the corporate treasurer who, himself, may know nothing of the shipping industry, but knows how to present the requisite financial

Ships being built at Odense in Denmark. But where can developing countries get the finance to buy them?



information, neatly tailored, to the large international banks".

Another aspect of future ship financing by banks is the endeavour of the developing countries to obtain a proportionately far greater share of ocean-going tonnage. Michael D. Revell of the Marine Midland Bank, who spoke at Europort 79, highlighted the likely influence of the UNCTAD provisions. According to Revell the loan period to be agreed by a bank with an owner engaged in trades likely to come under pressure for significant changes in the flag/ownership balance should not exceed five years unless the loan is to an owner in a developing country. He said that this constraint is an acceptance of artificial rather than economic forces.

The main problems arising from traditional financing by shipping loans have already been discussed. The solution of three of them — the very short repayment period, the very high interest rates, and the fluctuating interest rates — could lie in attracting longterm funds.

The sources of such funds are primarily the large insurance companies and pension funds. These institutional funds have to be invested on an ongoing basis. So far, investments in shipping enterprises have been regarded as doubtful and dangerous. It should be the task of the shipping industry to convince a prospective institutional lender that the shipping business is just as safe and profitable as any other outlet for their funds. To achieve this goal, however, the shipping enterprises must modify their financial structure and conform to the conventional requirements, including adequate financial reporting and supply of information. This makes great demands and not all owners will be able to cope with them.

Another difficulty is the fact that institutional funds normally are not invested abroad whereas shipping is a totally international business. When the question is put as to the possibilities of developing countries to attract institutional term funds, the answer must be discouraging. They will hardly have any possibility.

The role the banks can play is either "to package transactions in the normal way but, rather than the actual funds, provide guarantees or letters of credit to the lending institution" or "to use its expertise to negotiate the terms and document the deal as agent for the institution" (3).

Alternative to purchase

An alternative to purchasing a vessel is leasing. The advantages are among others the possibility of a 100% financing, the availability of longer terms, and a superior cash flow for the lessee, i.e. the repayments in the early years are lower and normally not subject to fluctuation as a result of movements in interest rates. A disadvantage is that leasing is commonly considered as an expensive alternative to purchasing. However, the exact cost of a lease can only be determined when the individual tax position of the lessee is examined. Furthermore, because of different tax laws, a lease may prove advantageous in one country and unfavourable in another country. An additional but more emotional disadvantage is the fact that ownership of the asset never rests with the lessee. Many leasing agreements can, however, provide for the lessee to acquire ownership on the expiry of the lease.

Considering the financial situation of shipowners from developing countries leasing could be, at the first glance, a real alternative for acquiring and using an asset. However, what might be an emotional barrier to Western operators — the fact of not being the owner of the vessel — is a political barrier elsewhere. Generally, the flag corresponds to owner-

(3) Revell, M.D.

ship. A vessel flying a foreign flag can contribute little or nothing to the development of the local merchant fleet.

Acquiring ships by shipyard financing has lost much of its earlier significance and the stock markets can also be considered as a relatively unimportant source of finance.

For shipping companies from developing countries the stock market method of financing is no real alternative since the local markets, if at hand, are too small, and since the accessibility of international markets depends on factors which, as a rule, they cannot fulfil, i.e. creditability, an appropriate national legal framework, etc.

All financing methods discussed so far are based on commercial terms. It has been shown that on such a basis the chances for developing countries to acquire ships are very limited. Using the leasing method could be an opportunity for building up as well as for expanding their merchant marines, but here political restraints ought to be overcome. As the developing countries will not be willing to use an open-registry flag, or any other flag, they should act to provide the appropriate legal framework that makes registering of the leased vessel in their own country possible. An appropriate legal framework would pave the way for these countries not only to leasing but also to other commercial capital sources.

An example may underpin this argument. In 1960 the Greek merchant marine consisted of around 400 ships with 2 million grt. Up to early 1981 the Greek fleet increased to more than 3000 ships with 38 million grt. Certainly a number of factors are responsible for this substantial expansion. One of the most important of these factors was the introduction into the Greek shipping law of a clause (article 13 of law 2687/53) which grants the foreign creditors absolute priority of their titles ("preferred mortgage"), in preference to the Greek nation and to the Greek seamen's pension fund.

Government-supported credits

Let's turn from commercial financing to government-supported credits. Up to now there are no figures available to determine how much of the total finance transactions are government supported. But it is quite clear that government involvement plays a major role in international financing. In 1969, the OECD member countries signed the so-called consensus agreement the objective of which was to regulate internationally the terms given to export credits and to prevent a price-cutting war between the various shipbuilding countries. The current parameters for ship exports are as follows: maximum amount of loan is 80% of contract price at a rate of interest of 8% repayable by 17 instalments over 8.5 years. These terms, however, are not to be applied if the sales are directed to Third World countries.

In comparison to commercial loans the OECD consensus offers significantly better conditions to the shipping companies. However, since each member country is free to apply the consensus in a way which suits its own circumstances and since the various governments were eager to support their own shipbuilding industry a frequent appearance of different terms could be observed. W.B. Kirkpatrick of Finance for Shipping writes that "it is well known in the shipping industry that the OECD convention is now noted more for breaches of the rules than for adherence to them (and some breaches are legitimized as aid to the Third World). It is doubtful if there is any government which, either directly or indirectly, has not breached the rules..., but some have done so more overtly than others." (4). In these

circumstances, shipowners should carefully scrutinize what prices and terms are offered by the various yards and countries.

But far more generous than the OECD conditions are the terms that many maritime nations offer their domestic shipowners. The following table outlines the *domestic credit* terms offered by some major shipbuilding countries. It can be seen that the duration of the credit may extend up to 15 years, the minimum down payment may in some cases be only 10%, the interest rate being also as stipulated in the OECD Understanding, and that some more advantages, such as price subsidies and moratoriums, are offered.

Domestic credit terms offered by major maritime nations				
Country	Term years	Amount %	Interest %	Comment
Belgium	15	80	80 % à 1 % 10 % à 10 %	2 year moratorium operating subsidy
Denmark	14	80	8	4 year moratorium
Germany	12	90	Market rate 2 %	12½ price subsidy to owner
Italy	15	70	6-7	Small ships 80 % 15 % investment premium + 5.5 % over 5 years
Nether- lands				
Norway	12	80	Commercial	3 year moratorium
Spain	12	80	7	2 year moratorium
Sweden	12	70	7	30 % balance covered by interest free loan for 5 years
Japan	10	65-90	2 %-4 %	3 year moratorium
U.K.	7	70	75	No moratorium
Source: Fairplay International Shipping Weekly, February 1980.				

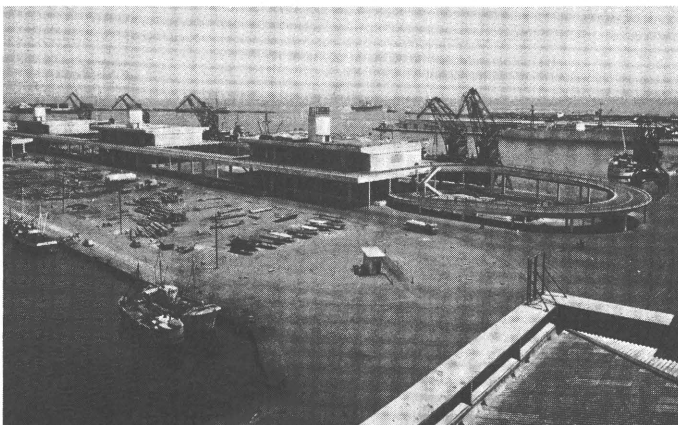
The credit terms depicted above would certainly come very close to meeting developing countries' wishes for loans. At first sight it seems to be impossible for them to get such conditions. But it appeared that such loans were granted from OECD countries, for instance from West Germany and Norway which sold ships with up to 100% credit for 15 years or more at interest rates of 2 or 3% to India, Pakistan, and the Dominican Republic. Such arrangements should be put under the headings *aid financing* or *bilateral assistance*. It is self-evident that the funds the industrialized countries are willing to arrange are not unlimited. Other restraints on using such financing schemes are the preference of the developing countries for applying the funds available from bilateral sources to projects with a higher priority than shipping, and the desire of the donor to finance projects which fitted more into his concept of development aid. However, it could be observed that at times when the shipbuilding yards were struggling fiercely for newbuilding orders the respective governments granted generous credit terms much more readily than at better times.

Shift of money

The last few years have shown a significant shift of money from the developed countries to the oil-exporting countries. This fact opens up the opportunity for the shipping industry to gain new financing sources. It should be possible for the capital-surplus oil exporters to assist the developing

(4) W.B. Kirkpatrick, "A free market in shipping finance?", in *Lloyd's List and Shipping Gazette*, 27 March 1980.

AAA Photo



The port of Dakar, Senegal

countries, for instance in a way that ARMICO — the Arab mining company — is putting into practice. The multinational pan-Arab mining house channels oil revenues into mineral projects.

Barter

Another possibility of bilateral or multilateral assistance is to acquire ships on a barter basis. Many contracts between Western countries and the Communist bloc for the sale of industrial equipment have been realized in such a way. In the shipping industry a similar case is assumed to have occurred in recent years when the People's Republic of China built up its merchant marine.

According to Richard Foody of Bank of America, Hong Kong, payment for the vessel may have been made on a partly cash and partly barter basis. However, little information on the terms of these contracts is available.

World Bank and other lending

For developing countries only there is the possibility for obtaining loans from either the World Bank group or the three regional banks (the Asian, the African, and the Inter-American Development Bank). Up to 1980, the World Bank granted loans and credits of about US \$345 million and helped thereby to finance some 1.2 million dwt of shipping tonnage.

Generally only a part of the foreign exchange cost was financed by the World Bank, the balance being met by other sources, for instance by supplier's credits. It is interesting that as of 31 December 1977, only 1% of the cumulative

World Bank lending for all purposes was directly for shipping projects.

In the last 12 years the World Bank group (including the International Development Association) increased its volume of loans by eleven times. But after 1977 no new shipping loans were granted, either directly or indirectly. And as far as it is known only very few requests from member countries have been turned down or discouraged.

George Bain of the World Bank has detailed the reasons why lending for shipping has been relatively modest. Most countries "prefer to utilize bilateral or commercial sources because such finance might be available faster or on less stringent conditions than under World Bank procedures or because alternative sources of finance, i.e. shipyard credits, may be more readily available for shipping than for other types of products. Many countries, including those wishing to expand their merchant marines, may have given low priority to shipping when requesting World Bank financing." Additionally, the World Bank "may also have concluded with the government concerned that World Bank lending could more productively be used for other types of project."

The World Bank offers soft loan conditions and the time of moratorium as well as the repayment period are specifically tailored to each project's earning period. It is thus surprising that the developing countries do not make more use of this institution.

Suggestions

Some years ago Peter Douglas from the Chase Manhattan Bank, London, made a proposal by which the World Bank could be made more attractive for shipping loans. If an arrangement could be set up under which repayment of the loan ahead of schedule would entitle the entrepreneur to draw additional credits for new vessel purchases, provided, of course, that at least 70% of the loan is being repaid, this would encourage new ventures to operate efficiently, similar to the way that privately-owned shipping companies are stimulated by operating profits.

To reduce the difficulties which developing countries experienced in building up their national fleets some proposals came up for the establishment of an international fund. For instance a fund was suggested which should absorb a proportion of the currently existing regional general purpose funds.

This new international maritime fund should then exclusively finance the developing nation's fleets. However, such proposals were met with mixed reactions, and even an UNC-TAD expert group stated that the "existing international

Ships of many flags in the port of Douala, Cameroon.

Would a single international flag help promote joint ventures in shipping?

AAA Photo



financial institutions were adequately structured to meet the needs of the developing countries." (5)

Acquiring ships by making use of export credits, of development aid and other bi- or multilateral assistance, and of credits from international financial institutions proved to be much more advantageous than by making use of commercial-term ship mortgage loans only. Most of the subsidized credits are, however, only available for new buildings. All donor governments are eager to support their own shipyard industries. If a country wishes to acquire a second-hand vessel soft loan conditions will be available only from international financial institutions. Thus financing used tonnage might turn out to be more difficult than financing new vessels.

Joint ventures

One point which has not been discussed so far but which could yield considerable opportunities for developing countries to build up their merchant fleets is to arrange a cooperation with established operators. Usually under such a cooperation arrangement, or joint venture, the established operator provides most of the capital in the initial stages as well as management and operational expertise whereas the developing country provides the manpower and the cargo. However, it would not always be easy to attract an established operator for cooperation. Most foreign management will be taken out of their hands. Furthermore, private owners are looking for undertakings which promise an optimal return on investment. And, when collecting the required capital, additional difficulties may arise for the private shipping company because the commercial banks will insist on more collateral if the vessels are to be registered in a developing country.

To reduce the problems just described and to secure a standardized basis some shipping experts proposed to introduce a single world flag or an IMCO flag which should facilitate international cooperation. The problem arising again is that the developing countries would be forced to use a flag other than their own. And as already mentioned they will most probably not be willing to do that.

Quite apart from this aspect, however, joint ventures and partnerships give the chance to obtain shipping investments on a commercial basis and to reduce growing government interference. In the long run joint ventures should turn out to be the best way to balance the various shipping interests and also to preserve as much as possible of a functioning market mechanism.

The possibilities described in this paper for acquiring ships should not be seen separately. In many cases optimal financing will be achieved by a mixture of different methods. The special problems developing countries are confronted with in financing can be summed up as follows:

- lack of feasibility studies,
- lack of an appropriate national legal framework,
- lack of secure employment or access to cargoes, and
- lack of confidence in the operational ability.

These points are outlined in an UNCTAD publication already cited. But there is an additional point which should be attached to this list:

- lack of willingness of the developing countries to use a flag other than their own.

It will not be possible to solve these problems in the short term. But with all parties involved in international shipping acting in good faith, practicable solutions should be found.

(5) UNCTAD, Report of the group of experts on improved methods of financing ship acquisition by developing countries, TD/B/C.4/179, July 1978.

Maintaining technical standards at sea

by Elspeth PARKES (*)

There was a time when a man could decide to become a shipowner. He could buy himself a ship, find a captain, a crew and a cargo and with no more ado he was in business. Whether he stayed there is another matter but in any event that time is very, very long ago. Shipping today is subject to all sorts of internationally agreed checks, as well as many national constraints, and intending shipowners, whether government or private, should know the technical standards with which their ships will almost certainly have to comply, and where they can look for help in meeting the problems.

What are these standards? The answer will depend, first, on the country in which the ship is registered, and second, on the areas to which it will trade. Technical levels for certain vital aspects of shipping are laid down in international conventions and those governments which have signed and ratified a particular convention have by so doing committed themselves to ensuring that its standards are maintained on ships registered with them. They have likewise committed the owners of these ships.

The principal Conventions are:

International Convention on Load Lines, 1966

The marking on ships of the draught to which they may safely be loaded was the subject of the first international agreements on shipping. The 1966 convention has been ratified by 95 countries but a very small number of countries still adhere to the earlier, 1930, convention. Whilst the exact positioning of the load line on individual ships is a matter of calculation, the convention includes requirements for watertightness of ships and for certain types of ships, the ability to survive damage.

International Convention on Safety of Life at Sea (SOLAS), 1974

The first (1929) convention came into force in 1932 and was almost exclusively concerned with passenger ships. It covered sub-division of the hull (into separate sections which would remain watertight if other sections were damaged), fire protection, stability, life-saving appliances and radio communications. It was followed by the 1948 convention, which came into force in 1952. This up-dated and extended the regulations for passenger ships and required every cargo ship of 500 tons gross and over to be issued with a cargo ship safety equipment certificate and every such ship of 300 tons and over to have a cargo ship safety radiotelegraphy (or telephony) certificate. In 1960 a third convention was agreed, the main feature of which was the introduction of a cargo ship safety construction certificate, entailing examination of hull, machinery and other equipment. It includes provisions for the carriage of grain. The latest, 1974, convention became effective in May, 1980 and applies in full to ships whose construction was begun on or

(*) Elspeth Parkes is an assistant secretary with Lloyd's Register of Shipping, the largest of the four EEC classification societies.

after that month. It updated the previous convention by the inclusion of many amendments which had awaited ratification, the major changes concerning standards of fire protection, detection and extinction for all ships but particularly passenger ships and tankers. The convention also invokes compliance with the Convention in the International Regulations for the Prevention of Collisions at Sea, 1972 which came into force in July, 1977.

International Convention on Tonnage Measurement of Ships, 1969

This introduced a simplified and universal method of measuring the tonnage of ships and will come into force in July, 1982. Tonnage measurement is important, for it is the basis on which fees for port dues, for example, are charged, but the coming into force of the new system will not immediately cancel the need to apply current systems which may still be required to be used for the application of safety standards laid down in the SOLAS conventions.

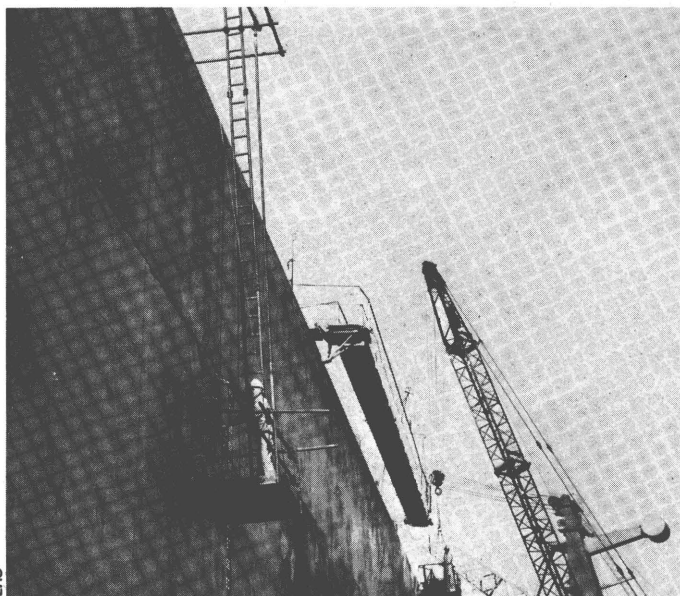
International Convention for the Prevention of Pollution from Ships (MARPOL) 1973

This follows an earlier (1954) convention and affects the design and equipment of ships intended to carry oil and chemicals and almost any ship liable to pollute by oil, chemicals, sewage or garbage. This convention was substantially modified with regard to prevention of pollution by oil by the corresponding 1978 protocol not yet in force.

The above are by no means the only requirements governing the technical aspects of international shipping. There are many others covering particular kinds of cargoes — bulk chemicals, liquefied gases — and particular areas, such as the Arctic or the territorial waters of certain countries, of international or national character. A common feature of all is regular inspection and certification, by qualified and impartial surveyors, of those aspects of the ship to which the particular convention relates.

As mentioned, enforcement of conventions is the responsibility of signatory governments for ships flying their flag ('flag state control'), but in recent years the view has been gaining ground that the governments of the countries to which ships trade should have some power to reject those which are not up to the standards they require ('port state control'). The coastal member states of the EEC are at this

A loadline survey being carried out on a large vessel in dock



Life saving equipment being checked by a Lloyds Register of Shipping surveyor

very moment considering, along with Norway, Portugal, Spain and Sweden, the introduction of measures which will compel visiting ships to meet certain standards, mostly those of the conventions.

So, faced with all these demands, as well as others relating to crew, which are not covered here, what can the intending shipowner do? One answer is that he can go to a ship classification society. Long before any national or international rules existed, these societies were brought into being by the collective efforts of all those who had an interest in ships being soundly built and maintained. Originally they actually did classify ships, according to their merits, but for many years now their prime function has been to set technical standards, to help owners to have their ships built and maintained to these standards, and to indicate to the world the exact survey conditions of each ship they inspect through a published register book. It is impossible here to describe the complex range of classification societies' current work, but, to give readers an idea, Lloyd's Register of Shipping, the largest, employs over 1650 professionally qualified surveyors, working exclusively for the society, stationed in ports throughout the world who regularly inspect over 114 million tons gross of shipping.

Only a relatively small number of governments which have ratified shipping conventions have sufficient expert staff to carry out the inspections to which they are committed, and many have delegated this function in whole or in part to the classification societies. The four EEC societies (the other three being Bureau Veritas, Germanischer Lloyd and Registro Italiano) act for over 100 governments in regard to the two major conventions (Load Line and SOLAS) and may in any one year issue up to 14 000 certificates.

The classification societies are not the only sources of marine information but they are major ones and play a dominant role in ship safety. Emergent shipowners, whether government or commercial, are well advised to find out, from them or from others, exactly what will be required of their ships. And if they want further help, they will find that the major societies at any rate provide a host of useful services. For example, Lloyd's Register, to quote the society the writer knows best, has a section which exists to help prospective buyers with specifications, tenders and supervision and has provided training for future surveyors and administrators from developing countries. It also holds unique, computerized data on the world merchant fleet.

○ E.P.

UKWAL

The role of a conference line

Much of the world's trade is carried by shipping companies which are part of conference lines. This is especially so of the trade between Britain and West Africa where over three quarters of the trade is carried by the United Kingdom West Africa Line (UKWAL), a conference of seven shipping companies which have pooled their resources to offer a regular and reliable service between the United Kingdom and the West African ports as far south as Zaire. Three of these companies are UK based, the Elder Dempster Line which has been operating to West Africa since the 1840s, the Palm Line and the Guinea Gulf Line. A Norwegian company, Leif Høegh, is also a member, but the remaining three companies are all African, the Black Star Line of Ghana, the Nigerian National Shipping Line (NNSL) and the Compagnie Maritime Zairoise (CMZ).

Each of the companies has an agreed percentage of the freight in a pooling arrangement, with Elder Dempster and the Nigerian National Shipping Line holding the lion's share. They operate a single service, unlike many other conference lines. Each month a meeting is held to decide the sailings over the following six weeks between British and Irish ports (but mainly Liverpool and London) and some 16 ports in West Africa. The line seeks to provide a number of facilities which cannot be provided by its only competitors on the routes, the small operators using leased vessels (the "outsiders"). The most obvious advantage for the frequent shipper is the regular nature of the service. This regularity has also meant that UKWAL has built up port facilities, such as separate wharfs in Lagos and elsewhere that avoid congestion and assure reliability.

Rates on UKWAL are negotiated between it and 23 African countries, and are in general higher than the small-scale

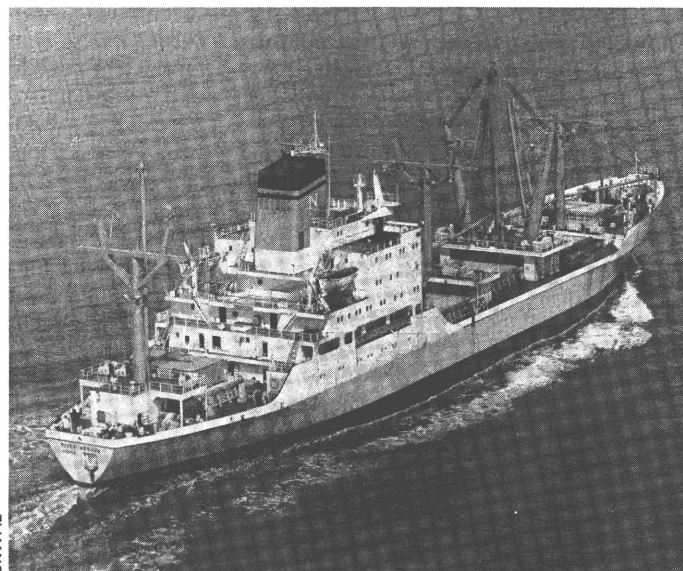
competition using leased ships. UKWAL holds its own, however, because it provides a regular service, while the small carriers come and go, taking advantage of heavy demand, but often disappearing when times return to normal. For all regular shippers, north and south on the route, UKWAL's timetables have the advantage of enabling to shipper to plan ahead in the knowledge that a ship will be in a given port at a given time and able to take his cargo. Although the seven UKWAL lines pool their resources, and share the trade on previously agreed percentages, they do not share profits. The lines compete in terms of service, turn-round times and so on, so that profits are not tied simply to the share of the trade but also to the efficiency of each lines' operations.

It is in pooling their respective resources, however, that the seven lines maximize their service to the client, and his cooperation goes beyond timetables and port facilities to include agreement on the type of vessel. The client knows what type of vessel to expect on a particular service regardless of which line is providing it. There has been a growth of containerization in the West African trade, but break-bulk shipments still account for about half of it. As a result the conference uses "combo" ships, which, as the name implies, take combined cargos; in the holds in the traditional way, and also containers. Because of its dominant place in UK-West African trade, UKWAL is also in a strong position to negotiate privileged port facilities at both ends of the route—again an attraction for clients. UKWAL has such facilities in London and Liverpool in the UK, Apapa (Lagos), Port Harcourt, Warri and Calabar in Nigeria, and Tema in Ghana.

No problem with the UNCTAD code

The development of UKWAL since its creation has been balanced between the private European companies and the three state run African lines. Nigeria began its membership of UKWAL with a tiny holding, but now accounts for about 30% of the trade. As a result UKWAL sees no problem if UNCTAD's 40:40:20 rule were applied since that is roughly the balance which already exists. UKWAL's development

The "River Kerawa" (left) of the Nigerian National Shipping Line (NNSL) one of the members of UKWAL and two UKWAL ships (right) in the port of Middlesborough, England. Both ships, one from the NNSL and the other of the Black Star Line (Ghana), are tied up at the special UKWAL wharf



has been a successful example of cooperation between African and European firms. Nor is membership closed. Zaire is the most recent member, although it only has a tiny shareholding because of the limited trade between Britain and Zaire. Other lines on the route may apply to join as long as they own and not lease their ships. Both sides benefit from the cooperation between African and European firms. The African side brings its experience of the varied local conditions in the many West African ports served, while the European side brings long experience in world shipping. For exporters on both sides the existence of the conference line allows an orderly expansion of trade.

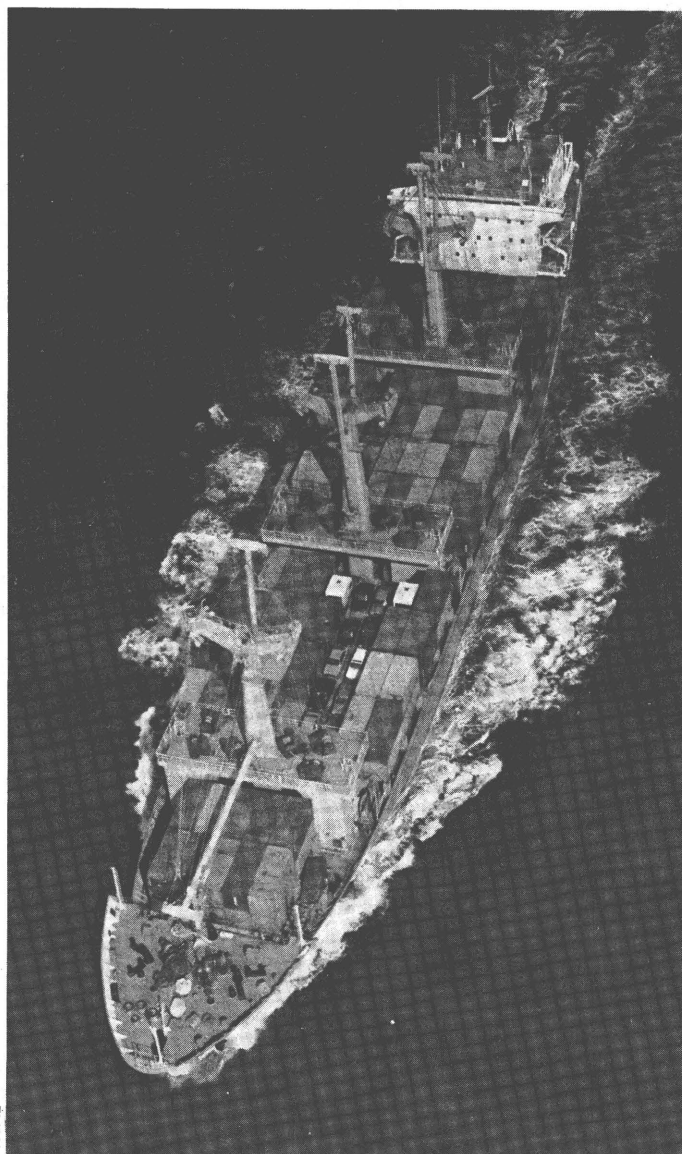
Moves to greater containerization

Almost half of UKWAL's trade is now in containers. Progress has been relatively slow because of the nature of the cargoes. Although the south-bound trade, mainly in manufactures and processed goods, is suitable for containerization, the northbound trade presents difficulties. Cocoa and coffee shipments, for example, would sweat in traditional containers, ruining the product. The imbalance in containerization between northbound and southbound trade means that many containers travel north empty. Containers are still used, however, because they provide greater security against pilfering, and speed up the ships' turn-round, cutting down port costs. The containers are also speeding up trade with the interior of West Africa. A good example is the container train service from Apapa to the new container depot at Kano. Containers packed in the UK can now go directly to Kano before being unloaded. A second container depot will open shortly at Kaduna. This new development opens up potential for exporters in the interior. One product in Nigeria which could benefit, according to African Container Express (ACE), is gum arabic.

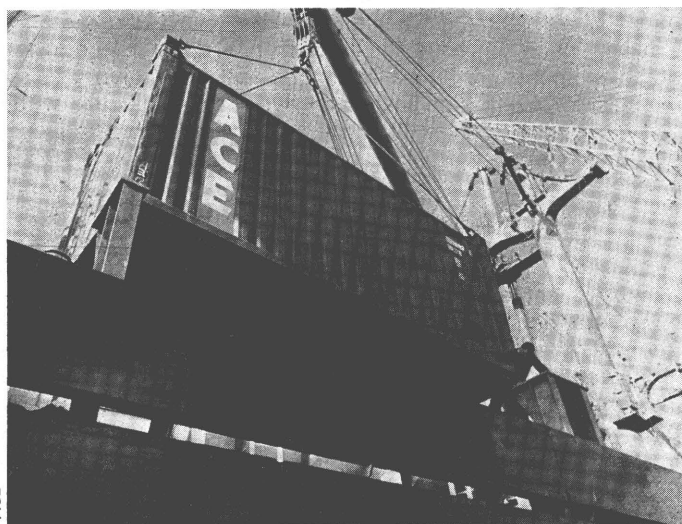
Ventilated containers

ACE has developed a new ventilated container in the last few years which is capable of carrying perishable north-bound products. Already it has 750 of them in service out of a total of some 9000 containers. African Container Express was set up by the UKWAL member lines (except CMZ) to run the container trade. It was decided to have one company working for UKWAL as a whole rather than a series of smaller companies attached to each shipping line because of the advantages size could bring. These are mainly organizational, with the movement, maintenance and cleaning of all the containers being monitored from a central computer in Liverpool. Since it began ACE has never failed to provide a container when an exporter asked for one, and this has shown the benefit of planning on such a scale. ACE also has bargaining power, again because of its size, when leasing containers.

By 1975 9000 containers a year were being shipped between the UK and Ireland and the West African ports. This year that figure will be around 30 000. With the advent of ventilated containers, more cargo can be carried in that way. However for some cargoes and some ports the traditional break-bulk method will still be used. The "combo" ships in service with UKWAL lines are flexible enough to cope with the varied demands of the trade. Currently there are about 20 sailings a month, but UKWAL is capable of increasing that should an event like the Nigerian import boom of the late 1970s recur. The monthly meeting of representatives of the seven lines to plan ahead is the cornerstone of UKWAL's ability to react speedily to the demands of the UK-West Africa trade. In normal times however, it ensures a regular and reliable service on which export-



Above a Palm Line ship loaded with containers. Below an ACE container being hoisted on board



ers, both European and African, can depend, and thereby plays an important part in ensuring smooth commercial relations between one of the major markets of the EEC and the largest regional market among the ACP. IAN PIPER

IVORY COAST

A shipping policy to promote the national economy

by Méma SOUMAHORO (*)

Ivory Coast is a liberal, outward-looking country. It imports almost all its capital goods, exports almost all its agricultural and agro-agricultural products and 90% of this trade goes by sea. So maritime transport is vital to the survival of the national economy.

Until 1975, 95% of the vessels serving Ivory Coast were foreign and they charged abusively high prices. This led to a huge outflow of foreign exchange, put a considerable brake on economic development and made local products less competitive on the international market, as transport, particularly sea freight, weighed far too heavy on the cost price of the goods.

A look at import-export shipping rates over the past few years gives a better idea of the problem:

- CFAF 25 000 000 000 in 1969
- More than CFAF 70 000 000 000 in 1974
- CFAF 75 000 000 000 in 1975
- CFAF 100 000 000 000 in 1976
- CFAF 111 000 000 000 in 1977
- CFAF 127 000 000 000 in 1978
- About CFAF 140 000 000 000 in 1980

In July 1974 the desire to reduce and control these soaring freight prices and the need to take the whole of this vital sector in hand led President Félix Houphouët-Boigny, to give the responsibility for guiding, controlling and rationalizing all shipping to a new department: the state secretariat for naval affairs (which became a ministry in March 1976). The essential aim of this ministry was and still is to get proper control of the maritime sector, in the best interest of the country, so as to promote and consolidate national economic independence.

It has involved reducing the country's dependence in the shipping sector on the outside world and getting Ivory Coast vessels to play a significant and ever-increasing role in the traffic to and from the country. It has also meant reducing freight costs.

Re-shaping maritime relations through dialogue and cooperation

Ivory Coast's maritime strategy is inspired by the international standards of the maritime conference code of conduct. It reflects a spirit of equality, reciprocity and scrupulous respect of mutual interests which underlies the new international maritime order. Ivory Coast is also constantly open to sub-regional and international cooperation, with a view to ensuring as much coherence as possible between national, regional and international aims.

This desire to harmonize activity in the sub-region led to the creation of the ministerial maritime transport conference of the states of west and central Africa, which first met in

Abidjan in May 1975, at the initiative of President Houphouët Boigny, at a time when several maritime conferences dealing with the west coast of Africa were threatening unilateral application of annual freight increases of between 25% and 30%. But thanks to the enormous strength of African unity and solidarity, the proposed increase was brought down to an acceptable level. Since then, the maritime conferences in the industrialized countries have been running annual meetings with the negotiations committee with a view to the joint fixing of new increases, after a thorough analysis of the dossiers and in the light of the legitimate interests of all the parties concerned.

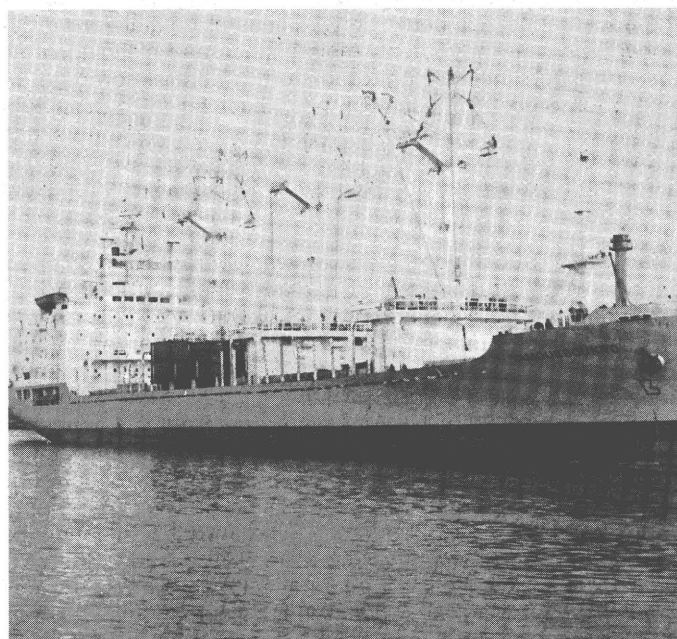
Shipping is an international activity *par excellence*, which is why the Ivory Coast's government is firmly resolved to recast its maritime relations with all its major trading partners, through dialogue and cooperation. All its relations are based on total equality and respect of mutual interests. So, pending the entry into effect of the code of conduct, Ivory Coast signed a series of maritime agreements — with Senegal on 31 March 1976, France on 12 October 1976, Germany on 13 June 1977, Belgium on 25 November 1977, Spain on 10 September 1979, Cameroon on 23 October 1979 and Italy on 25 October 1979.

These agreements, which were inspired by the code of conduct, provide for a 40/40/20 split of loads and tend to favourize the development of Ivory Coast shipping, with respect for the interests of the partners. Ivory Coast remains very attached to what is called the "freedom of the seas", but it rejects the ideas of those who try to use this as an excuse for "confiscating" the seas, as the head of state puts it, for the benefit of the traditional maritime powers alone.

The maritime strategy of Ivory Coast — means of action

The minister for naval affairs has introduced a number of things to help achieve these objectives. First, Sitram, the

The general cargo vessel Yamoussoukro, the first in Sitram's series of new acquisitions, is just what is needed for Ivory Coast. It symbolizes the country's desire to see a new and fairer international maritime order set up



(*) Head of cabinet at the Ministry for Naval Affairs, Abidjan.



Ships in the port of Abidjan. For Ivory Coast, future economic development depends heavily on the sea

Ivory Coast Shipping company, has been set up. It has 12 vessels, including eight 16 500 t container ships built in Japan and Spain. It used to be a mixed company, but it was transformed into a solely state company on 19 March 1976. Its annual turnover went up from CFAF 500 million in 1967 to CFAF 7 400 000 000 in 1976 and CFAF 21 600 000 000 in 1979 and the tonnage shifted went up from 400 000 t in 1973 to almost a million t in 1979. Sitram, which employs a staff of almost 800 (80% are nationals in the administrative and the highly skilled technical jobs), ships to Atlantic Europe and the east coast of America.

Then there is Simovar, the Ivory Coast marine navigation company (private national concerns are the majority shareholders) which has four cargo vessels, two of which are chartered. It was set up in October 1977, runs a regular service between Ivory Coast and the Mediterranean ports and has just opened a line to the far east. With its handling company, Manivoir, Simovar lost no time in becoming a dynamic, profitable and efficient firm.

The third shipping firm in Ivory Coast is SIC, the coastal trading company, which has five vessels and works between the ports in Ivory Coast and the other countries of the sub-region.

In 1980, about 20% of all external trade was shipped under the Ivory Coast flag and the figure should be 40% by 1990. As President Houphouët-Boigny, who has masterminded the country's spectacular naval expansion for independence and economic growth says: "The best way for the developing countries to have proper and lasting control of the conditions under which their freight is handled is obviously, is to build up adequate national fleets that are reliable, effective and economical".

The vital complement to the merchant fleet is the OIC, the Ivory Coast shippers office, which is one aspect of the naval policy but, most important, a first-class means of implementing, controlling and evaluating the national shipping rationalization policy. The OIC is the only body empowered to negotiate and check on the actual application of the freight price rates. It implements the measures and regulations machinery for national traffic, which are aimed at making optimal use of the merchant fleet and rationalizing shipping services in the country. It runs schemes and harmonizes and simplifies various legal and administrative formalities in the maritime sector. The head of the OIC has been chairman of the regional negotiating committee of the maritime transport conference since 1975.

In August 1977, the government set up various maritime transport structures, with a view to both lending support to and consolidating OIC activity.

The first of these structures is Sitram International Shipping Agencies (SISA), which specializes in consignment. This is a mixed company which includes Sitram and the national shipping companies of Ivory Coast's 16 main trading partners. It ensures a better rate of utilization of ships on the Atlantic run and encourages the harmonization of timetables as part of a move towards the concerted rationalization of shipping services in the country, under the discreet but watchful eye of the ICO.

The second structure is the Ivory Coast handling company (Sivom), of which Sitram holds 49% of shares. It has a staff of around 1 500 and handles 1 500-2 000 t per day, which means that Sitram can have shorter stops in Abidjan and San Pedro and the costs of port operations and of the national shipping service can be cut.

Sietrans, the Ivory Coast shipping and international logistics engineering company, advises and assists the country's major export firms with importing and exporting at the lowest costs. It also checks on the schedules and routes they use for both imports and exports, so as to improve the competitiveness of their products on the international market. Sitram holds 50% of the capital.

This drive to completely overhaul auxiliary maritime activities is properly integrated into the management and equipment policy for the ports of Abidjan and San Pedro, which are the backbone of the country's economy.

The actions and decisions of the national maritime policy, which is intended to be global, integrated and effective, need to be taken in the light of full, objective information and documentation. This need led to the setting up of an institute of maritime documentation, research and study (Idrem), which is responsible for identifying and analyzing the problems and offering advice, as well as coordinating and liaising with the national services involved with maritime activity. Idrem runs economic, financial, legal and technical studies.

The last, but not least important, way of backing up the national maritime strategy is training; a priority, as there can be no merchant navy without sailors. The idea here is to consolidate the foreign exchange earnings that the national fleet has brought in and guarantee that national shipping companies are competitive in the future.

Naval training is currently offered by the merchant naval schools in Abidjan (GEMMA) — the regional college for naval and skills, which was set up with assistance from Benin and Togo, and the higher school of navigation, which trains officers for the merchant navy.

These two schools form the nucleus of the regional academy of marine science and technology in Abidjan, which is



90 % of Ivory Coast's trade is by sea. Here wood is being floated to the port for export

scheduled to open in 1982. This academy will train managers for ships and shore duty for all the French-speaking countries of Central and West Africa. It will cost 15 000 000 000, 10 000 000 000 of which will go on buildings and 5 000 000 000 on equipment. IMCO (the Inter-Governmental Maritime Consultative Organization), the UNDP (the UN development programme), the EDF (European Development Fund), Japan, France, South Korea and Norway are contributing to the financing of this important regional centre, which will be a training ground for French-speaking marine managers from black Africa in the year 2000.

All this has led to:

- a gradual reduction in Ivory Coast's dependence on the outside world as far as shipping is concerned;
- an increasing share of shipping for Ivory Coast shippers — and a considerable reduction in the outflow of strong currency as a result;
- a clear improvement in the competitiveness of the country's export goods, as freight costs are under proper control.

As President Houphouët-Boigny put it, "the future of nations, particularly the developing ones will, to an increasing extent, be played out on and in the ocean", because the seas and oceans, which cover three quarters of the globe, contain vast biological, fish, energy and mineral resources and therefore offer a chance of survival to mankind at the very moment the threat of food and oil shortages is casting its shadow.

This is why the country's head of state has always lent his support for the drive to get proper control over external economic relations. At the same time, he is lending his support and prestige to the just cause of the new world maritime order, at both national, regional and international level, so as to speed up the vital structural changes that are necessary if international economic relations are to be fairer, better balanced and more humane. ○ M.S.

The Caribbean — regional cooperation in shipping^(*)

The move to cooperate in the field of transportation in the Commonwealth Caribbean is almost as old as the history of the regional integration movement itself. As far back as 1948, the governments of Trinidad and Tobago, Jamaica, Barbados and the Leeward and Windward Islands inaugurated a regional shipping service which is still performing an effective service to Caribbean economies.

The immediate post-war period ushered into the Commonwealth Caribbean a new awareness on the part of peoples of the region of the vast advantages to be had in sharing and pooling their limited resources in achieving specific goals. In those early days, the type of cooperative efforts which were practised were of a fairly loose nature and tended to be limited to such areas of common concern as higher education, labour and shipping. But at the same time, these budding processes of regional cooperation served as an important learning process for what was to follow later.

The first significant event to take place in the general movement towards cooperation and integration among the Caribbean countries was the establishment of the West Indies Federation in 1958.

However, unlike the present Caribbean Community, the 1958 federation was politically rather than economically motivated and came to an end in 1962. What was noteworthy though was that many of the institutions set up before and during the federal period continued to exist up to the birth of CARICOM and beyond. Important cases in point are in the University of the West Indies (UWI) and West Indies Shipping Corporation (WISCO) which represented the nuclei of West Indian cooperation after the break-up of the Federation.

CARICOM

The establishment of the Caribbean Community and Common Market (CARICOM) in 1973 represented a step further in the movement towards integration in the Commonwealth Caribbean. CARICOM did not only seek to foster free trade, but became concerned with the development of policies which involved a widening and deepening of the integration structure. There were, for example, greater moves towards sectoral and industrial cooperation and expansion of the areas covered under the rubric of functional cooperation such as transportation. There was too, a commitment towards arriving at some joint negotiating stance in the international relations of member states with extra-regional states and groupings such as the European Economic Community.

It is at this period that it may perhaps be truly said that coordinated efforts to develop comprehensive Regional air and maritime transport policies really gained momentum.

Inter-regional shipping

Because of the rapid growth of trade, the Caribbean Community has over the years recognized the need for a regular

^(*) Based on a Caricom report.

supply of shipping services both within and to and from the region. Through the pursuit of a vibrant shipping policy, the Community has endeavoured to ensure an adequate and regular supply of shipping to all member countries at minimum cost, and by means of promotional shipping rates to member States on routes which would normally be neglected if commercial considerations were the only criteria, an anti-polarization economic policy has been consciously pursued. Efforts have also been made to increase the Community's income and employment by minimizing foreign participation within the trade through regional joint import-substitution of shipping services.

Within the Caribbean Community itself, three types of shipping services tend to dominate—the government-owned inter-regional service: the West Indies Shipping Corporation (WISCO); the small vessel 'tramp' fleet and large foreign liners. So far the Community has used the West Indies Shipping Corporation as the chief means for meeting some of its shipping objectives. A glance at present CARICOM shipping resources will show that in the intra CARICOM general cargo trade, the West Indies Shipping Corporation and the small vessels account for some 75% of the trade.

History of WISCO

To some extent, the history of the West Indies Shipping Corporation reflects the vicissitudes of the whole integration movement as well as the unity of purpose and the concerted efforts which were taken to solve various problems on a regional basis.

WISCO was first established by the federal government in early 1961 with the mandate to own and operate two cargo-passenger vessels which were given to the federal government by the Canadian government for the maintenance of the regional shipping service which had been in operation since 1948. Under the West Indies Shipping Corporation Act of 1961, a federal minister with experience in trade, industry or commerce was to be appointed as the WISCO commissioner with powers to determine freight rates, level of services, the borrowing of moneys, and receiving and presenting financial accounts, reports and estimates to the federal parliament, among other responsibilities.

When the West Indies Federation was dissolved in 1962, WISCO continued its operations under the regional shipping council (RSC). Gradually, the RSC began to define policies on the provision of an overall shipping service and negotiated with ocean liners on freight rates, in addition to supervising the day to day operational matters of the corporation.

Bulk sugar transport from Barbados



The service operated by the corporation was subsidized by all participating governments because WISCO was seen to perform not only an economic service to the region, but also a social service. In a nutshell, regional governments saw the regional shipping service as providing a measure of security from service disruption in times of international crises and scarce tonnage. The service also provided some measure of price and freight rate security and control since the RSC had ultimate control over all fares and rates charged by the corporation. In effect, through its control on WISCO's rates, the RSC was able to influence independent ship-owners who tended in their rate fixing not to depart markedly from the corporation's rate. This interest of regional governments in rate control stemmed to a large extent from their interest in regional trade promotion as well as a desire to control the cost of living in their particular territories.

The advent of CARIFTA, and later CARICOM showed up certain deficiencies. Federal vessels proved to be expensive to operate and maintain, as new developments in cargo handling techniques and equipment rendered by heavy lift capability and arrangement of hatches and holds in the ships obsolete. In general, it was found that the existing framework for decision-making on matters affecting regional transportation was far from comprehensive, lacked coordination and did not clearly identify the location of responsibility for the formulation of transport policies.

In the context of the process of structural integration of the economies of the member states, it became necessary to take an integrated approach to regional transportation. Thus in 1976, the standing committee of ministers of transportation was formed and assumed the duties of the regional shipping council as well as taking over the responsibility for the creation of a coordinated regional transport policy.

Currently WISCO offers service representing some 15% of the total carryings of the Community's intra-regional trade.

WISCO is in the process of a 5-year development programme including the acquisition of larger ships in order to increase her level of carryings to at least 30% of Community trade assuming a modest growth in trade. In recent times, however, Community trade has declined owing to severe balance of payments problems in the economies of most of CARICOM members except Trinidad and Tobago. WISCO has therefore been forced to limit investment.

Another main element in intra-Community shipping is the fleet of privately-owned small vessels. Almost 60% of intra-Community trade is carried by small vessels. There are some 140 of these vessels owned and operated by CARICOM nationals largely on a tramp basis to the eastern Caribbean. Their freight rates are low because standards of safety and efficiency are low, and as a result, they move a vast quantity of lower-valued goods. On the other hand, WISCO tends to carry cargoes which are on the whole of higher value. Community's policy towards the small vessels is one of improvement and development through increasing safety standards and improving techniques and cargo handling, and fostering greater predictability of sailings through agreement of owners and rationalization of sailings with WISCO.

Multinational shipping

There has also been a development of national and multinational shipping lines in the area as the governments, in accordance with the general stipulations of the UN Code of Conduct for Liner Conferences, were seeking to have greater control in the carriage of national cargoes. The Caribbean Multinational Shipping Enterprise (NAMUCAR) was estab-



Perishable and seasonal crops need regular and reliable transportation. Bananas are an important crop in the Caribbean and this plantation in Jamaica is receiving over ECU 3 m from the EDF. The market in Guyana (below) gives some idea of the range of fruit and vegetables produced in the region



lished by the governments of Costa Rica, Cuba, Jamaica, Mexico, Nicaragua, Venezuela and Trinidad and Tobago to provide liner shipping service to member countries and other Caribbean states. NAMUCAR's regular liner service runs between Jamaica, Cuba, Venezuela, Mexico, Nicaragua and Panama and as such does not conflict directly with WISCO's services.

The two operations may in fact be seen as complementary, with freight flowing between NAMUCAR and WISCO ports, with Kingston acting as a transshipment centre.

Extra-regional shipping

In the extra-regional trade, community policy objectives focus along similar lines as those in intra-regional shipping. Great attention is paid to the supply and price of shipping as well as to the employment opportunities generated, but the importance of obtaining some greater measure of control over the fixing of freight has tended to be predominant since foreign lines are responsible for the carriage of most of the Community's cargoes to and from the rest of the world.

The Community's external trade is dominated by bulk exports of petroleum products and crude oil, bauxite and alumina, sugar and bananas, and the bulk imports of crude oil, sodiumhydroxide and grain. These export commodities represent the lifeblood of the CARICOM states. As governments increased their control of major productive sectors, and as greater efforts were made to draw up joint regional development projects such as the regional food plan, the fisheries project and the aluminium smelter, it was also necessary that complementary shipping investments be explored so as to provide for the marketing needs, diversification of trade links and foreign exchange savings.

The result of all this was the establishment by two CARICOM members of their own national lines to serve the extra-regional trade primarily in the movement of bulk exports. The Jamaica Merchant Marine-Atlantic Line Limited has entered the bauxite trade from Jamaica to the US gulf ports, and recent services have been implemented in the banana trade from Jamaica to the United Kingdom. Jamaica Merchant Marine-Atlantic Line's activity is facilitated through legislation by the government of Jamaica to make it mandatory for at least 50% of all bulk imports and exports to be carried by Jamaica Merchant Marine Atlantic Line.

In some instances, governments have found it necessary to form joint shipping ventures with foreign companies which have had long experience in these matters. In this regard Guyana and a Norwegian firm have come together to establish Guybulk Shipping Limited in order to move bauxite and alumina to St. Croix, Chaguaramas, Rotterdam, UK ports, Mediterranean and US gulf ports.

Trinidad and Tobago has also recently formed a jointly owned international shipping company — the Shipping Corporation of Trinidad and Tobago (SCOTT) — between itself and Sea Train Lines to transport petroleum products to and from Trinidad and other international ports.

The formation of joint shipping companies with foreign lines not only serves to assist in the general provision of capital requirements but also enables the new company to draw on a wealth of cumulative experience of the foreign lines.

The Caribbean Community is not unaware of the need to avoid duplication of services and overinvestment in the shipping sector. The heads of government of the Community decided in 1975 to commission studies of all CARICOM trade and shipping with the objective of establishing a Caribbean Shipping Corporation (CSC) to operate in the external trade of the Community and to move bulk cargoes within the Caribbean Commonwealth and wider region.

The case for the development of a CSC can be made on grounds of the economies of scale which can arise through the pooling and sharing of shipping resources, administrative and maintenance services, and the avoidance of competition between CARICOM states which can lead to an under utilization and wastage of shipping resources.

Along with investment in shipping, the Community has embarked on series of complementary activities in maritime transport. Arrangements are being made to provide facilities for the training of sea-going personnel and for the stricter control of safety measures aboard small vessels in particular, so as to conform with current international standards. Work has also been undertaken to update and co-ordinate maritime legislation, especially with respect to safety in the region, since most shipping laws date back to the British Merchant Shipping Act of 1894. In the field of training, the Community is hoping to set up two training centres — one for the purpose of training ratings (deck, engine and catering) and the other, for the training of a sufficient number of certificated officers for coastal and home trade, as well as electricians for all categories of ships.

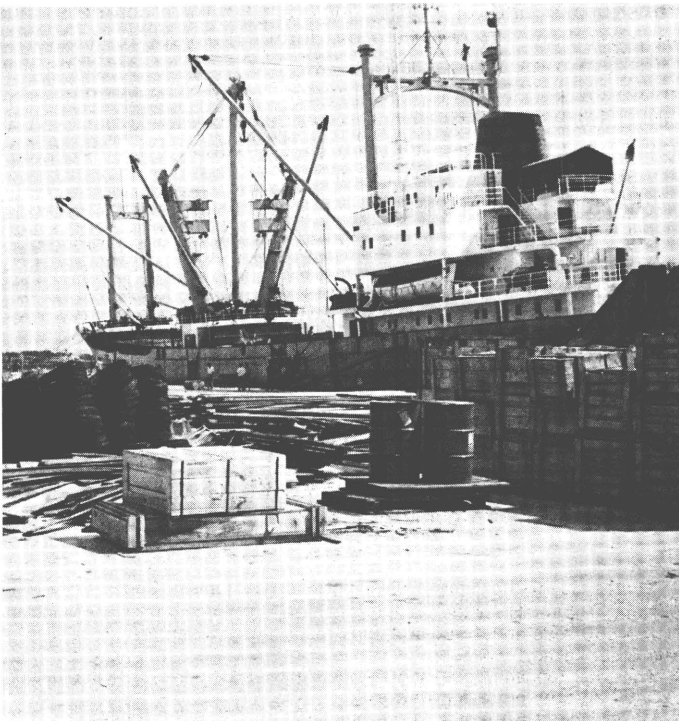
Efforts have also been underway for some time now to foster a regional ports policy with the objectives of providing a rational system of port development in the region and to ensure that port facilities and services can efficiently meet the growing needs of Community trade. To this end, a concerted drive to improve port infrastructure is being effected in conjunction with the Caribbean Development Bank. In the past, ports as distinct from shipping, was a neglected area in the development strategy of the region. But ports, which are the main points of contact with the outside world necessarily have a significant role to play in the economic development of the Community. With the growth in shipping and trade and the advent of new technological developments, the importance of adequate and efficient port infrastructure has been keenly felt. The growth in containerized traffic and the need for quick turn-around to ensure that capacity is utilized to its maximum have, at times, shown up the obsolescence and insufficiency of port equipment and berthing facilities in most of the ports of the Community, especially in the smaller countries.

In addition to improving physical port facilities, the training of executives and mid-management personnel was found to be necessary. In the area of port statistics, the Community sought to standardize the methods of collection and presentation on a regional basis. A ship visit report system (SVR) was implemented with the objective of providing comparable port data, cargo flows and port productivity indices for all regional ports. The data collected is invaluable for port planning and port improvement schemes in the Community.

Main problems

The Community has had, and continues to have, a series of problems. In the field of extra-regional shipping, it has not been possible to exert much influence on the cartelized rate-fixing policies of the Association of West India Transatlantic Steamship Lines (WITASS) — the freight conference which serves the Caribbean region, and controls the Europe-Caribbean general cargo trade. It is hoped that through the establishment of national shipping lines, and shippers' councils

The port at Paramaribo, Suriname



Bauxite is a Caribbean industry which depends entirely on bulk cargo carriers for its livelihood

the Community will be able to have a stabilizing effect on the high freight increases which has been experienced in the past on an annual basis. Of course, the mere formation of national shipping lines does not solve the problem of gaining sailing rights from the conference on the particular trade route. The Jamaica Merchant Marine-Atlantic Line Ltd for example, was refused entry into the islands section of the Europe-Caribbean trading link-up.

There is also the problem of port congestion. For example, Port-of-Spain, Trinidad, is suffering severely from this problem due to the almost overnight growth in capital, intermediate and manufactured imports which are a direct result of the country's rapid rise in her petroleum revenue and the resulting favourable balance of payment position. The solution has been to undertake extensive port expansion and construction work and the setting up of modern equipment and container facilities.

Standards of safety and efficiency in small vessel (under 500 gross registered tons (grt)) shipping in the intra-regional trade have been so low that a study was recently undertaken with a view to coming up with suitable recommendations for the improvement of the fleet. These are all important problems which, it is agreed, cannot be eradicated overnight, but it is hoped that steps taken now will prove a boon to the Community in future years. o

World and ACP shipping statistics

Principal merchant fleets of the world 1980

(Compared with 1979)

Steamships and motorships of 100 tons gross and upwards

	thousand tons gross			thousand tons gross	
Liberia	80 285	(- 1 243)	Argentina	2 546	(+ 203)
Japan	40 960	(+ 967)	Finland	2 530	(+ 21)
Greece	39 472	(+ 2 119)	Kuwait	2 529	(+ 101)
United Kingdom	27 135	(- 816)	Yugoslavia	2 467	(+ 59)
Panama	24 191	(+ 1 867)	Cyprus	2 091	(- 264)
USSR	23 444	(+ 543)	Philippines	1 928	(+ 322)
Norway	22 007	(- 342)	Romania	1 856	(+ 59)
USA (1)	18 464	(+ 922)	Belgium	1 810	(+ 21)
France	11 925	(- 21)	Bermuda	1 724	(- 3)
Italy	11 096	(- 599)	Hong Kong	1 717	(+ 248)
China People's Rep. of	8 913	(+ 565)	Australia	1 643	(- 9)
Germany Fed. Rep. of	8 356	(- 207)	Saudi Arabia	1 590	(+ 147)
Spain	8 112	(- 201)	German Dem. Rep.	1 532	(- 20)
Singapore	7 664	(- 205)	Iraq	1 466	(+ 138)
India	5 911	(+ 57)	Turkey	1 455	(+ 33)
Netherlands	5 724	(+ 320)	Indonesia	1 412	(+ 102)
Denmark	5 390	(- 134)	Portugal	1 356	(+ 151)
Brazil	4 534	(+ 526)	Iran	1 284	(+ 76)
Korea (South)	4 344	(+ 391)	Bulgaria	1 233	(+ 83)
Sweden	4 234	(- 403)	Algeria	1 219	(- 39)
Poland	3 639	(+ 59)	Mexico	1 006	(+ 92)
Canada	3 180	(+ 164)			

Showing an increase of less than 2% (6.9 million tons gross) slightly less than last year, compared with 3% in 1978 and 6% in 1977, the world fleet now stands at 419.9 million tons gross.

The fleets showing the largest additions are Greece (2.1 m. tons), Panama (1.9 m. tons) and Japan (1.0 m. tons). The largest decrease was recorded for Liberia (1 m. tons).

The world fleet trading commercially is principally composed of the following types of ship:

	thousand tons	
Oil tankers	175 004	(+ 791)
Liquefied gas carriers	7 393	(+ 717)
Chemical tankers	2 249	(+ 170)
Bulk/oil carriers	26 241	(- 255)
Ore and bulk carriers	83 355	(+ 1 527)
General cargo	82 610	(+ 933)
Container ships	11 274	(+ 1 278)
Other vessels	3 121	(+ 288)
Total	391 247	(+ 5 450)
Non-Trading types	28 663	(+ 1 439)
WORLD TOTAL	419 911	(+ 6 889)

The world total of oil tankers of 100 tons gross and upwards (175.0 m. tons) has increased by almost 0.8 million tons during the year and represents 41.7% of all steamships and motorships (42.2% in 1979) and 43.1% in 1978).

The largest fleets are Liberia (49.9 m tons), Japan (17.7 m tons), United Kingdom 13.2 m tons), Norway (12.1 m tons) and Greece (11.8 m tons).

The world total of ore and bulk carriers (ships of 6 000 tons gross and upwards, including bulk/oil carriers) has increased by 1.3 million tons during the year to a total of 109.6 m tons and represents 26.1% of all steamships and motorships (26.2% in 1979 and in 1978). The largest fleets are Liberia (23.9 m tons), Greece (16.4 m tons), Japan (13 m tons), United Kingdom (6.2 m tons), Panama (6.1 m tons) and Norway (6.0 m tons).

The world total of general cargo ships (82.6 m tons) increased by 0.9 m tons during the year and represents 19.7% of all steamships and motorships (19.8% in 1979 and 19.6% in 1978). The largest fleets are Greece (10.4 m tons), Panama (9.0 m tons), U.S.S.R. (7.7 m tons), the People's Republic of China and Japan (4.3 m tons) and the United States of America (3.5 m tons).

The world total of fully cellular container ships is now 11.3 m tons and liquefied gas carriers account for 7.4 m tons (11.5 m cubic metres capacity). Sixty-two ships out of a total of 631 are for the carriage of LNG with an aggregate capacity of 5.0 m cubic metres. o

Source Lloyd's Register of Shipping statistical tables 1980.

Note: The totals for the United States of America and for Canada include 1 764 550 tons and 1 986 604 tons respectively which are for service on the Great Lakes.

The total tonnage appearing for the People's Republic of China includes 2 039 123 tons gross for Taiwan.

(1) Includes USA reserve fleet estimated at 1.8 million tons gross.

Merchant fleets of the ACP countries

Flag	Total steamships and motorships		Flag	Total steamships and motorships	
	No	Tons gross		No	Tons gross
Bahamas	91	87 320	Madagascar	56	91 211
Barbados	37	5 257	Mali	1	200
Belize	3	620	Mauritania	3	874
Benin, People's Republic of	13	4 557	Mauritius	18	37 675
Cameroon	44	62 080	Nigeria	116	498 202
Cape Verde Republic	22	11 426	Papua New Guinea	76	24 904
Comoro	3	1 116	Saint Lucia	5	2 378
Congo	15	6 784	Saint Vincent	35	19 679
Djibouti	8	3 135	Senegal	87	34 499
Guinea	2	6 412	Seychelles	10	4 602
Ethiopia	17	23 811	Sierra Leone	12	3 738
Fiji	43	14 773	Solomon Islands	12	2 668
Gabon	14	77 095	Somali Republic	22	45 553
Gambia	7	3 907	Sudan	21	104 803
Ghana	104	250 428	Surinam	25	14 921
Grenada	2	226	Tanzania	32	55 916
Guinea	14	5 648	Togo	5	25 395
Guinea Bissau	3	757	Tonga	16	14 886
Guyana	82	18 261	Trinidad and Tobago	41	17 456
Ivory Coast	70	186 127	Tuvalu	1	353
Jamaica	10	13 307	Uganda	1	5 510
Kenya	19	17 371	Western Samoa	3	4 765
Kiribati	1	980	Zaire	33	91 894
Liberia	2 301	80 205 176	ACP TOTAL	3 656	82 188 656

World shipbuilding (1980)

Events in world shipbuilding during 1980 provided every indication that an overall improvement in the fortunes of the industry generally was under way. The volume of new orders placed during the year (19.0 million tons gross) was at its highest level since 1974 and the total world order book at the end of December stood at 34.6 million tons gross, the highest figure for almost three years.

In 1970 the industry was enjoying increasingly favourable market conditions which were going to provide sufficient impetus to bring about the biggest boom ever known, certainly from the aspects of the demand for ships and the employment of labour in shipbuilding. Now, 10 years later, we are considering circumstances from virtually an opposite point of view, that of an industry which is just emerging from what could arguably be described as the worst recession the industry has known. If this latter description is somewhat severe, it is supported by some telling evidence in recent years. Many major shipbuilders have gone into liquidation, some have been absorbed into consortia, many have been nationalized, most have been, and continue to be, subsidized. Despite actions taken by governments and private enterprise, there is good reason to believe that the world shipbuilding industry is in a far less healthy state than it was at the start of the decade during the upswing of the boom period.

An encouraging fact emerging from the current market response to improving trade conditions, at least in the bulk dry cargo trades, is that new orders are slowly giving a breath of life to the sorely pressed shipbuilder. Whether shipbuilding on a worldwide basis can ever be truly profitable again is a moot point but one thing that is

certain is the fact that the world's shipowners will continue to require ships of all types and sizes in future years and, logically, shipyards will be needed to fulfil that demand. (Lloyd's Register)

Annual orders and completions

Year	Annual volume of orders placed	Annual completions
Millions tons gross		
1969	30.05	18.74
1970	41.03	20.98
1971	29.64	24.39
1972	30.36	26.75
1973	73.60	30.41
1974	28.37	33.54
1975	13.79	34.20
1976	12.94	33.92
1977	11.09	27.53
1978	8.03	18.19
1979	16.84	14.29
1980	19.00 est.	13.00 est.

Percentage of new orders placed

Year	Japan	Western Europe	Rest of World
	%	%	%
1973	48.56	41.97	9.47
1974	38.42	39.46	22.12
1975	49.25	21.87	28.88
1976	56.01	23.69	20.30
1977	52.13	27.16	20.71
1978	43.25	25.95	30.80
1979	49.47	27.43	23.10
1980	52.66	24.39	22.95

EDF: Summary of aid

(EDFs 1-4)

Ports, inland waterways and maritime transport ⁽¹⁾

I. Ports				
Title of project (TS = technical study)	EDF	Amount of project ('000 ECU)	Total amount of project ('000 ECU)	Total amount for country ('000 ECU)
Benin				
<i>Port of Cotonou</i>				
— Superstructure, new port of Cotonou	1	1 917		
— TS of construction of fishing port at Cotonou	2	21		
— Fishing port at Cotonou	2	624		
— Superstructure for fishing port at Cotonou	3	543		
— TS extension to fishing port at Cotonou	3	135	3 240	3 240
Cameroon				
<i>Port of Douala</i>				
— Reconstruction of 4 berthing warfs at the port of Douala	1	3 373		
— Purchase of a dredger for the port of Douala	1	1 350		
— TS for development of the port of Douala	3	210		
— Extension to the Port of Douala	4	4 218	9 151	
<i>Various financing</i>				
— Repairs to the Garoua dredger	2		117	
— TS of the Cape Limboh site	3		150	9 418
Congo				
<i>Port of Pointe Noire</i>				
— Construction of two new berthing wharfs at the port of Pointe Noire	1	5 669		
— Purchase of a dredger for the port of Pointe Noire	2	1 337		
— TS of the fish wharf at Pointe Noire	2	88		
— Financing for an additional stage of work at the Port of Pointe Noire	3	516		
— Construction of an additional wharf at Pointe Noire	3	4 707		
— Superstructure for additional wharf at Pointe Noire	3	1 008		
— Tugs	3	2 052	15 377	15 377
Ivory Coast				
<i>Port of Abidjan</i>				
— Fishing port at Abidjan	1	1 036		
— New fish wharf at Abidjan	2	1 470		
— Extensions to the fishing port at Abidjan	2	1 045		
— Access to the Port of Abidjan (interest rebates)	3	1 112	4 663	4 663
Djibouti				
— TS of the port — Master plan for the port	4		410	410
Gabon				
<i>Port of Owendo</i>				
— Hydrographical study of the port of Owendo	1	155		
— TS of the port of Owendo	2	1 062		
— Construction of the port of Owendo	2	10 766		
— Construction of the port of Owendo	3	15 364		
— Development and additional facilities at the port of Owendo	4	2 577	29 924	29 924
Liberia				
— TS and development of the ports in south-east Liberia	4		750	750

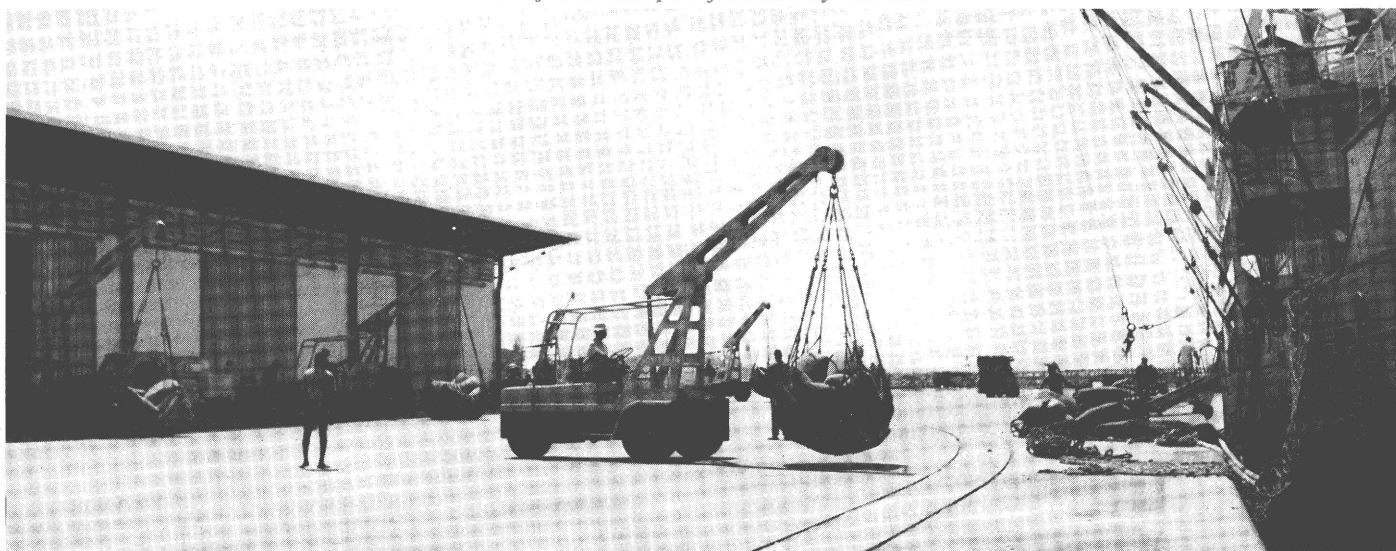
(1) Source: EEC Commission.

Title of project	EDF	Amount of project ('000 ECU)	Total amount of project ('000 ECU)	Total amount for country ('000 ECU)
Madagascar				
<i>Morondava sea wall</i>				
— Protective wall at Morondava	1	1 053		
— Completion of the protective wall	2	162	1 215	
<i>Various financing</i>				
— Extensions to the trading wharf at Diego-Suarez	1		1 206	
— Berthing quay at Ansohihy	1		351	
— Jetty at the port of Tamatave	1		1 629	4 401
Mauritania				
<i>Nouakchott wharf</i>				
— Nouakchott wharf	1	2 440		
— Development mission to the Nouakchott wharf	2	42		
— Extensions to the Nouakchott wharf	2	2 754		
— Nouakchott wharf	3	359	5 595	
<i>Port Nouadhibou</i>				
— Nouadhibou fishing port	1	4 048		
— Completion of the Nouadhibou fishing port	2	833	4 881	10 476
Senegal				
<i>Port of Dakar</i>				
— Fish wharf at Dakar	1	645		
— Dredging, port of Dakar	1	979	1 624	1 624
Somalia				
<i>Port of Mogadishu</i>				
— Construction of the port of Mogadishu	3	11 768		
— Construction of the port of Mogadishu	4	260	12 028	12 028
— TS of the Mogadishu slipway	4	130		130
				12 158
Sudan				
— Old Suakin port study	4		450	450
Togo				
<i>Port de Lomé</i>				
— Electrification of the port of Lomé	1	165		
— Development of the port of Lomé	2	7		
— TS of new port facilities	2	32		
— Extensions to the port of Lomé	3	4 749	4 953	4 953
Fiji				
— TS on port development	4		500	500
Tonga				
— TS of port development	4		150	
— Vava'u pier	4		1 000	1 150
Burundi				
— TS for naval construction yard at Bujumbura	4		250	250
Zaire				
— TS of development of the port of Kalemie	4		200	
— TS of the Banana deep-water port	4		400	600
CAR - Chad				
<i>Regional project</i>				
— UDEAC port area at the port of Douala	4		5 780	
GRAND TOTAL				106 124

II. Inland waterways

Title of project	EDF	Amount of project ('000 ECU)	Total amount of project ('000 ECU)	Total amount for countru ('000 ECU)
Congo				
<i>Port of Brazzaville</i>				
— Extensions to the port of Brazzaville (Infrastructure)	3	2 254		
— Extensions to the port of Brazzaville (additional financing)	4	769	3 023	
<i>Various financing</i>				
— Infrastructure for river transport in the Congo basin	2		1 814	
— Purchase of maintenance equipment for the waterways	3		5 383	10 220
CAR				
<i>Upper Sangha river fleet</i>				
— Upper Sangha river fleet	1	293		
— Upper Sangha river fleet	2	1 361		
— Upper Sangha river fleet	3	43	1 697	
<i>Various financing</i>				
— Purchase of maintenance equipment for waterways	3		4 681	
— Development of the Lobaye-Oubangui confluent	3		918	
— Improvements to river transport	4		2 500	9 796
Guinea Bissau				
— Supply of river transport and port equipment	4		3 830	3 830
Senegal				
— Dredging of the Saloum	1		1 208	1 208
Tanzania				
— Improvements to Kigoma port	4		4 950	4 950
Sudan				
— River transport study	4		480	480
— Study on the development of transport on the Nile (under conception)	4			
Zambia				
— Improvements to Moulungu Port (still to be financed)	4		1 000	1 000
GRAND TOTAL				31 484

Part of Cotonou port financed by the EDF



(Source: — EDF photo)

III. Maritime transport

Title of project	EDF	Amount of project ('000 ECU)	Total amount of project ('000 ECU)	Total amount for country ('000 ECU)
Cape Verde — TS of the naval repairs yard at Porto Grando/Grande	4		80	80
Mauritania — Temporary aid for the maritime establishment in Nouakchott — TS for the maritime establishment in Nouakchott	1 3	65 47	112	112
Zaire — Purchase of 2 dredgers	2		4 200	4 200
Mauritius – Seychelles – Comoros – Djibouti <i>Regional project</i> — TS for a shipping company in the Indian Ocean	4		160	160
Pacific – Fiji – Samoa – Tonga — Containers for the Pacific Forum Line	4		400	400
Caribbean — WISCO (West Indian Shipping Corporation) project	4		6 300	6 300
GRAND TOTAL				11 252

Summary

	Ports '000 ECU 1	River transport '000 ECU 2	Sea transport '000 ECU 3	Total '000 ECU 1+2+3
1st EDF	26 016	1 501	65	27 582
2nd EDF	20 360	3 175	4 200	27 735
3rd EDF	42 673	13 279	47	55 999
4th EDF	17 075	13 529	6 940	37 544
Total	106 124	31 484	11 252	148 860

Unloading a container at Bridgetown, Barbados. The EDF is providing ECU 6.3 million to upgrade the West Indies Shipping Company (WISCO) service to the least developed countries of the East Caribbean



John and Penny Hubley

EDF: training managers for shipping projects

The training schemes the Commission organizes and finances are intended to provide the recipient states with the technical managers and skills they need to keep their shipping projects running smoothly.

Particular attention is also paid to training nationals who can gradually replace the expatriate technical assistants who are still so common in this sector.

Three main means

Training in the ACP countries is financed in three ways:

— From the resources the country has earmarked for the multiannual training programme.

In almost all the ACP countries, indicative programmes include technical cooperation in the training sector via the multiannual training programmes. These programmes (1981-1985) should enable the various countries to plan technical training courses at all levels to meet their particular needs and educational and vocational priorities. Pride of place often goes to project-linked training in cases where the specific type of course, or the time it takes, preclude it being financed within the project proper. Take the example of harbour pilots and seamen, who have to be available at a given time and need to have their training proposed and completed in advance.

The multiannual training programmes include course and study grants, which are awarded, at the request of the relevant authority in the ACP country, for training at home, in another ACP country or in Europe. Article 141 of the Lomé Convention also provides for experts (pilots, instructors, navigators, etc.) to be sent out.

— Via specific schemes. One-off training operations may also be run, outside a multiannual programme, to meet national or regional needs (article 141, paragraph 3).

— Via shipping projects, from the financial resources earmarked for this purpose. Study grants, experts and specialization sessions geared to the individual project are covered here.

All these possibilities are provided by Lomé II and also included in the agreements with the Maghreb, the Mashreq and Israel (regional programmes excepted).

4th EDF schemes

One or two particularly significant shipping schemes can be outlined which the Community has financed from 4th EDF funds. This may be of interest in considering what schemes should be programmed and implemented under the 5th EDF in both the ACP group and other developing countries.

Study and course grants for training in the maritime sector

The Ivory Coast, Mauritania, Senegal, Somalia, Sudan, Togo and various other states have applied for training for merchant naval officers (at the Ecole supérieure de navigation in Abidjan, elsewhere in the Ivory Coast and in Europe), for maritime engineers, maritime lawyers, captains, engineers, mechanics and technical maintenance staff for diesel engines.

About 60 years of study (training and specialized studies for ACP personnel) have been financed.

Maritime law training is being organized for Algerian nationals and applicants from the Lebanon are being offered

training as captains and ships' engineers as part of the Maghreb-Mashreq-Israel agreements. It should also be noted that the School of Navigation in Alexandria (Egypt) has a number of students from Somalia and Sudan on EDF grants.

Many EEC countries offer training in shipping, port management, pilotage, customs work, etc. Almost all the big ports of Europe run training programmes, but those offered by Marseilles, Le Havre, Liverpool, Plymouth, London, Rotterdam, Antwerp, Copenhagen, Genoa and so on are worthy of particular mention (1).

Most of the organizations involved in port activities are able to undertake integrated port objects (studies and tenders, studies of the hinterland, the waterways, roads and railways; container terminals and organization and management of ports). These studies may be completed by schemes involving:

- training in port management and organization, in English and French;
- practical courses in the port for container terminal staff, mechanics, crane and fork-lift truck drivers, storemen, etc.;
- programmes for port officers;
- programmes dealing with the commercial and technical management of ships.

Specific training projects

Somalia. This was an ECU 700 000 scheme, approved by the Commission in May 1978, to provide integrated training for the port of Mogadishu. It involved:

- setting up a pilot service;
- providing training and advanced training for port authority managers and technical staff at all levels;
- supplying teaching materials and demonstration equipment as back-up for the above schemes and as supplies for the technical services at the port.

The purchase of a launch should enable pilots to go out to ships entering the port and leave them after pilotage. EDF-financed technical assistance was also given with the drafting of the Mogadishu port authority regulations. It should be noted that this is a prolongation of an EDF investment, the Mogadishu deep-water port, which was built with EDF and World Bank funds and money from the state of Somalia itself.

Djibouti. A pilot training scheme similar to the one described above was run for staff at the port of Djibouti.

Togo. This was a project to train staff for the autonomous port of Lomé. A study is now being run to assess training requirements for the port, particularly in the accountancy department, where it is hoped to introduce operational accounts analysis, and in the handling sector (handling, transit and handling facilities maintenance staff).

The training programme now on the drawing-board is scheduled to last three years. It also includes proposals on training teachers and instructors so that training can continue after the EDF port project is over.

This scheme is linked to an EIB loan to the port of Lomé and therefore complements Community assistance in this sector.

These examples show the wide range of schemes financed by the Commission — whose officials are always at the disposal of the ACP and other recipient states to help them assess their staff requirements in the maritime sector. ○ Giovanni LIVI

(1) The Intergovernmental Maritime Consultative Organization (IMCO), which draws up training programmes for maritime staff, is also in London.

WORLD BANK

World development report 1981 emphasizes need for global and national economic adjustment

"The external pressures on developing countries have shown little sign of easing over the past 12 months", according to the world development report, 1981, published by the World Bank. The report, fourth in an annual series, draws particular attention to the "increasingly desperate predicament" of the poorest countries. The low-income oil importers, it says, "face the 1980s, which have started badly for them, with no sign of change in either their trade or their aid prospects".

The report this year is devoted to global and national adjustment in the world economy. It presents projections for the 1980s, in terms of a low and a high case. The difference between the two cases depends on such factors as growth in the industrial countries, the extent of trade protectionism, domestic economic efficiency and the amount of external capital the developing countries obtain. The report discusses in detail the assumptions behind these projections.

There are separate chapters on the three key features of global adjustment—trade, energy and external finance. The report devotes a chapter to studying how developing countries adjusted to external pressures in the 1970s, using case studies of individual countries to illustrate general themes.

Projections

While the outlook for oil-exporting developing countries is good, the oil-importers will improve on their performance in the 1970s of a rise of 2.7 % a year in GNP per person only if the high case is achieved. Under the low case, they will manage an increase of 1.8 % a year, and only 0.7 % a year for the low-income oil importers.

This increase would not be enough to prevent a sharp increase in the number of people living in absolute poverty. From today's estimate of 750 million, the number of the absolute poor could rise to 850 million by the end of the century. Under the high case by contrast, their numbers could fall to

630 million. As the report says, "the difference between the scenarios is not just one of growth rates, but a fundamental difference of outlook", not just for developing countries but for the whole world.

Trade

Despite a sharp slowdown in world trade during the 1970s, the nonfuel exports of developing countries grew faster—more than 6 % a year in the 1970s, compared with 5 % a year in the 1960s. "Trade has provided an avenue for growth and industrialization, and for the oil-importing countries, a source of earnings to meet their increasing fuel costs".

However, the report points out that only relatively few developing countries boosted their export earnings substantially. "In 1978, only 10 countries, with 45 % of the developing world's population, supplied more than 75 % of its manufactured exports; and three countries, with less than 3 % of the population, supplied more than 40 % of the total". The low-income countries remained heavily dependent on raw material exports, which suffered both from deteriorating terms of trade and from sluggish demand.

The report underlines the benefits that industrial countries gain from their trade with a buoyant developing world. "From 1970 to 1978, developing country exports of manufactured goods to industrialized countries increased by almost \$12 billion (at 1970 prices); but industrialized countries increased their manufactured exports to developing countries by almost three times as much".

Concluding that, on balance, the degree of protectionism has not increased during the past 10 years, the report states: "As long as the trading system remains open, the now-successful middle-income countries should continue to progress". For the low-income Asian countries, the report says that "over the longer term, their trade prospects are primarily a question of their own policies" given an

expanding trade environment. Should they adopt outwardlooking economic policies, they could follow the road of the successful exporters. Low-income African countries, on the other hand, do not have the domestic base to take advantage of an open trading system. Until they have developed the infrastructure and, above all, the human skills, they will not be able to expand their exports significantly.

Energy

"Although some countries can adjust to more expensive energy by boosting their exports and borrowings", the report says, "for the world as a whole a large part of the adjustment must be made more directly, through changes in the supply and demand for energy itself".

Some progress has already been made on the demand side. Nearly all governments are now conscious of the need to raise final energy prices to encourage conservation despite the political difficulties of doing so. Yet while industrialized countries can adapt their economies to conservation, the pattern of economic growth in developing countries—industrialization, urbanization—is increasingly energy-intensive.

On the supply side, progress has been slow. The report estimates that, for oil-importing developing countries, around \$40 billion a year (in 1980 prices) will be needed for their energy development. Since the energy market is a global one, there is "a strong incentive for all parties to help boost energy production in developing countries... No investments show a greater coincidence of the economic and strategic interests of the developed and developing countries".

Capital flows

External borrowing is the bridge that allows oil-importing countries to finance their deficits while making the longer-term adjustments to bring those deficits down. "In the absence of new external shocks, external capital requirements of the oil importers are likely to decline as a ratio to their GNP, from the high level reached in 1980 (4.9 %). But the decline will be gradual and current account deficits are likely to remain high compared to historical averages".

The report says that "the low-income countries can borrow very little commercially. They will continue to depend heavily on official, and mainly

concessional, lending for financing their development and structural adjustment". But the report emphasizes that "the level and outlook for official development assistance is cause for serious concern to the low-income countries". Not only are aid flows unlikely to grow as fast as seemed possible a year or two ago, but they are still biased heavily towards middle-income countries. Some 63 % of all bilateral aid from OECD and OPEC countries goes to middle-income countries, much of it concentrated on four countries: Egypt, Israel, Jordan and Syria. "Reallocating concessional aid from middle-income to low-income countries is almost as important as increasing its overall amount".

On commercial lending, the report concludes that "the concern for the total debt of developing countries that occupied regulators, financial commentators and some banks in the late 1970s is likely to be replaced by a greater emphasis on individual credit-worthiness".

Adjustment: country studies

The experience of the 1970s provides valuable lessons for the 1980s. The report notes: "In general terms, industrial countries increased their exports to the capital-surplus countries and slowed down their growth. Middle income countries borrowed heavily in the capital markets; some also replaced imports and increased their export penetration of industrial country markets. Some low-income countries were helped by good crops, and more aid and workers' remittances. But African countries, especially, were beset by domestic problems and could neither increase their exports nor borrow much; they had to cut imports and suffer stagnation".

The report highlights the importance of domestic economic policies: some countries possessing similar economic structures and natural resources nevertheless differed widely in the way they coped with difficulties. Certain key policy priorities are highlighted: raising domestic saving and investment, and using those resources efficiently; adopting a neutral approach as between export promotion and import substitution in the choice of exchange rates, taxation and subsidies; and, for primary producers, diversifying the range of commodities and markets.

Human development

"The urgency of measures to increase the productivity and incomes of the poor directly is in no way diminished by a more adverse external envi-

ronment", says the world development report; "the measures themselves, however, and finance to support them, may be at risk".

Several countries have already cut back human development programmes; yet there are various ways of maintaining their efficiency. Better-off people can be charged for public services, costs can be shared with local communities and communications can be improved. Measures like these have been adopted in various countries, often to considerable effect. Human development programmes seldom use much energy. Nor do they require much foreign exchange. A large share of the costs are recurrent costs and for this reason they have received very little support from aid agencies. The report argues that this bias against human development funding has been both illogical and harmful.

The recurring issues of food and population are discussed in the light of adjustment pressures. While there is little cause for alarm about another global food shortage to match the 1973-74 crisis, there are several disturbing features about the position today. World food markets face growing demands from middle-income countries, a process that is bound to continue as incomes rise and more grain is fed to livestock. Internally, many countries' distribution and storage systems need considerable improvements if they are

to meet the needs of the growing population.

The report underlines the links between poverty and rapid population growth. Depending on their success in economic and social development, countries still have a considerable influence over the eventual level of their population. The report estimates that the population of the developing countries could stabilize at about 7 billion if "replacement fertility" (about two children per couple) is achieved in 25 years' time. But if it is delayed for 45 years, the eventual stationary population would be over 10 billion. What happens now is thus of critical importance: "To future generations who inherit it an over-crowded and under-nourished earth, any dereliction on the part of the present generation will appear shortsighted, indeed irresponsible".

This last point is one of many features of interdependence discussed in the report. The health of the economies of the industrial countries is increasingly tied to that of developing countries, through trade and financial links, and especially in the markets for energy and food. These are immediate issues; and even the long-term ones such as environment and population depend on action that has to be taken now. It is illusory, the report says, for industrial countries to believe they can immunize themselves from the problems faced in the developing world. ○

Main features of trade between the EEC and the developing countries in 1980

This brief survey is based on the Eurostat figures on EEC trade by product and principal trading partner (May 1981).

The data are on EEC trade alone and it is therefore impossible to compare the Community's performance with that of its main industrialized partners. They are expressed as values (ECU at current prices) and so it is also difficult to derive information about trends in the volume of trade between the EEC and the developing countries (1).

With these reservations, a number of interesting points can be derived from the figures available.

EEC exports to the developing countries

The developing countries took 37 % of total exports outside the EEC and so remain an essential market for the Community. The value of exports to the developing countries was up 20 % on the previous year's figures, as against 13.4 % in the case of exports to the industrialized world. The developing countries' share of total EEC exports, which dropped in 1979 (35.9 %) largely due to falling demand from the OPEC countries, went up again in 1980, although it failed to reach the 1978 level (38.2 %).

In 1980, there was a clear difference between the oil-exporting developing countries (OPEC members and others) and the rest of the developing world.

(1) The Commission's economic budgets show that the EEC's export price index went up by 11.4 % in 1980 as against 9 % in 1979. The import price index went up by 13.9 % in 1980 and 11.3 % in 1979.

Table 1 — 1978-1980: Total extra-EEC trade — all products

	Imports				% growth p.a.			Exports				% growth p.a.	
	1978	1979	1980	% 1980	1979 1978	1980 1979		1978	1979	1980	% 1980	1979 1978	1980 1979
Extra EEC-9	178 259	218 228	271 566	100.—	+22.4	+24.4		173 930	194 208	224 446	100.—	+11.7	+15.6
Industrialized countries	92 704	111 517	134 114	49.4	+20.3	+20.3		90 045	104 943	118 978	53.0	+16.5	+13.4
Developing countries	71 098	88 240	114 562	42.2	+24.1	+29.8		66 499	69 690	83 388	37.2	+4.8	+19.7
— OPEC	38 232	48 826	67 198	24.7	+27.7	+37.6		31 084	28 765	36 636	16.3	-7.5	+27.4
— non-OPEC	32 866	39 414	47 364	17.4	+19.9	+20.2		35 415	40 925	46 752	20.8	+15.6	+14.2
ACP (54/54/59)	11 864	14 832	18 923	7.0	+25.0	+27.6		12 707	11 816	15 684	7.0	-7.0	+32.7
State trading countries	14 023	17 750	21 943	8.1	+26.6	+23.6		15 431	17 265	18 721	8.3	+11.9	+8.4
Misc.	435	721	947	0.3	—	—		1 954	2 309	3 358	1.5	—	—

Source: ESCO «BMCE» supplém. 6/1979 - 5/1980 - 4-5/1981.

- The oil-producers were the only really dynamic market as far as EEC exports were concerned, with 27.4 % growth for the OPEC countries in 1980, after a 7.5 % decrease in 1979. The EEC's exports to non-OPEC developing countries increased by 14.2 % in value in 1980, as against 15.6 % in 1979 (table 1). This growth was essentially due to the countries which have recently developed their oil exports (i.e. to Mexico, Egypt, Syria and Cameroon). Looking only at those developing countries which are net importers of oil (2), it emerges that EEC exports here have only increased by 11.8 %, i.e. at the same or even a slightly slower rate than prices (3). So, subject to confirmation on the basis of more detailed data, it can be seen that the volume of EEC exports to the non-oil producing developing countries stagnated or even dropped in 1980.

- The phenomenon is even more marked in the ACP countries. After dropping in absolute value in 1979 (-7 %), EEC exports increased by nearly a third in 1980, although this was only due to the oil-producers in the group, i.e. to Nigeria, Gabon and Cameroon.

Without these countries, the growth rate would only be around 9 %, a further decrease in the volume of the imports from the EEC.

(2) Non-OPEC developing countries less Oman, Mexico, Egypt, Syria, Cameroon and Bahrain.

(3) The underlying hypothesis is that the average price of EEC exports to the developing countries has increased in the same proportion as the price of exports to all destinations. Only the latter figure is available to date.

Manufactures

The drop in demand from the non-oil producers can naturally be seen in manufactured imports, which can be reduced in the short term more easily than other imports (see table 2). At current values, the EEC's exports to the non-OPEC developing countries increased by 11.9 %—a figure which, obviously, includes one or two net oil exporters (Mexico, Egypt, Syria and Cameroon).

Without these four countries, the EEC export growth rate is only 9.7 % in value, which is a decrease in real terms. And the same occurs with the ACP group, where, without the three oil producers (Nigeria, Cameroon and Gabon), the EEC's export growth rate is only 7.5 %, as compared to 34.3 % for the whole group.

Developing country exports to the EEC

In terms of value, these went up considerably, by some 30 %, in 1980. This was mainly due to the exports of energy products, which increased by 42.6 % in value and represented more than 60 % of the developing countries' exports to the Community (1980).

Exports of manufactures only increased by about 20 % and this was mainly accounted for by light industry (other than the chemicals and capital goods sector). However, food products stagnated (+1 % in value), as did other raw materials (+7 %).

Conclusions

This short survey brings out a number of worrying facts about EEC trade with the non-oil producing developing countries.

- The volume of total extra-EEC exports is stagnating or dropping. This trend is even more marked in the case of manufactures. In both cases, the EEC's performance as far as exports to the non-oil ACP countries is concerned is even weaker. This confirms an IBRD estimate in the latest World Development Report, which put the purchasing power of these countries at the 1978 level, once the irreducible oil purchases have been taken into account.

- The poor economic situation in the European countries in 1980 is behind the stagnation of commodity exports from the developing countries. The only dynamic aspect of their export trade, apart from oil, is their manufactures—although the ACP countries get no benefit from this.

- Since 1981 does not look as though it is going to be any better as far as growth in the EEC is concerned, the non-oil producing developing countries may well see the purchasing power of their export earnings drop further. So 1981 may see a further reduction in the volume of Community exports to these countries, while the possibilities of growth in the oil producers may be even stronger than they were in 1980, due to the beneficial effect of the reduction in the world demand for oil and the relative stabilization of prices. ○

Table 2 — 1978-1980: Extra-EEC trade by product — manufactures

	ECU million Imports			% growth p.a.		ECU million Exports			% growth p.a.	
	1978	1979	1980	1979 1978	1980 1979	1978	1979	1980	1979 1978	1980 1979
EXTRA EEC (9)	82 140	98 238	117 702	+19.6	+19.8	147 586	161 291	183 005	+9.3	+13.5
Industrialized countries —	62 989	73 826	88 529	+17.2	+19.9	76 354	87 056	98 396	+14.0	+13.0
Developing countries	13 203	16 976	20 720	+28.6	+22.1	57 254	58 995	69 176	+3.0	+17.3
— OPEC	846	1 136	1 558	+34.3	+37.1	27 332	24 285	30 346	-11.1	+25.0
— non-OPEC	12 357	15 840	19 162	+28.2	+21.0	29 922	34 710	38 830	+16.0	+11.9
ACP	1 466	1 850	2 352	+26.2	+27.1	10 443	9 088	12 206	-13.0	+34.3
State trading countries	5 795	7 073	7 950	+22.1	+12.4	13 906	15 167	15 346	+9.1	+1.2
Misc.			504					87		

Sources: ESCO = CRONOS-Fric (1978 and 1979).
= BMCE-Suppl. 3/1981 (1980).

Table 3 — 1978-1980: Extra-EEC trade by product — energy products

	ECU million Imports			% growth p.a.		ECU million Exports			% growth p.a.	
	1978	1979	1980	1979 1978	1980 1979	1978	1979	1980	1979 1978	1980 1979
EXTRA-EEC (9)	46 589	62 065	89 111	+33.2	+43.6	7 063	10 346	13 207	+46.5	+27.6
Industrialized countries	4 205	6 721	10 040	+59.8	+49.4	3 917	6 275	7 314	+60.2	+16.6
Developing countries	37 715	48 543	69 233	+28.7	+42.6	1 396	1 938	2 668	+38.8	+37.7
— OPEC	35 582	45 603	63 553	+28.2	+39.4	521	919	1 287	+76.4	+40.0
— non-OPEC	2 133	2 940	5 680	+37.8	+93.2	875	1 019	1 381	+16.5	+35.5
ACP	3 443	5 734	9 180	+66.5	+60.1	560	892	1 118	+59.3	+25.3
State trading countries	4 648	6 787	9 815	+46.0	+44.6	150	277	373	+84.7	+34.7
Misc.			22					2 851		

Sources: ESCO = 1978-1979 = CRONOS-FRIC.
= BMCE 3/1981 suppl.

Table 4 — Extra-EEC trade by product + raw materials

	ECU million Imports			% growth p.a.		ECU million Exports			% growth p.a.	
	1978	1979	1980	1979 1978	1980 1979	1978	1979	1980	1979 1978	1980 1979
Extra EEC (9)	45 142	51 813	56 118	+14.8	+8.3	15 357	17 855	22 709	+16.3	+27.2
Industrialized countries	22 284	26 352	29 652	+18.3	+12.5	7 747	8 985	10 009	+16.0	+11.4
Developing countries	19 689	21 946	22 614	+11.5	+3.0	6 376	7 190	9 841	+12.8	+36.9
— OPEC	1 694	1 926	1 674	+13.7	-3.1	2 439	2 691	4 272	+10.3	+58.8
— non-OPEC	17 995	20 020	20 940	+11.3	+4.6	3 937	4 499	5 569	+14.3	+23.8
ACP	6 669	6 857	6 851	+2.8	-0.1	1 543	1 532	2 069	-0.7	+35.1
State trading countries	3 140	3 475	3 794	+10.7	+9.2	1 205	1 645	2 828	+36.5	+71.9
Misc.			58					30		

Sources: 1. 1978-1979 = CRONOS-FRIC.
ESCO 2. 1980 = BMCE 3/1981 suppl.

EEC-NGO land improvement in India

Since the EEC began helping to finance operations by non-governmental organizations (NGOs) in 1976, this kind of cooperation has expanded rapidly. In 1976, the ECU 2.5 m set aside for EEC-NGO cooperation allowed the co-financing of 76 projects; in 1978 the budget was greatly increased, to ECU 12 m, and in 1980, 181 projects could be supported out of a total of 367 put up by the NGOs.

One of these projects is described below. It is a good example of EEC-NGO cooperation in that several organizations are involved and it is aimed at helping very poor people. Although the NGOs assisted by the Community must have a European identity, their projects need not be in ACP countries and in practice there has been an almost even balance between ACP and non-ACP beneficiaries. The principal single beneficiary country so far has been India and the principal kind of project co-financed has been integrated rural development, together with education and training.

"Land for the untouchables"

In the 1950s an Indian NGO, the Association for Sarva Seva Farms (ASSEFA), acquired about four million acres of land in trust for the poor, in particular the landless harijan ("untouchable") peasants. About 40% of this has been distributed among landless village workers, but the rest is not in condition to be used immediately for agricul-

ture. The intended beneficiaries lack the capital to carry out the necessary improvements and ASSEFA was set up to provide this capital and prepare the land. Its activities also extend to the creation of the necessary social and economic infrastructure to enable new farmers to operate successfully and independently, and this covers secondary operations such as the fitting out of schools and kindergartens, the building of country roads and the provision of vocational training. Over the last 10 years ASSEFA has prepared some 4118 acres which have gone to 1840 families in Tamil Nadu, Bihar, Maharashtra and Rajasthan. It concentrates its activities in Tamil Nadu, where there are 35 farms, 3100 acres and 1508 beneficiary families.

The Italian NGO Movimento Sviluppo Pace (MSP) has been supporting the ASSEFA and a French NGO, the Comité Catholique contre la Faim et pour le Développement (CCFD), is also interested. The two put up their contributions to ASSEFA for EEC co-financing in 1977 and 1979, and the result was the Vadugapatti project, aimed at improving 55 acres of land for 191 families in the Coimbatore district of Tamil Nadu. The project included infrastructure, such as wells and a school, and the development of economic activity such as poultry farming and a textile business. The total cost was ECU 723 986, of which the EEC paid ECU 351 389, or just under 49%.

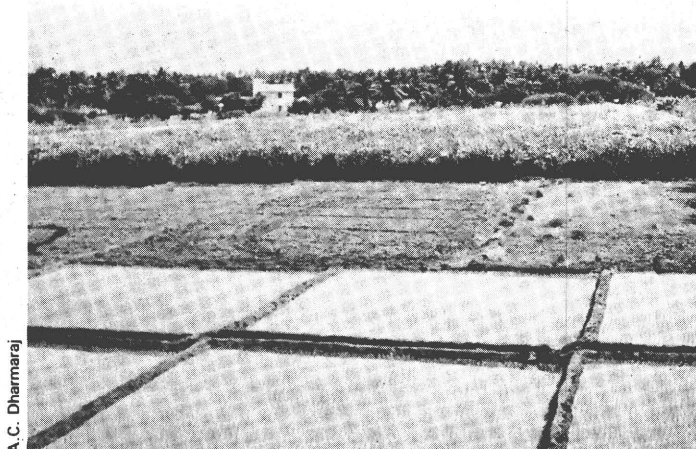
The Vadugapatti project was carried out in three stages from 1973 to 1980. The first stage (1973-77) was jointly financed by the Italian NGO and ASSEFA. The Commission co-financed the second and third stages with the

MSP and CCFD. Vadugapatti followed the same pattern as all other ASSEFA projects. The 191 beneficiary families were divided into 47 groups of four or five, each of which was given about 10 acres to cultivate. Each family was given a site on which to build a house. ASSEFA provided equipment for irrigation, agriculture and transport. The groups practice cooperative agriculture, with part of the profits going to ASSEFA to repay capital costs and the rest being divided among the cooperative members. At the same time the organization provides training for the new farmers. At regular meetings, they discuss their plans and learn to exercise responsibility independently.

Broader social and economic provision is also made. A study has shown that to lead an independent existence a family in Vadugapatti needs 2 815 rupees a year. Agriculture can provide 40% of this. A further 22% can be earned from seasonal employment in industry or commerce. The remaining 38% could come, according to ASSEFA's plan, from textile manufacture, animal breeding (cattle, poultry) and so on.

The project area now has grain fields, fruit and vegetable areas, wells, irrigation channels, motor pumps and a central farm building which serves as a store, an administrative centre and a meeting-place. There is also a school and kindergarten. Near the farmhouse is the poultry farm and textile shed.

The project's initiators still have a lot to do. The scheme is faced with the problems of rising electricity costs, a shortage of cement, dry monsoons and a limited groundwater potential. Nonetheless, before the start of the project the farm area looked like a lunar landscape. Considering what was achieved, it is no exaggeration to say that a desert has been turned into farmland. ○ B.T.



A.C. Dharmaraj

Before (left) and after (right) views of the Vadugapatti land improvement project

Death and the coconut palm

by Peyton JOHNSON

Batticaloa, Sri Lanka — What was left of the coconut grove ran from within 50 yards of the beach, past the battered village and all the way back to where the road for the highlands curved upwards and out of sight into the hazy distance. (1)

Fallen palms littered the ground in every direction and now their exposed roots stuck up lifeless and twisted. The uprooted palms, some of them more than 100 feet long, looked as though they had been ripped from the earth and flung about like so many matches. At least half the still-standing palms were damaged and slanted groundward in crazy precarious angles. Here and there a palm had crashed down into a house, abandoned now, splintering roof and walls to shingles. Through this swathe of destruction the villagers went about with long sullen faces.

"This was once one of the finest and best producing groves on the whole of the island", Ajit Aseraffa of Sri Lanka's Ministry of Coconut Industries said sadly. "Look at it now."

It looked as if it had been hit by an artillery barrage.

"Worse. Tropical cyclone", he remarked.

Considerable damage

The cyclone Ajit Aseraffa referred to hit Sri Lanka in late November of 1978. But the signs of its destruction are still everywhere in evidence throughout the island's eastern seaboard. The cyclone was followed by a tidal wave. In the districts of Amparai, Batticaloa, Kamunai, Polonnuruwa and Trincolamee the devastation was catastrophic.

An estimated 1 500 to 2 000 people were killed, about 150 000 left homeless. All communications with the rest of the island and the outside world were out. Half the rice crop and 90 per cent of the coconut palms were destroyed, a loss of more than two million trees.

"It will be years before we recover from that disaster", Ajit said.

Now the government, hard-pressed

(1) FAO feature.

even before the calamity, is carrying out the long-haul effort needed to put the coconut industry, and the people who depend on it for a living, back on its feet. No one has ever hinted that it would be easy.

"But it has to be done. And as quickly as possible", Ajit said. "You have no idea how important the coconut palm is to this country".

Important indeed. After tea and rubber, coconuts are Sri Lanka's most important crop. Copra sales provide a healthy share of the island nation's foreign exchange earnings. But coconuts mean far more than mere money in Sri Lanka. The average citizen cannot conceive of a diet that does not include coconut and coconut milk and meat are the main source of protein for the rural people. Without the coconut palm, the country would not only be poorer but worse fed.

And there is the palm's beauty. This is important in a land relatively small—



Photo FAO

These coconut palms on Sri Lanka's east coast were heavily damaged by a tropical hurricane that struck the island in November 1978. More than two million palms were destroyed

435 kilometres long, 225 wide at its broadest east-west extension—noted for its beauty since the days of the Ramayana. Quite as much as the island's long white beaches, its jewel-like lakes and winding rivers, the dusty blue of the interior highlands, the ever-

green vegetation rainbowed with wild flowers, the stately coconut palm is an attraction to outsiders as well as a familiar comfort to the island's 14 million inhabitants.

"The cyclone brought more than economic destruction", Ajit, a tall man of princely bearing, said. "It was a blow to our heart".

The first problem, he said, was to clear away the debris. With so many trees down this has proved no small task and is a long way from finished, though it has given rise, unexpectedly, to the development of a coconut palm timber industry.

Then came the programme of re-planting, still going on. The new palm seedlings come from throughout the coconut-growing world and represent the best varieties available for higher yields of nut per tree and greater resistance to the ravages of both palm disease and weather. Sri Lanka would have been hard put to finance alone this ambitious recovery programme.

Rural rehabilitation

Fortunately much aid has come from outside. One small but urgent project, worth \$200 000 was funded by the Food and Agriculture Organization of the United Nations (FAO) under its Technical Cooperation Programme. This FAO emergency aid supplied the country with chain saws, water pumps, tractors, lorries, jeeps and motorcycles and the training of recovery programme personnel at the time when all were most needed.

The FAO's Technical Cooperation Programme was established in 1976 at the initiative of FAO director-general Edouard Saouma in order to give FAO a "new dimension"—to provide quick, direct aid for small-scale, short-term agricultural and rural development projects in developing countries.

Like all Sri Lankans, Ajit Aseraffa believes that eventual good often comes out of the most terrible of tragedies. Now, he says, the government has been able to launch rural rehabilitation based on modern intercropping and animal husbandry systems under the shade of protecting coconut palms of better breed, yield and resistance.

"Such a programme is long overdue", Ajit said. "Now we are actually putting it into action. The key to it all, though, now as before, depends on the health of the coconut palm, Sri Lanka's tree of life". ○ P.J.

***1 500 to 2 000 people
were killed, 150 000 left
homeless and 90 %
of coconut palms
were destroyed***



When they came crashing down the uprooted coconut palms destroyed houses, rice crops and killed an estimated 1 500-2 000 people



After the tropical cyclone, what is left of a coconut grove in a fishing village on Sri Lanka's east coast

Photo FAO

Culture and regional identity

The case of Carifesta

The theme of the Caribbean's regional identity was underlined during the two week Caribbean Festival of the Creative Arts, Carifesta, held in Barbados at the end of July this year.

Carifesta, the fourth of its kind, took off originally from the English-speaking Caribbean in the early '70s. The initiative came from the Guyanese Prime Minister, Forbes Burnham (see box), although the idea and the need had been around for years before. From the first festival, held in Guyana in 1972, the approach was to involve all the countries of the area, both islands and mainland, Spanish-speaking, Dutch-speaking and French-speaking as well as English-speaking.

The second Carifesta was held in Jamaica in 1976 and the third in Cuba in 1979; all the time the festival was growing in scope and reputation so that, by Carifesta 4, Barbados was faced with a daunting task of organization. Nearly 30 countries from Mexico to Suriname, sent contingents of artists, writers, dancers and musicians amounting to, according to some estimates, around 4000 people. Questions were asked whether the time had not come to separate different aspects of the arts, leading to, say, a festival of music or of theatre. Seeing how so

many Caribbean creative artists combine different disciplines (such as dance, music and song in broadly theatrical presentations), this might be hard, and whatever the administrative difficulties, it would be a pity to abandon Carifesta's aspiration to universality.

One thing that nobody would consider abandoning, however, is Carifesta's regional vocation and its role in underlining the strands of unity that lie under the region's remarkable cultural diversity. Barbadian writer George Lamming, in his keynote address at the festival's opening ceremony and parade in the Bridgetown sports stadium, dwelt on this theme at length, and the historical, geographical and socio-cultural origins of this unity as well as its manifestations in music, dance and theatre.

The occasion of the opening ceremony was used to honour six celebrated cultural figures in the Caribbean: the poets Nicolas Guillen from Cuba and Aimé Césaire from Martinique, the Jamaican sculptress Edna Manley, the Trinidadian dancer and dance teacher Beryl McBurnie, the celebrated Trinidadian calypsonian Mighty Sparrow and the Barbadian Frank Collymore, editor of the literary magazine *Bim*.

Lamming began by paying tribute to the Caribbean vision of the late Dr Eric Williams, Prime Minister of Trinidad and Tobago, who died earlier this year. He it was, said Lamming, who first

"I am convinced that we all want to see Caribbean art, in all its forms, flourish here, in the Caribbean. We want to see Caribbean art originate in the Caribbean, and we want to see Caribbean authors' work published in the Caribbean. I believe that we can have, in the Caribbean, our cultural Mecca, and I am convinced that we can have a successful Caribbean Arts Festival. Our Caribbean Festival can be, may, must be, a place to which other people can come, learn, admire and enjoy"

Part of the address delivered by the Prime Minister of Guyana, Forbes Burnham, at the opening of the Writers' and Artists' Convention in Georgetown, 24 February 1970.

planted the idea of gathering together the scattered artists of the Caribbean and drew the attention of Lamming and other writers to the virtues of Caribbean writers in other languages, such as Guillen and Césaire. "It was his (Williams's) wish that people of my generation then would ignore the imperial barriers of language... He was essentially a Caribbean person, and through his work, both as historian and man of public affairs, he became a great pioneer in helping to lay the foundations of this regional house... it is a recognition of a family of islands, including the mainland island of Guyana, peopled by the same blood and shaped by the same historical experience"

Another Caribbean figure who died recently cast a very long cultural shadow over Carifesta and also earned praise in Lamming's speech—Bob Mar-



Willy Alleyne Associates

The Caribbean sound at Carifesta: musicians Tony Alleng (left) and Mighty Sparrow



Folk dancing from Guadeloupe ...

ley, the Jamaican reggae musician and singer. Although the festival did not commemorate him officially, many groups, such as the Irakere big-band from Cuba, and the St Lucia national dance troupe, paid tribute to him. The profound impact of his music on the region as a whole is inextricably tied up with the groundswell of Rastafarianism, the artefacts and ideas of which can now be found in every Caribbean island.

The potency of reggae as a vehicle is a first-class illustration of how musical culture transcends the complex of linguistic frontiers that is the Caribbean. The merging of African and other cultures has already produced the whole range of Afro-Cuban rhythms and dances, as well as those of the French Caribbean from the biguine to the cadence, and the unique Trinidadian form of the calypso, all of them founded in

the music of the people. All of them, needless to say, were on display in Carifesta.

Being not only shows and spectacles but a cross-fertilization of minds and spirits, the series of symposia organized under the Carifesta umbrella offered a fertile platform for regional dialogue on ethnology, literature, the role of women, and other subjects; in the ethnology symposium these two musical poles of the Caribbean were treated together in a discussion on "Reggae and Calypso, their roots and development".

Likewise "The African Element in Caribbean Folk Song and Music" bore testimony to the increasing desire, in which the stimulus of something like Carifesta certainly plays a part, to investigate the popular heritage, as has been done, for example, in Barbados by three researchers: Peggy McGeary, Trevor Marshall and Grace Thompson,



George Lamming
Breaking down "the imperial barriers of language"

who have produced an excellent collection of the *Folk Songs of Barbados*.

Language, although apparently a fragmentary force, is also important for students of areas of contact between the linguistic zones. The literature symposium examined especially the links between the English, Spanish and French connections in the region. The participants heard a long account by a Cuban lecturer from the *Casa de las Americas* of the role of literary reviews and "little magazines" in national emancipation movements this century throughout the region from Cuba and Haiti to Curacao and Suriname.

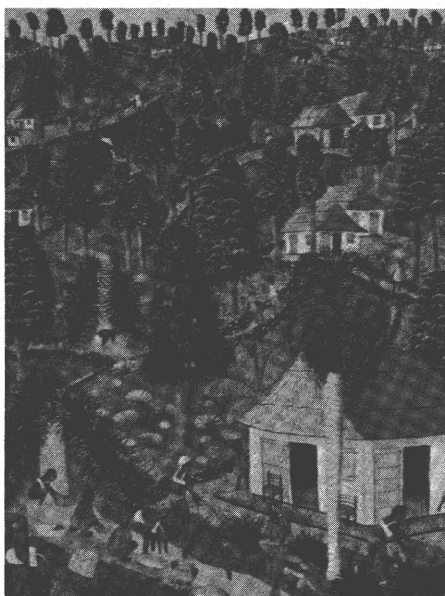
The most striking comparative study, however, was that of J. Michael Dash, in which he located the literature



... and from Puerto Rico

of Haiti and the French overseas departments in the context of that of the rest of the Caribbean. For example, he compares the intentionally unfinished colloquial poetry of Leon Gontran-Damas, drawing heavily on Creole, to the more recent oral poetry of the urban 'dread' or 'sufferer' in the anglophone Caribbean. Again he sees Césaire's *Return to my Native Land*, with its "radically new notion of poetic creativity" as a "movement well worth stealing from the limited context of the French Caribbean to be relocated in terms of the region's literature".

The increasing interest in the English-speaking Caribbean with dialect literature (seen at its most dazzling in the monologues of the Trinidadian Paul Keen-Douglas) parallels the much deeper and more political preoccupation with Creole in the French Caribbean. All represent different facets of



Painting from Haiti



Fantasy on parade at Carifesta's "kadooment"



Photos: K. Whiteman

Carifesta '81: a carnival, of course ...

the same quest for what is real, local and regional as opposed to the all too prevalent fake and imported. There is no doubt, too, that in the last decade, more or less the span of Carifesta's existence, this kind of slow taking-off of regional consciousness has manifestly increased.

Nothing illustrates this better than the strong and culturally rich participation of Cuba on the one hand, and that of the French overseas departments on the other. Jean-Paul Césaire, head of SERMAC (Service Municipale d'Action Culturelle), the cultural centre of the Mairie (town hall) of Fort-de-France—which was participating for the first time, although Martinique has been going to Carifesta since 1976—told me that this kind of cultural contact, all too

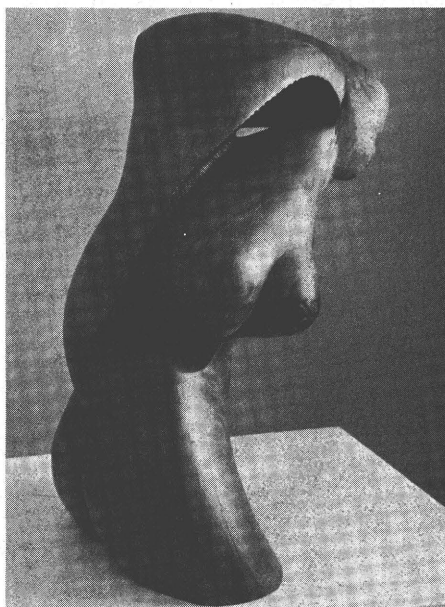
rare, was extremely important. "If we continue to ignore our environment, we'll become pariahs in the region".

SERMAC has been in existence for 10 years (it was started on the initiative of Aimé Césaire, mayor of Fort-de-France) and has organized each year a cultural festival that has grown annually in dimension, although it is still too little known in the rest of the Caribbean. SERMAC complements rather than rivals the Ministry of Culture's centre, CMAC. Both stress the importance of cultural identity and popular participation. SERMAC, for instance, showed two films concerning its grass roots activity, one called *Cé nou mem kli là* (which translates from Creole as: "It's us who are there"), dealing with dance, theatre and music at different

suburban centres in Fort-de-France; and the second called *Madinina* (the original Carib name of Martinique), which gave the same subject a more impressionist treatment.

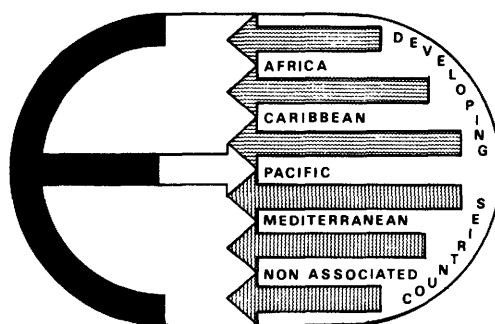
This article has only nibbled at the vast range of activity in Carifesta. The theme I have chosen—the role of culture in encouraging regional identity and, indeed, of regional cooperation and development—is but one of many vital themes running through such an event. But at a time when so many outside forces seem to divide the region, Carifesta is a salutary reminder of the long-standing aspiration that the region has had to unity, in spite of all the obstacles and centrifugal forces.

○ KAYE WHITEMAN



... but Carifesta is also a serious arts festival: (left) sculpture by Barbadian Courtenay Devonish and (right) a scene from the play "In the castle of my skin"

Operational summary of EEC-financed development schemes



OPERATIONAL SUMMARY No. 7 — November 1981

The following information is aimed at showing the state of progress of EEC development schemes prior to their implementation. It is set out as follows:

Geographical breakdown

The summary is divided into three groups of countries, corresponding to the main aspects of Community development policy:

- the ACP countries (Africa, the Caribbean and the Pacific), which signed the multilateral conventions of Lomé I (28 February 1975) and Lomé II (31 October 1979), plus the OCT (overseas countries and territories) of certain member states of the EEC, which get the same type of aid as the ACP countries;
- the Mediterranean countries (Maghreb and Mashraq), which signed cooperation agreements with the EEC in 1976 and 1977;
- the non-associated developing countries of Asia and Latin America, beneficiaries since 1976 of annual aid programmes.

The information within each of these groups is given by recipient country (in alphabetical order).

Information given

The following details will usually be given for each development scheme:

- the title of the project;
- the administrative body responsible for it;
- the estimated sum involved (prior to financing decision) or the amount actually provided (post financing decision);
- a brief description of projects envisaged (construction work, supplies of equipment, technical assistance, etc.);
- any methods of implementation (international invitations to tender, for example);
- the stage the project has reached (identification, appraisal, submission for financing, financing decision, ready for implementation).

Note

As the information provided is subject to modification in line with the development aims and priorities of the recipient country, or with the conditions laid down by the authorities empowered to take financial decisions, the EEC is in no way bound by this summary, which is for information only.

Main abbreviations

- Resp. Auth.: Responsible Authority
- Int. tender: International invitation to tender
- Acc. tender: Invitation to tender (accelerated procedure)
- Restr. tender: Restricted invitation to tender
- TA: Technical assistance
- EDF: European Development Fund
- mECU: Million European currency units

ACP STATES

BAHAMAS

Food technology laboratory. Resp. Auth.: Ministry of Agriculture and Fisheries, Nassau. 0.446 mECU. Establishment of first food technology laboratory in the Bahamas. Gross area 520 m² consisting of a chemical and microbiological laboratory, pilot processing plant, store rooms and offices. Building construction: acc. tender. Equipment and fittings: restr. tender. TA: two food technologists specialist in processing and in standards and quality control. Tenders: 1st half '81. Contracts: in '82. 4th EDF.

BARBADOS

Oistins fisheries project. Resp. Auth.: Ministry of Agriculture. EDF 0.950 mECU. Local 0.450 mECU. Construction of the western complex of the existing fish market, jetty construction, erection of a fish-handling centre, sellers' stalls, shops, 80-vehicle car park and a boat repair yard. Work contracts already awarded. Equipment: int. tender in several lots in '81. Minor equipment: restr. tender or direct agreement in '81. 4th EDF.

Integrated rural development of Scotland District, phase 1. Resp. Auth.: Ministry of Agriculture. Estimated total amount of 12.5 mECU. EDF 1.225 mECU. EDF part: Constructions (bench terraces, ditches, small dams, feeder road), 190 ha reafforested areas, two tree nurseries, T.A. Works by direct labour. Supplies: Restr. tender or direct agreement. T.A.: Short-list not yet drawn up. Date financial decision September '81. 5th EDF.

BENIN

Djougou-Porga road. Resp. Auth.: Ministère des Travaux Publics. Intermittent road improvements over 180 km. Economic study: SEDES Consultant (F). Technical study: BELLER Consultant (D). 4th EDF.

Dassa-Parakou road. Resp. Auth.: Ministère des Travaux Publics. 0.7 mECU. Reinstatement and asphaltting of the road (210 km). Economic study: SEDES Consultant (F). Technical study to be done: restr. tender after prequalification. 4th EDF. Works 5th EDF.

Upgrading of health service infrastructure in Porto Novo Hospital. Resp. Auth.: Ministère de la Santé Publique. Porto Novo: renovation and construction of the hospital building and equipment. Technical and architectural studies: Cabinet SODOGANDJI Consultant (Local). Complementary study on hand. 4th EDF.

Parakou polytechnical complex. Resp. Auth.: Ministère de l'Enseignement Moyen, Général, Technique et Professionnel. Construction of 8 000 m² of pedagogical and administrative buildings and hostels. Supplies and equipment. Technical and architectural study: Arch. VINOUE (Local). Project on appraisal. Date foreseen for financial decision 2nd half '82. 4th EDF.

Cotonou maternity hospital. Resp. Auth.: Ministère de la Santé Publique. ±1 mECU. Works: Acc. tender. Equipments: int. tender in '82. Date foreseen for financial decision: 1st quarter '82. 4th EDF.

Livestock development in the Borgou region. Resp. Auth.: Ministère des Fermes d'Etat, de l'Elevage et de la Pêche. Numerical and stabilizing cattle improvement for meat production increase. Study on hand: SCET International (F). Project stage: identification. 5th EDF.

Geological mapping and mining research between 9th parallel and Ocean. Resp. Auth.: Ministère de l'Industrie et de l'Artisanat. National mineral resources development. Drawing up a geological chart, surveys, supplies. Project clearly identified. 5th EDF.

Rural Hydraulics. Resp. Auth.: Ministère de la Santé Publique and Ministère des Travaux Publics. Water points. Establishing a maintenance service. Nationals training. Works, supplies and T.A. Project clearly identified. 5th EDF.

BOTSWANA

Poultry-farming development project. Resp. Auth.: Ministry of Agriculture. Estimated Cost: ±1 mECU. Supply of equipment and possibilities for T.A. Date foreseen for financial decision: 2nd half '81. 5th EDF.

BURUNDI

Consolidation of tea production. Resp. Auth.: Ministère du Plan. 8.9 mECU. To increase productivity and to improve quality production of tea projects previously financed. TA foreseen for 6 years, '81 to '86: A.H.T. (D). Crop inputs: int. tender '81 to '84. 4th EDF.

Institut Universitaire de Sciences de l'Education (IUSE). Resp. Auth.: Ministère de l'Education Nationale — 0.7 mECU. Construction and equipment of educational buildings (general teaching classes, laboratories, workshops). Architectural and technical studies: TETRA Consultants (B). Evaluation study: DURIAU (B). Project on appraisal. 4th EDF.

Rural development of East Mpanda. Resp. Auth.: Ministère de l'Agriculture. Development of 5 950 ha of land — irrigation, construction of a road network, socio-economic infrastructure, for a population of 5 320 families (of which 3 835 are to be installed). Duration 7 years. Estimate 30.8 mECU. Cofinanced project. Foreseen funding: IFAD 10.5 mECU — Local 7.0 mECU — AFDF 6.9 mECU — EDF 4.3 mECU — OPEC 1.5 mECU — PAM 0.6 mECU. Project clearly identified. 5th EDF.

High altitude foodcrop production. Resp. Auth.: Ministère de l'Agriculture. First phase (4 years), estimate 8.3 mECU. Cofinanced project. Production of selected seeds, their distribution and commercialization of surplus products, fertilizer and plant-health products, training. Foreseen funding: Local 0.4 mECU — USAID 4.1 mECU — EDF 3.8 mECU. Financial agreement between USAID and government signed on April 1980. For EDF: project clearly identified. 5th EDF.

Livestock development project. Resp. Auth.: Ministère de l'Agriculture. Estimated Cost: ±1 mECU. Supply of equipment and T.A. Study on hand: SEDES Consultant (F). Date foreseen for financial decision: 2nd half '81. 4th EDF.

Remera tea factory. Resp. Auth.: Ministère du Plan. Tea factory building for 600-700 tons/year. Project clearly identified. 5th EDF.

Ngozi-Kayanza electricity supply. Resp. Auth.: REGIDESO. Estimated cost ± 2 mECU. Construction of electric lines. Supplies: int. tender, 1st half '82. Project on appraisal. 4th EDF.

Tora region electricity supply. Resp. Auth.: REGIDESO. Estimated Cost ± 2 mECU. Construction of medium voltage electric lines. Study on hand by Carlo Lotti: (I). 4th EDF. Project stage: identification. 5th EDF.

Bujumbura naval ship yard. Resp. Auth.: Ministère des Transports. Study on hand by I.P.G. (D). 4th EDF.

CAMEROON

Douala-Yaoundé road. Resp. Auth.: Ministère de l'Équipement. Construction of a modern road and new bridge (± 219 m) over Dibamba-river. Estimated cost: 211 mECU. Cofinancings: Af.D.B. BADEA, FRANCE, EDF, NEDERLAND, ABU-DHABI, KOWEIT, IDB, WORLD BANK, CANADA. Local. EDF: ± 4.1 mECU for the bridge. Project on appraisal. 4th EDF.

Extension of Ecole Nationale Supérieure Polytechnique. Resp. Auth.: Ministère de l'Éducation. Construction of 3 050 m² of pedagogical buildings (EDF part) and construction of 1 560 m² of administrative buildings, plus equipment (GOC part). EDF 1.5 mECU, Local +FAC 2.6 mECU. Technical and architectural studies: Buban Ngu Design Group Consultant (Local). Works: Acc. tender. end '81. Project in execution. 4th EDF.

Rural development in the North-West Province. Resp. Auth.: Ministry of Agriculture. Cofinanced project. Increase of production of agricultural foodstuffs, improvement for professional training of staff of the extension service, rural credit to promote foodcrop development and coffee production, and repairing regional road network. Funding (estimated): EDF 8.92 mECU, Local 7.74 mECU, IFAD 8.37 mECU, KfW (D) 6.62 mECU. Works: direct agreement. after Acc. tender. Supplies: Int. tender and direct agreement. T.A.: Agrar und Hydrotechnik (D). Int. tender: 1st half '82.

Transcam — realignment of Eseka-Maloume railway. Resp. Auth.: Office des Chemins de Fer Transcamerounais (OCFT). Geotechnical study: Coyne et Belier (F). Economical study: Sofrerail — OCCR Inter G (F). 4th EDF. Works foreseen 2nd quarter '82, 5th EDF with cofinancing. Estimated cost: ± 86 mECU. Works: Int. tender with prequalification foreseen end '81.

Rural development in the Benoué upper valley. Resp. Auth.: Ministère de l'Agriculture and Ministère de l'Urbanisme et de l'Habitat. (Mission de développement de la Benoué - Garona). Strengthening, continuation and extension current operations. Study on hand: IFAGRARIA (I). 5th EDF.

Rural development in Logone and Chari departments. Resp. Auth.: Ministère de l'Agriculture. (SEMRY). Continuation and extension current operation study on hand: Hydroplan (D) - 5th EDF.

CAPE VERDE

Sal international airport improvement. Resp. Auth.: Ministère des Transports et Communications. Technical study financed by Italy. Partial financing envisaged. Project stage: identification. 5th EDF.

CENTRAL AFRICAN REPUBLIC

Improvement to the running of the Société Nationale des Eaux (SNE). Resp. Auth.: Ministère de l'Équipement des Transports et du Tourisme. 0.555 mECU. Supply of valves and meters and TA. TA: Bureau S.L.E.E. (F). Supply: int. tender, 1st half '81. 4th EDF.

Renovation and equipment of Lycée Technique de Bangui. Resp. Auth.: Ministère de l'Éducation. Supply of equipment and renovation works. Studies: O.R.T. (UK). Date foreseen for financial decision: 1st quarter '82. 5th EDF.

College of Education in Bangui (Lycée d'application de l'E.N.S.) Resp. Auth.: Ministère de l'Éducation. Building and equipment of the school. Study to be done: Technical and architectural study. Short-list already drawn up. Project on appraisal. 5th EDF.

Bridge building on RN3 and RN2. Resp. Auth.: Ministère des Travaux Publics. Project clearly identified. 5th EDF.

Damara-Sibut Road. Resp. Auth.: Ministère de Travaux Publics. Repairing and maintenance (± 109 kms). Project clearly identified. 5th EDF.

Rural development in the coffee region. Resp. Auth.: Ministère de l'Agriculture. (ADECAF). Continuation current operations Project stage: identification. 5th EDF.

CHAD

Support programme for cotton cultivation productivity. Resp. Auth.: Ministère de l'Agriculture. 9.6 mECU Supply of: Fertilizer, pesticides and pulverizers. Int. tender launched in August '81. Date financial decision, end of September '81. 4th EDF.

COMOROS

Economical and technical study to assess harbour infrastructure in Grande Comore and in Mohéli. Resp. Auth.: Ministère des Travaux Publics. Short-list not yet drawn up. Project on appraisal. 5th EDF.

CONGO

Repairs to the Sibiti-Bihoua road. Resp. Auth.: Ministère des Travaux Publics. 2.6 mECU. Reconstruction of the asphalted road. Works: Acc. tender, 1st half '81. 5th EDF.

Continuation to improve sanitation of the M' FOA river in Brazzaville. Resp. Auth.: Ministère du Plan. 2.5 mECU. Construction of a concrete bed and a service gravel-road. T.A. Works: int. tender, 1st quarter 82. T.A.: direct agreement. Date foreseen for financial decision end October 81. 5th EDF.

DJIBOUTI

Support to the livestock service for anti-ticks baths network settlement. Resp. Auth.: Ministère de l'Agriculture. Study on the way by F.A.C. (F). Project clearly identified. 5th EDF.

Medical equipment for the Peltier Hospital. Resp. Auth.: Ministère de la Santé. Project clearly identified. 5th EDF.

ETHIOPIA

Health project. Resp. Auth.: Ministry of Health. 4.3 mECU. Construction and equipping of two rural hospitals and a school for laboratory technicians in Addis Ababa plus the supply of laboratory equipment to the Central Laboratory in Addis Ababa. Studies: architectural design, Norman and Daurbarn (UK). Establishment of list of equipment: Mr V. Welles (UK). Works: int. tender launched Sept. '81. 4th EDF.

Cotombie — Combolcha power line. Resp. Auth.: Ministry of National Resources and Energy. Construction of a 300 km 135 KV power line. Feasibility study: ACRES (Canada). Study: final design and tender documents: directly by GOE and LAHMEYER. Consultant (D). Project on appraisal. 4th EDF.

Fisheries Development. Resp. Auth.: Fisheries Development and Marketing Corporation. 2.078 mECU. EDF 1.513 mECU, Local 0.565 mECU. Supply of equipments, facilities and T.A. Supplies: Int. tender in '81 and '82. T.A.: GOPA (D). Project in execution. 4th EDF.

Amartis river diversion. Resp. Auth.: E.E.L.P.A. Ethiopian Electrical Power Authority. Estimated cost: 10 mECU. Dam and tunnel. Study and T.A.: short-list already drawn up. Works: Int. tender in '81 and '82. Project on appraisal. 5th EDF.

Electrical tariffication study. Resp. Auth.: E.E.L.P.A. Short-list not yet drawn up. Project on appraisal. 5th EDF.

Addis-Ababa Water Supply. Resp. Auth.: Addis-Ababa Water and Sewerage Authority (AAWSA). Estimation: ± 53 mECU. Works, supplies and T.A. foreseen end '81, 1st quarter '82. Date financial decision: July '81. Project on appraisal. 5th EDF.

Coffee improvement (phase 2). Resp. Auth.: Ministry of Agriculture. Works, supplies and T.A. Project clearly identified. 5th EDF.

GABON

Reafforestation (improvement of the reafforestation brigade's activity in the 1st zone). Resp. Auth.: Ministère de l'Agriculture. EDF part for renewing and completing equipment. Project stage: identification. Study: short-list already drawn up. 5th EDF.

Hevea-cultivation in Mitzic. (HEVEGAB) Resp. Auth.: Ministère de l'Agriculture. Cofinanced project. CCCE - BAD - EDF - FAC and Local. Estimated cost ± 50 mECU. EDF part 3.62 mECU. Plantation of 3,300 ha heveas. Supply of equipment (lorries, tractors, machines): int. tender, 1st half 82. T.A. envisaged, financed by CCCE(F). Date foreseen for financial decision, mid-November 81. 5th EDF.

GAMBIA

Artisanal fisheries development. Resp. Auth.: Ministry of Agriculture and Natural Resources, Fisheries Dept. 1.485 mECU. Processing, handling and marketing facilities at Gunjun Beach, preservation and distribution of the fish, improvement of access to fishing centres. Tenders for works and equipment, 2nd half 1981. T.A.: PROPECA (I). 4th EDF.

Brikama College, phase II. Resp. Auth.: Ministry of Works and Communications. 1.925 mECU. Construction and equipment of academic and residential buildings. Works

by mutual agreement. Equipment for phase II: int. tender, 2nd half 1981. 4th EDF.

Banjul sewerage and drainage project. Resp. Auth.: Ministry of Works. Estimated Cost: ± 15 mECU. Cofinancings: BAD/FAD 7.3 mECU, EDF 3.5 mECU, KFW (F.R.G.) 3.3 mECU, Local 0.9 mECU. Construction of a sewerage and drainage network, 2 pumping stations, T.A. and training T.A.: short-list already drawn up. Works: Int. tender, 2nd half '81. Financing decision for EDF: May '81. 5th EDF.

GHANA

Central and Accra Regions Rural Integrated Programme (CARRIP). Resp. Auth.: Ministry of Finance and Economic Planning. Prefeasibility study for potential projects within the two regions, with the aim of improving the food situation in Accra and other coastal towns. Study: rehabilitation irrigation project: HEDESELSKABET (DK) 4th EDF. Study: 3 integrated projects: short-list already drawn up. 5th EDF.

Oil palm development in Ghana. Resp. Auth.: Ministry of Finance and Economic Planning. Study of state farms oil palm plantations as a basis for a possible rehabilitation and development programme (Pretsea excepted). Consultant: Harrison Fleming (UK). 4th EDF.

Pretsea oil palm plantation rehabilitation. Resp. Auth.: Ministry of Finance and Economic Planning. 7.390 mECU, EDF 1.910 mECU, Local 5.480 mECU. Complete rehabilitation of 4 500 hectares of oil palm plantation and of an existing oil palm extraction mill at Pretsea. Supplies funded by EDF. Int. tender: on 2nd quarter '81. Works financed by GOG. Restr. tender. TA: Harrison Fleming (UK) selected. 4th EDF.

Improvement of the agriculture and assistance to rural banks. Resp. Auth.: Ministry of Finance and Economic Planning. 2.521 mECU. Supply on credit of basic crop inputs and TA to the Bank of Ghana. TA: HENDREKSON (D). Supplies: direct agreements in '81. 4th EDF.

Axim-Mpataba-Elubo road. Resp. Auth.: Ministry of Finance and Economic Planning. EDF complementary funding. 10 mECU. To cover excess expenditure resulted from int. tender opened on December '80. 4th and 5th EDF.

GRENADA

Eastern Main Road Rehabilitation. Resp. Auth.: Ministry of Publics Works. 2.5 mECU. EDF 1.440 mECU, Local 1.060 mECU. Geotechnical study: Geoprogetti Consultant (I). Works: Contracts already awarded. Supply: Equipment for public works, int. tender in '81. 4th EDF.

GUINEA

Land development in Kankan and Labé regions. Resp. Auth.: Ministère de l'Agriculture et des F.A.P.A. 2.5 mECU. 1st phase. Cultivation of 1 000 ha of hydro-agricultural land by rural development brigades. Works, supplies, furnitures and vehicles and T.A. Work and supply: Int. tender and Age. tender or direct agreement. T.A.: CEDRAT (F). Project in execution. 4th EDF.

2nd phase. Estimated cost: 5 mECU. Hydro-agricultural land improvement by controlled flooding. Carrying out of plan: Bureau EUROCONSULT (N). Project on appraisal. 5th EDF.

Renovation and extension of the SOGUIPLAST plastics factory. Resp. Auth.: Government of Guinea. 13 mECU. Fundings: EDF 5.8 mECU, Iraq (E.I.F.D.) 4.7 mECU, Local 2.5 mECU. Engineering, training, provision of services, renovation work, supplies and installation of auxiliary equipment: int. tender lunched. Supply and installation of plastics production equipment: int. tender following E.I.F.D. regulations, end '81. 4th EDF.

Dairying in Guinea. Resp. Auth.: Premier ministre. Dairying improvement for population nourishment. Study in progress: pasteurized milk reconstitution unit by Danske Mejeriers Arkitektkontor (DK). Project stage: identification. 4th EDF.

GUINEA BISSAU

Improvement of small scale fishing in Cacheu. Resp. Auth.: Secretariat d'Etat pour la pêche. Improvement of infrastructure and equipment. Cold factory. Project stage: identification. 4th and 5th EDF.

North-East rural development. Resp. Auth.: Commissariat Général au Développement Rural. Estimated Cost: 10.8 mECU. EDF 6.8 mECU, F.A.C. 4 mECU. Crop production development (cotton, pea-nut, cereals) by harnessing cultivation, rural credit and correct crop trading. Study: C.F.D.T. (F). Work: by direct labour. Supply of crop inputs by int. tender in '81 and '82. T.A.: by C.F.D.T. (F). Date foreseen for financial decision, end '81. 5th EDF.

Rio Campossa Bridge. Resp. Auth.: Commissariat d'Etat aux Travaux Publics. Bafata-Bambadinca Road. Works, supply may be, T.A. Project stage: identification. 5th EDF.

Health infrastructures. Resp. Auth.: Commissariat d'Etat aux Travaux Publics. Estimated cost 1.9 mECU. Construction and equipment of 2 district hospitals, 4 health centres and staff-housing. Project on appraisal. 5th EDF.

GUYANA

East Bank Berbice rural development programme. Resp. Auth.: Ministry of Agriculture. Works: feeder roads, infrastructure. Supply of fertilizers and equipments. T.A. Project stage: identification. 5th EDF.

IVORY COAST

Human hydrolics improvement. Resp. Auth.: Ministère de la Santé Publique et Ministère des Travaux Publics, des Transports, Construction et Urbanisme. 13.500 mECU. Works: 299 wells, 801 drillings, water tanks, bore-holes. Supply of 1,400 manual pumps. T.A. For drillings and big wells: int. tender end 81 or 1st quarter 82. Supplies (manual pumps and pedagogical equipment) int. tender end 81 or 1st quarter 82. T.A.: direct agreement. Date foreseen for financial decision end Octobre 81. 4th and 5th EDF.

Trade promotion programme. Resp. Auth.: Centre Ivoirien du commerce Extérieur (CICE). EDF part 2.325 mECU. Local 8 mECU. EDF: vocational training actions (seminars and training) and products promotion (studies, marketing) and monitoring. T.A. foreseen until end 83 for european offices and until end 85 for CICE in Abidjan. T.A.: direct agreement and after prequalification. Date foreseen for financial decision end 81. 5th EDF.

KENYA

Machakos integrated development programme. Resp. Auth.: Ministry of Economic Planning and Community Affairs. 23.140 mECU. EDF 17.700 mECU, and Kenya government and farmers' contributions 5.440 mECU. Main elements are water development (construction of earth dams and other low-technology water schemes), agricultural (crop and livestock) improvement, soil conservation and strengthening of local community institutions and services. Works by acc. tender in 1981 and 1982. Supplies (cotton insecticides and crop inputs) by int. tender 1981/82, 1982/83. TA awarded to Salzgitter Consultant (D). Project in execution. 4th EDF.

Geophysical survey (Kerio Valley). Resp. Auth.: Ministry of Planning. 1.0 mECU. Survey to identify mineral prospects in the Kerio Valley. Study: restr. tender. Date foreseen for financial decision: 2nd quarter '81. 4th EDF.

Smallholder rice, Nyanza Province. Resp. Auth.: Ministry of Agriculture. 4.350 mECU. Rehabilitation of 4 smallholder rice schemes (650 ha). Study on the way: NEDECO (N). Works, supplies and T.A. Date foreseen for financial decision, end of September '81. Project on appraisal. 5th EDF.

Kenya Trade Promotion. Resp. Auth.: Kenya External Trade Authority. 1 mECU. T.A. for sales and marketing missions, provision of equipment and materials for the Training Division. Date financial decision 1st half '81. 5th EDF.

Development of the Kisii Valley. Resp. Auth.: Ministry of Agriculture, Provincial Irrigation Unit (PIU). Total estimated cost 7.906 mECU. EDF 4.822 mECU, Netherlands, 2.087 mECU, local 0.997 mECU. Works: irrigation and draining construction of buildings and storages. Supply of tractors and lorries. T.A. foreseen with Netherland aid. Works: int. tender or direct agreement considering size. Supply: int. tender and direct agreement. Date foreseen for financial decision mid-November 81. 5th EDF.

Sergoit-Tamback Road. Resp. Auth.: Ministry of Transport and communications. Estimated cost 10 mECU. Bitumized road \pm 30 km. Works and supervision. Prequalification foreseen in November or December 81. Date foreseen for financial decision January 82. 5th EDF.

LESOTHO

Maseru airport. Resp. Auth.: Ministry of Transport and Communication. Estimation 34 mECU. Provision of a modern international airport 15 km south of Maseru. Foreseen funding: Lesotho 2.2 mECU - Saudi Fund 7.4 mECU - Kuweit Fund 3.1 mECU - ABEDA 4.4 mECU - OPEC 2.2 mECU - Abu Dhabi 0.6 mECU - ADB 7.7 mECU. EDF 3.0 mECU - Project on appraisal. 5th EDF.

Rural Primary Schools Improvement. Resp. Auth.: Ministry of Works. 0.400 mECU. Construction and furnishing of ten 2-classroom units. Works: acc. tender or direct agreement. Supplies: direct agreement. Date financial decision end of September '81. 4th EDF.

LIBERIA

Coffee and cocoa development project at Zwedru and Plahn. Resp. Auth.: Ministry of Agriculture 5.7 mECU, EDF 2.9 mECU, Local 2.8 mECU. To develop 980 hectares of robusta coffee and 1 320 hectares of cocoa in Grand Gedel

and Sinoe countries. Works by restr. tender. — Supplies by int. tender end '81. Project in execution. 4th EDF.

Buto palm-oil project. Resp. Auth.: Ministry of Agriculture. 1,100 ha plantations. Study: short-list already drawn up. 4th EDF.

MADAGASCAR

Development of coconut palm plantations in Sambava. Resp. Auth.: Ministère de l'Agriculture et de la Réforme Agraire. 5.757 mECU. Creation of 2 000 ha new plantations. Equipment, crop inputs, infrastructure. Works and equipments: int. tender, launched. Crop inputs (fertilizers and pesticides): int. tender, 1st half '81, '82, '83, '84. Project in execution. 4th EDF.

Development of Namela Plains. Resp. Auth.: Ministère de l'Agriculture et de la Réforme Agraire. Hydro-agricultural development of 700 ha. Study: Bureau SOMEAH-SOGREAH (Local + F). Rural engineering works. Supply of rural equipment. T.A.: short-list not yet drawn up. Date foreseen for financial decision, december 81. 5th EDF.

Hydrological study of Basse Betsiboka Plains. Resp. Auth.: Ministère de l'Agriculture et de la Réforme Agraire. Study to improve knowledge of Basse Betsiboka hydrology. Estimated cost 0.2 mECU. 4th EDF.

Water supply in the South. Resp. Auth.: Présidence de la République. 9.6 mECU. EDF 9.120 mECU, Local 0.480 mECU. Construction of water tanks, wells, boreholes, supply of equipment and TA. Supply: int. tender 2nd half '81. TA: Bureau Land System (I). Project in execution. 4th EDF.

Rural hydraulic. Resp. Auth.: Ministère de l'Agriculture et de la Réforme Agraire. 7 mECU + Local. Irrigation improvement for traditional rice-plantations in the Hauts Plateaux. Works by direct labour in '81 up to '85. Supply of means of transport and equipments: int. tenders in '81 up to '83. T.A.: short-list not yet drawn up. Date foreseen for financial decision, mid-November '81. 5th EDF.

Sambava oil-palm factory study. Resp. Auth.: Ministère de l'Agriculture et de la Réforme Agraire. Preliminary study: I.R.H.O. (F). Study to be done: faisibility. Short-list already drawn up. Project on appraisal. 4th EDF.

MALAWI

National rural development programme, phase I. Resp. Auth.: Ministry of Agriculture. Integrated rural development programme financed in parallel with other donors. Infrastructural improvement, roads, housing, boreholes. EDF 7.9 mECU, UK 9.0 mECU, Germany 5.1 mECU, IBRD 14.6 mECU. CIDA 2.0 mECU, USAID 0.6 mECU, Local 7.5 mECU. Int. tender for vehicles and equipment during 1981. TA: Huntings Consultant (UK). Project in execution. 4th EDF.

Blantyre-Mwanza road. Ministry of Works. Resp. Auth.: Reinstatement and asphalting of the road (\pm 95 km). Economical study: Hoff & Overgaard Consultant (DK). Technical study: short-list already drawn up. Project on appraisal. 4th EDF.

Chirimba Industrial estate. Resp. Auth.: Ministry of Planning. 3.205 mECU. Provision of land infrastructure for an 80-acre industrial estate. Study: feasibility, design, tender documents, S.W.K. Consultant (UK). Project in execution. 4th EDF.

Creation of Small-scale Enterprise Development Organization of Malawi (SEDOM). Resp. Auth.: Ministry of Planning. 2.860 mECU. Technical and financial assistance to Small-scale enterprises. Works: direct labour. TA: short-list already drawn up. 4th EDF.

Central Lake Fisheries Development. Resp. Auth.: Fisheries Department Lilongwe. 1.739 mECU. EDF 1.300 mECU, Local 0.439 mECU. Equipment and installations T.A. Works by direct labour. Supplies: Acc. tender in '81. T.A.: TROPICAL PRODUCTS INSTITUTE (UK). Project in execution. 4th EDF.

Dairy cattle development. Resp. Auth.: Ministry of Agriculture Cross local bovine breed with european dairy breeds. Study to be done: factibility. Short-list already drawn up. Project stage: identification. 5th EDF.

Improvement of district hospitals and health centres. Resp. Auth.: Ministry of Works. Building of small district hospitals and health centres. Works, supplies and T.A. Project stage: identification. 5th EDF.

MALI

Seed protective device and crop conservation, phase 2. Resp. Auth.: Ministère du Développement Rural. 1.360 mECU, EDF 1.040 mECU, Local 0.320 mECU. Equipping an industrial workshop to produce insecticides and fungicides, with imported active materials. Works: direct agreement. Equipment: contracts already awarded. Supply of active materials for insecticides: int. tender 1st quarter '81. Project in execution. 4th EDF.

Strengthenig of sanitary infrastructure in the Niore region. Resp. Auth.: Ministère de la Santé et des Affaires Sociales et Ministère des Transports et T.P. 2.570 mECU. Buildings, equipments, training. Architecturals and technicals studies: GOUSIER (F). Date for financial decision end of October '81. 4th EDF.

N'Dama Yanfolila operation. 2nd phase. Resp. Auth.: Direction Générale de l'Elevage. 3 mECU. Production of race N'Dama improved begetters and cattle for harnessing. Valuation and orientation study: I.E.M.V.T. Consultant (F). Rural engineering works. Supply of equipments. T.A. Date foreseen for financial decision end october '81. 5th EDF.

Rice Ségou Project. Resp. Auth.: Ministère du Développement Rural. Estimated Cost: 17 mECU. Hydroagricultural improvements. Social-economic and topographic study: HYDROPLAN Consultant (D). Works: Int. tender, launched Sept. '81. Supply of agricultural equipment: int. tender and mutual agreements, 4th quarter '81. T.A. and monitoring: direct state supervision in '82. Date financial decision, end September '81. 5th EDF.

Sevare-San road repairing. Resp. Auth.: Ministère des Transports et Equipement. Complementary study: short-list already drawn up. Project on appraisal. 4th EDF. Works by int. tender 4th and 5th EDF.

MAURITANIA

Extension of Kaédi regional hospital. Resp. Auth.: Ministère de l'Equipement. 1.925 mECU. Construction, equipment and TA for Kaédi hospital (100 beds). Works: direct agreement. Medical-technical equipment: int. tender, 2nd half '81. TA: INTER G (F). 4th EDF.

Aleg-Boghé road. Resp. Auth.: Ministère des Travaux Publics. Reinstatement and asphalting of 62.1 km. Existing

technical study for execution, financed by non-EEC aid. Financial decision July '81. Estimated cost 10.200 mECU. Co-financed by: Germany \pm 6 mECU, EDF 4.200 mECU. Works: int. tender after prequalification, 1 st. quarter '81. 4th and 5th EDF.

Foum Gleita Dam (Development of the Gorgol Noir Valley). Resp. Auth.: Ministère du Développement Rural — Société Nationale pour le Développement Rural (SO.NA — DE.R). Estimated cost: 68.39 mECU. Foreseen funding EDF 9.385 mECU, KfW 6.35 mECU, Saudi Fund for Dev. 7.0 mECU, Libya 7.0 mECU, Abu Dhabi Fund 4.20 mECU, Islaic Dev. Bank 4.0 mECU, IFAD 7.0 mECU, F.A.C. 3.6 mECU, I.D.A. 10.5 mECU, Local 7.02 mECU. Construction of a dam reservoir, development and improvement of the hydro-agricultural infrastructure and TA. Work contracts already awarded. TA: Bureaux: SCET International (F) LANMEYER (D) BINNIE AND PARTNERS (UK). Projet in execution. 4th EDF.

Monitoring for small irrigated areas. Resp. Auth.: Ministère du Développement Rural. Estimated cost: 3 mECU. T.A. and monitoring, direct agreement, 4th quarter '81. Supply of agricultural input and pumping equipment: int. tender, 1st quarter '82. Works by direct labour. Project on appraisal. 5th EDF.

Regeneration of Gum-tree plantations. Resp. Auth.: Ministère du Développement Rural. Estimated Cost: 1.5 mECU. Feasibility study: Bureau COURTOY (B). Works, T.A. and supplies. Project on appraisal. 5th EDF.

Settlement of the National Management and Maintenance Service for the sanitary infrastructures. Resp. Auth.: Ministère de l'Équipement. 0.670 mECU, Equipment and medical stores, vehicles and T.A.. Supplies: direct agreement. Vehicles: restr. tender. T.A.: 2 Technicals trainers for 2 years. Short-list not yet drawn up. Date foreseen for financial decision end October 81. 5th EDF.

Gorgol pilot area rehabilitation. Resp. Auth.: Ministère du Développement Rural. Study to be done. Short-list not yet drawn up. Project stage: identification. 5th EDF.

MAURITIUS

Mauritius housing project. Resp. Auth.: Mauritius Housing Corporation and the Ministry of Housing, Lands, and Town and Country Planning. 3.2 mECU. Financing (for low income households) of approximately 1 250 housing units. Infrastructure work for urbanisation and service plots: int. tender, end '81. Consultancy service: HILL (UK) — APPEL (D). 4th EDF.

Development of Ile Rodrigues. Resp. Auth.: Ministry of Agriculture. Development centred on agricultural production. Economical and technical study. On the way: VINK (NL). Date foreseen for financial decision: 2nd quarter 82. 5th EDF.

Investments and trade promotion. Resp. Auth.: Ministry of Trade and Industry. (Investment Promotion Unit and Export Promotion Unit). 1.610 mECU. Contracts by direct agreements. Date foreseen for financial decision end October 81. 5th EDF.

NIGER

RN 1 road, Birni N'konni-Guidam Roudji section. Resp. Auth.: Ministère des Travaux Publics. 7.300 mECU.

Strengthening maintenance works over 186 km. Study: Inventory, Denzinger Kg. Consultant (D). Works: int. tender on 2 July 1980. Supervision: Denzinger Kg. (D). Possible funding also on 5th EDF. Project in execution. 4th EDF.

Guidam Roudji-Tchadaoua road widening. Resp. Auth.: Ministère des Travaux Publics. 16.22 mECU. Works int. tender launched Sept. '81. Project on appraisal. Date financial decision Sept. '81. 5th EDF.

Development of modern rice-growing on Niger river. Resp. Auth.: Ministère de l'Agriculture. Office National des Aménagements Hydro-Agricoles (ONAHA). 5.5 mECU. Development of 375 ha in fully controlled water to allow double annual rice cultivation. Works and supplies: int. tenders end '80 and '81. Technical supervision and monitoring: BELGROMA (B). 4th EDF.

Namarde Goungou Area. Resp. Auth.: Ministère du Développement Rural. Estimated cost: 3 mECU. Hydro-agricultural improvement (\pm 170 ha) under full water control. Works and supplies (irrigation and drain network). Int. tender end '81 or 1st quarter '82. T.A. and monitoring: direct agreement. Project on appraisal. 5th EDF.

Mechanized well brigade. Resp. Auth.: Ministère des Mines et de l'Hydraulique. Direction de l'Hydraulique (OFEDS) 1.95 mECU. Pilot project to drill wells (1.5 m diameter) in relatively soft soils up to 60-80 m deep. Purchase of sink equipment: int. tender in 1981. TA: GITEC (F) Project in execution. 4th EDF.

Main lines for regional development of areas affected by Kandadji Dam. Resp. Auth.: Ministère des Travaux Publics, des transports et de l'urbanisme. Consultancy service (study): Main lines: GIBB (UK). Project on appraisal. 4th EDF.

Air Valley development. Resp. Auth.: Ministère de l'Agriculture. Estimated cost 2.8 mECU. Hydro-agricultural works. Project stage identification. 5th EDF.

NIGERIA

Hydraulic development. Resp. Auth.: Ministry of Education. Estimated Cost: 2.350 mECU. Equipment for Technological Institute of Kaduna. T.A.: Bureau M.R.T. (UK and Nigeria). Supply of drilling equipment: int. tender: 2nd quarter '81. Project on appraisal. 5th EDF.

PAPUA NEW GUINEA

Development of beef and veal production. Resp. Auth.: Ministry of Agriculture. 1.868 mECU. Project to consider possibilities to develop cooperative ranch. Study to define project: Bureau Hunting (UK). Supplies: Restr. tender in '81. Project in execution. 4th EDF.

Foodstuffs production on the south coast. Resp. Auth.: Department of Primary Industry. Development of seasonal cultivation and marketing. Technical and economic studies. Definition of the project: Produce Studies Ltd. Consultant (UK). Date foreseen for financial decision: 1st quarter '82. 4th EDF.

Fisheries Resources Assessment Vessels. Resp. Auth.: Department of Primary Industry. 1.260 mECU. Purchase of two multi purpose resource vessels. Int. tender launched 1st half '81. 4th EDF.

RWANDA

Bugesera water supply. Resp. Auth. : Ministère du Plan. Construction of a drinking-water network in Bugesera. Project on appraisal. 5th EDF.

Development of Zaïre Nil Crest. Resp. Auth. : Ministère de l'Agriculture 13.8 mECU. Development of agricultural production and social-economic infrastructure. Feasibility study: SCET International (F). Date foreseen for financial decision end October '81. 5th EDF.

Complementary funding for Faculté de Médecine in Butaré: Resp. Auth.: Ministère de l'Education. 0.650 mECU. Supply of scientific equipment. Int. tender end '81. Project in execution. 5th EDF.

Transmission-lines study in secondaries centres. Resp. Auth.: Ministère du Plan. Economicals and technicals studies to be done. Short-list not yet drown up. 5th EDF.

ST LUCIA

Secondary Roads. Resp. auth.: Ministry of Public Works. 1.1 mECU. Construction and reinforcement of secondary roads in rural areas. Works: direct labour. Supplies: Int. tender launched July '81. Financing decision on June '81. 5th EDF.

ST VINCENT AND GRENADINES

Union Island cliic. Resp. Auth. : Ministry of Health. Estimated 0.450 mECU. To improve health care at the remote Union Island by establishing a new clinic (total gross area $\pm 400 \text{ m}^2$) and also housing accommodation for the staff ($\pm 300 \text{ m}^2$). Studies: design and tender documents: Tomlin, Voss Associates (Local). Works: Acc. tender, 2nd half '81. Equipments: Int. tender in '82. Financing decision on June '81. 5th EDF.

Improvement of the general hospital at Kingstown. Resp. Auth. : Ministry of Health. 1.550 mECU. Follow-up of phase 1 financed from 4th EDF. New extension. Studies. Master plan for the extension: Watkins, Gray Woodgate (UK). Works: Acc. tender, 2nd half '81. Equipments: Int. tender in '82. Financing decision June '81. 5th EDF.

SAO TOME PRINCIPE

Fishery development. Resp. Auth.: Ministère de l'Agriculture et de la Pêche. 0.350 mECU. Rehabilitation of cold stores. Supply of ice-factory with cold store. Training. Study: valuation on existant installation, SCET International (F). Date financing decision June '81. 5th EDF.

Oleogineus cultivation. Resp. Auth. : Ministère de l'Agriculture. Estimated Cost: 3-4 mECU. EDF ± 2.1 mECU, Local 0.9 or 1.9 mECU. Selected oil palm-tree plantations over 300 to 500 ha. Works, supply and T.A. Date foreseen for financial decision December '81 or January '82. 5th EDF.

SENEGAL

Increase of cereal-growth in S.O. Resp. Auth.: Ministère du Développement Rural. Estimated Cost: 4 mECU. Preparatory study: SODEFITEX (Senegal). Hydro-agricultural improvements in small areas. Works by direct labour. Supply

of crop inputs and pumping equipment: int. tender in '82. T.A. and monitoring: direct agreement in '82. Short list: not yet drowerup. Project on appraisal. 5th EDF.

Construction of the "Ecole Nationale des Infirmiers et Infirmières d'Etat (ENIE) at Dakar. (Dakar nursing school). 1st phase. Resp. Auth.: Ministère de la Santé, Ministère de l'Equipement. 2.281 mECU. EDF 1.350 mECU, Local 0.931 mECU. Works: acc. tender in '81. Supplies and equipment: int. Tender in '81. 4th EDF. 2nd phase. Estimated 2.2 mECU. Project on appraisal. 5th EDF.

2nd phase. 1.995 mECU. Works and equipments. Int. tender in '81. Date foreseen for financial decision: in '81. 5th EDF.

Study on water supply to the ISC industrial Complex. Resp. Auth. : Ministère de l'Equipement. Direction de l'Hydraulique Urbaine et Rurale. (D.H.W.R.). 1.1 mECU. Technical studies, T.A. and drilling into the quaternary and into the Maastrichtian. Works: restr. tender for quaternary and int. tender for Maastrichtian. Studies and T.A.: short-list already drown up. Tenders and contracts 81-82. 3rd EDF.

Kedougou-Saraya road. Resp. Auth.: Ministère de T.P. Partial reinstatement. Kedougou-Dianke Makam. 5.5 mECU. Works: Int. tender on June '81. Date financing decision 4th quarter '81. 3rd and 4th EDF.

Rubber tree plantation. Resp. Auth. : Ministère du Développement Ruvel. Estimated cost 2.5 mECU. Works, supplies and T.A. T.A.: short-list not yet drowning. Project on appraisal. 5th EDF.

SIERRA LEONE

Forest resources development in Sierra Leone. Resp. Auth. : Ministry of Agriculture and Forestry. Feasibility study in order to analyse the forest resources and submit proposals for their further development. Study: Consultant Atlanta (D). 4th EDF.

North-western integrated agricultural development project. Resp. Auth. : Ministry of Agriculture and Forestry. Four-year integrated programme to develop mangrove swamps, upland crops, coastal fishing, infrastructure. Estimated Cost: 6.03 mECU. EDF 4.9 mECU. Local 1.13 mECU. Works: acc. tender. Supplies: int. tender. T.A.: direct agreement. Date foreseen for financial decision, end of September '81. 4th and 5th EDF.

Koinadugu integrated agricultural development project. Resp. Auth.: Ministry of Agriculture and Forestry. 7.080 mECU, EDF 5.9 mECU, Local 1.180 mECU. Four-year integrated programme to develop inland swamps, upland crops, livestock sector, infrastructure, marketing and credit system. Works: restr. tender. Supplies: int. tender, 1981 and 1982. TA: Carl Bro International (DK). 4th EDF.

Koinadugu — Phase II. Resp. Auth.: Ministry of Agriculture and Forestry. Estimated cost 4.5 mECU. Study on hand: Carl Bro International (DK). Projet stage: identification. 5th EDF.

Support for existing educational institutions. Resp. Auth. : Ministry of Education. 2.050 mECU. Water and electricity supply and equipment for Njala University College, building and equipment of additional hostel accommodation at several teacher training colleges. Njala University: works for water supply, int. tender 2nd quarter 1981 agricultural equipment: int. tender, 3rd quarter 1981. Teacher training colleges — building works: int. tender, 2nd quarter 1981. 4th EDF.

POTORU Rubber project. Resp. Auth.: Ministry of Agriculture and forestry. Cofinanced project with CDC (UK) and CCCE (F). Estimated cost 2.3 mECU for EDF part. Project stage: identification. 5th EDF.

SOLOMON ISLANDS

Forestry Programme. Resp. Auth.: Forestry Division. 0.625 mECU. Establishment of 1,800 ha of tree plantations (mahogany and teak). Associated infrastructure and equipment. Works: direct labour. Equipments: direct agreement on 81,82 and 83. 4th EDF.

SOMALIA

Saakow rural experimental centre. Resp. Auth.: Ministry of Agriculture. Creation of an irrigated area (60 ha) with all facilities and equipment. Aim: agronomical experiments. Study: Bureau Nuovo Castoro (I). Estimated total cost: 5.026 mECU. EDF: 4.950 mECU. Local 0.076 mECU. Works: 4 Kms of tracks, pump station (180 l/s) electric power station (120 KVA). Supply of: agricultural equipment, 3 tractors, vehicles, furnitures... T.A. Land improvement works and estate infrastructure: contracts on awarding. Supplies: int. tender end '81 or 1st quarter '82. T.A.: short-list not yet drawn up. Date financial decision, end of September '81. 4th EDF.

Bardheera Dam. Resp. Auth.: Bardheera Dam Authority (BDA). 433 mECU. (Estimated) Dam Project 349 mECU. Powerline to Mogadishu 84 mECU. Funding: EDF 44 mECU, Italy 36 mECU, Germany 32 mECU, France 18 mECU, Saudi Arabia 18 mECU, Local 20 mECU. Total 168 mECU. Power and river regulation for agricultural development. Construction of a concrete gravity dam with hydro-power station, associated infrastructure and electrical transmission lines. The dam will provide water, flood protection and power for up to 233 000 ha of irrigated agriculture in the Juba Valley, and energy to Mogadishu. Consultancy services: restr. tend. procedure after prequalification. Prequalification made in a second stage 5th EDF Project the consultant will supervise construction. Civil works: first int. tender during 1982. Transmission lines: int. tender in 1982. Equipment: powerhouse main equipment and auxiliary equipment, int. tenders in 1983. Gates, valves, intake equipment, int. tender in 1984. Study: 4th EDF. Works: 5th EDF.

Mogadishu Slipway. Resp. Auth.: Ministry of Planning. 3 or 4 mECU. Construction of a slipway and ship repair facilities in Mogadishu harbour. Feasibility study to be done. Short-list already drawn up. Date foreseen for financial decision: 1st half '81, 4th EDF.

Mogadishu Dairy. Resp. Auth.: Ministry of Industry. Estimated cost 3.81 mECU. EDF 1.250 mECU. EIB 2.56 mECU. Rehabilitation of the existing dairy. Works, Supply of equipment and T.A. Supplies, int. tenders end 81 or 1st quarter 82. T.A.: short-list not yet drawn up. Date for financial decision end September 81. 4th EDF.

Mogadishu Institute of Statistics. Resp. Auth.: Ministry of Public Works. Estimated cost: 0.700 mECU. Works: acc. tender on July '81. Date foreseen for financial decision 1st quarter '82. 4th EDF.

Goluen-Gelib Road. Resp. Auth.: Ministry of Public Works. Complementary funding. EDF 18.976 mECU. Project in execution 4th EDF. Complementary funding 4th and 5th EDF.

Golwein - Bulo - Mererta development. Resp. Auth.: Ministry of Agriculture 8.5 mECU. Grapefruit plantations. Su-

pervisions: Agrotec (I). T.A.: I.R.F.A.(F). Supply of equipment: int. tender end 81. Project in execution. 2nd, 3rd and 4th EDF.

SUDAN

Jebel Marra rural development project. Resp. Auth.: Ministry of Agriculture, Food and Natural Resources. 15.043 mECU. EDF 11 mECU. Local 4.043 mECU. Agricultural extension and improvement of rural infrastructure (road improvement and maintenance, forestry programme, community development programme). Works: project building, and houses (new + rehabilitation) int. tender, first quarter '81. Supplies: vehicles, trucks, animal cultivation equipment, furnishings, int. tenders in 1981 to 1983. TA: Hunting Technical Services Ltd (UK). Project in execution. 4th EDF.

Aweil rice development project. Resp. Auth.: Ministry of Agriculture, Food and Natural Resources of the Southern Region. 5.747 mECU. EDF 4.4 mECU. Local 1.347 mECU. Project comprises the initial, 21/2 year phase of an overall project for the development of an area of 2,865 ha, suitable for irrigated rice production under full water control. Works: contracts already awarded. Supplies: vehicles and equipment and agricultural inputs: int. tenders launched July '81. TA: Euroconsult b.v. (N). Project in execution. 4th EDF.

Nuba Mountains rural development project. Resp. Auth.: Ministry of Agriculture, Food and Natural Resources. 6.650 mECU. EDF 5.5 mECU. Local 1.150 mECU. Introduction of improved farming techniques and systems in two nucleus development centres of the Nuba Mountains region. Works: contracts already awarded. Supplies: vehicles, furniture and animal traction equipment, int. tenders in 1981, 1982. TA: SATEC Consultant (F). Project in execution. 4th EDF.

Gum arabic development. Resp. Auth.: Ministry of Agriculture, Food and Natural Resources. Rehabilitation of gum arabic production in the Sudanese gum belt (including production and marketing aspects). Preliminary study: gum arabic development in North Kordofan Province. Bureau GITEC (D). Project on appraisal. 4th EDF.

Upper Talanga tea project. Resp. Auth.: Ministry of Agriculture, Food and Natural Resources. 8.350 mECU. Establishment over 10 years of a 1 000 ha tea plantation in Eastern Equatoria Province of the Southern Region. Phase 1 '77-'81. Phase 2 beginning 2nd quarter '81. Factory, access road, project buildings and houses, vehicles, equipment and technical assistance. Works: tea factory (turn-key project) int. tender in '81. Supplies: land development equipment, int. tender in '81. TA: Agrar und Hydrotechnik (D). Contracts for buildings, houses and vehicles already awarded. Project in execution. 4th EDF.

Juba airport. Resp. Auth.: Civil Aviation Department. 21.5 mECU. EDF 16.3 mECU. Local 5.2 mECU. Construction of a new airport. Consultant: bureau NACO (N). Works: Contracts on awarding. Supply: int. tender in '82. Project in execution. 4th EDF.

University of Juba, phase II. Resp. Auth.: Ministry of Education. 7 mECU. Additional facilities on the new campus for a capacity of about 400 students: 3 hostels, (1 100 m² each) dining hall and kitchen (360 m²), 3 college buildings (1 850 m²), 21 staff houses (each 170 m²). Works including infrastructure for water, sewerage and electricity: int. tender in 1981. Equipment: int. tender in 1982. Work supervision: IWACO (NL). 4th EDF.

Four higher secondary technical schools. Resp. Auth.: Ministry of Education. 6.3 mECU. Renovation and new con-

structions of four existing schools, each with a capacity of 324 students. Works contracts already awarded. Equipment: int. tender in 1981. Supervision of works: GBWA Int. (Irl.) Project in execution. 4th EDF.

Juba-Laboni road study. Resp. Auth.: Ministry of Public Works. Technical study and design for improvement of ± 106 km feeder road in Southern Sudan. Study: Bureau GITEC (D). 4th EDF.

SURINAME

Carolina Bridge. Resp. Auth.: Lands Bos Beheer (LBB). Total cost 0.984 mECU. EDF 0.784 mECU. Local 0.200 mECU. Construction of a wooden bridge. Works by direct labour. Supplies by direct agreement. Date financial decision, end of September '81. 5th EDF.

Rice project at Coronie. Resp. Auth.: Ministerie van Landbouw, Veeteelt, Visserij en Bosbouw. Rice production developments. Study on the way. EUROCONSULT (NL). Project stage: identification. 5th EDF.

SWAZILAND

Teacher training college at Nhlanguano. Resp. Auth.: Ministry of Works. 2.5 mECU. Construction and equipping of a fully residential teacher training college with a capacity of 400 students. Works: contracts already awarded. Supervision: Consultant Design + Planning International DPI (Local). Equipment: Int. tender 2nd half 1981. Project in execution. 4th EDF.

Rural development project. Resp. Auth.: Ministry of Agriculture. Supply of 4 vehicles pick-up petrol-engine 1400-1800 cm³. Int. tender launched in September 81. Project in execution. 4th EDF.

TANZANIA

Coffee improvement programme. Resp. Auth.: Coffee Authority of Tanzania (CAT). 25.434 mECU. EDF 12.677 mECU. Local 12.757 mECU. To increase quantity and quality of coffee production in the main coffee areas of Tanzania by improving the extension services, supply of farm inputs, provision of training facilities, renovation of central pulperies and road improvement. Works: Contracts already awarded. Supplies: nature of tenders to be decided but launched on 2nd half of 1981. TA: Mr. Maxwell (UK). Project in execution. 4th EDF.

Coffee improvement programme phase 2. Resp. Auth.: Coffee Authority of Tanzania (CAT). Extension and intensification of the activities promoted under the phase 1. The programme will cover improvements in production (through extension services, inputs, supply), roads and storage facilities. CAT will itself prepare the phase 2 project. Project stage: identification. 5th EDF.

Agricultural development project in Iringa region. Resp. Auth.: Iringa Regional Development Directorate. 6.5 mECU. To increase agricultural productivity in the Iringa Region, through strengthening of the extension services, improvement of infrastructure and supply of farm inputs. Works: contracts awarded. TA: Agrar und Hydrotechnik (D). Supplies: driers for pyrethrum, int. tender 2nd half of 1981. Project in execution. 4th EDF.

Iringa integrated rural development, phase 2. Resp. Auth.: Iringa Regional Development Directorate. To extend and intensify the activities currently being carried out under phase 1. Main elements are strengthening of extension services, provision of farm inputs, extension of the oxen cultivation programme, improvements of the road system and promotion of animal production. Study; project preparation, Agrar und Hydrotechnik (D). Project stages: identification. 5th EDF.

Lusahunga-Bukombe road. Resp. Auth.: Ministry of Works. 20 mECU. Bitumen road of 127 km. Works: Int. tender prequalification launched end of September '81. Supervision of works: restr. tender in 1981. Regional Project. 4th EDF.

Technical teacher training college, Mtwara. Resp. Auth.: Ministry of Education. 1.4 mECU. Training facilities for technical teachers. Classrooms, laboratory and workshops, dormitories and sanitary block, administration. Total area 3 765 m². Works: contracts awarded. Equipment: int. tender with possibility of restr. tender or direct agreement depending on nature of supply. Supplies: restr. tender. Project in execution. 4th EDF.

Idetero-Paper Mill Road. Resp. Auth.: Ministry of Works. 11.4 mECU. Bitumen road of 40 km. Works and supervision. Works: int. tender launched. Supervision: ITALCONSULT (I). 4th EDF.

Extensions to the Mbeya Water Supply System. Resp. Auth.: Ministry of Water, Energy and Minerals. 4.050 mECU. Construction of an abstraction point, a pipeline, a pumping station, reservoirs. Supplies and site supervision. Works and supplies: int. tender after prequalification. Contracts: Jennings and O'Donovan (Irl). Date foreseen for financial decision: 4th quarter '81. 4th EDF.

Mtwara Water Supply. Resp. Auth.: Ministry of Water, Energy and Minerals. 5 mECU. Works: drilling of new wells, and constructions. Supply of equipment and T.A. Drilling activities and power supply connections by direct labour. Other works: int. tender in '82. Supplies: int. tender in '82. T.A.: direct agreement. Date foreseen for financial decision, end of September '81. 5th EDF.

Vehicle repair project. Resp. Auth.: National Transport Corporation (NTC). 13 mECU. Recovery and repair of equipment in the transport sector. Supply of engines, gearboxes, spare-parts. Supplies: int. tender and direct agreement end 81 or 1st quarter 82. Date foreseen for financial decision end October 81. 4th EDF.

TOGO

Cattle-raising in palm plantation. Resp. Auth.: Ministère du Développement Rural. 1.136 mECU, EDF 0.884 mECU, Local 0.252 mECU. Stock-farming under palms to improve meat production and to make industrial palm plantation maintenance easier. Study: project plans, Bureau SOTED (Local). Works: direct labour. Supplies: vehicles, int. tender 1981. Supplies, equipment and cattle purchase: direct agreement. 4th EDF.

Adele Ranch. Resp. Auth.: Ministère du Développement Rural. 3.207 mECU, EDF 2.788 mECU, Local 0.419 mECU. Establishment of a cattle ranch for local supply of oxen, improved heifers and breeding bulls, surplus for local slaughter and market. Works: direct labour. Supply: graders and vehicles, int. tender, 1st half '81. TA: short list not yet drawn up. Project in execution. 4th EDF.

UGANDA

Rehabilitation of poultry farming. Resp. Auth.: Ministry of Animal Industry. 0.500 mECU. Supply of equipment, one-day chicks and female chicks. Works and equipment: direct agreement. Supply of chicks and female chicks: int. tender 2nd half 1981. Project in execution. 4th EDF.

Kampala-Masaka road. Resp. Auth.: Ministry of Works and Housing. 5 mECU. Repair and asphaltting of 60 km and supervision of works. Works: int. tender in 1981. Supervision of works: SAUTI (I). 4th EDF.

Nutritional rehabilitation centres. Resp. Auth.: Ministry of Health and Ministry of Works. 1.100 mECU. To improve health care in rural areas and to reduce malnutrition (particularly widespread among children). Contribution and equipping of 10 centres. Supply of 30 vehicles for health inspectors. Works: acc. tender. Supply: int. tender. Project in execution. 4th EDF.

Uganda Hoes Ltd. Resp. Auth.: Ministry of Industry. 3.500 mECU. Rehabilitation of the factory. Establish rehabilitation scheme study: AGI PLAN (D). Date financing decision: May '81. 4th EDF.

Lake-Katwe Road. Resp. Auth.: Ministry of works and Housing. 1.4 mECU. Gravel road, 24 km. Works: direct Labour. Supplies of graders, int. tender 2nd half '81. T.A.: Carl BRO (DK). Project on appraisal. 4th EDF.

Coffee rehabilitation programme. Resp. Auth.: Ministry of Agriculture and Forestry. 25 mECU. Works, equipment training and T.A. Works by direct agreement. Supplies: int. tender or acc. tender or restr. tender. T.A.: short-list not yet drawn up. Date foreseen for financial decision end October 81. 4th EDF.

UPPER VOLTA

Stock-farming in Hauts Bassins and Comoé ORD. Resp. Auth.: Ministère de l'Agriculture (Direction services élevages). 1.961 mECU. Improvement of traditional breeding conditions and continued development of animal-drawn tillage. Various works and supplies: direct agreement. Supply of means of transport: int. tender, 2nd half '81. TA: G.T.Z. (D). 4th EDF.

Ouagadougou — Yako Road. Resp. Auth.: Ministère des Travaux Publics. 18.945 mECU. Bitumen road \pm 100 km. Works and supervision. Technical study: Europrogetti Consultant (L). Works: Int. tender, 3rd quarter 81. Supervision: direct agreement, 3rd quarter '81. Date financial decision: May '81. 5th EDF.

Mine of Poura rehabilitation. Resp. Auth.: Ministère du Commerce, du Développement Industriel et des Mines. Estimated Cost: 46.1 mECU. EDF (4th EDF): 3.55 mECU for road and power station. Int. tender for supply of 4 generator 900 KW: launched August '81. (5th EDF). Estimated 4.14 mECU for assessment of the worker's town. Study underway. Other fundings: CCCE 9.3 mECU, BOAD 3.1 mECU, private investors 2 mECU, coframines and others 2.8 mECU, IDB 2.7 mECU, Local 8.3 mECU. Project on appraisal. 4th and 5th EDF.

Rural villages drinking water supply. Resp. Auth.: Ministère du D v. Rural. Direction de l'Hydraulique et de l' quipement rural. (H.E.R.) Estimated: 10.800 mECU. EDF 10.500 mECU. Local 0.300 mECU. Construction of 660 water-points: wells and bore-holes. Supply of drill equipment. T.A. Works by direct labour. Wells partly int. tender

partly direct labour. Supply int. tender. T.A.: BURGEAP (F). Date financial decision, June '81. Int. tender for wells and supply: July '81. 5th EDF.

Improvement of Dakiri plain. Resp. Auth.: Ministère du D veloppement Rural. Estimated Cost: 2.5 mECU. Hydro-agricultural improvement (\pm 200 ha). Irrigation and drain network. T.A. and monitoring. Works: int. tender, 1st half '82. T.A. direct agreement. Date foreseen for financial decision, end '81, 1st quarter '82. Project on appraisal. 5th EDF.

Extension of Lycee Technique de Ouagadougou. Resp. Auth.: Ministère de Travaux Publics. Building of the boarding-school for 360 students. Works, supply of equipments, T.A. Project stage: identification. 5th EDF.

Kompienga Dam. Resp. Auth.: Ministère des Travaux Publics des Transports et de l'Urbanisme. Cofinanced project. Estimated cost \pm 84 m ECU. Earth-dam construction, access road non asphalted \pm 18 kms, two groups of alternators 7800 KVA each, transmission power lines. Works: restr. tender after prequalification. Project on appraisal. 5th EDF.

WESTERN SAMOA

Oil and Cake storage and handling facilities for the copra mill. Resp. Auth.: Samoa Coconut Products Ltd. 0.850 mECU. Storage tanks for copra oil and handling equipment. Shed for storage of pelletized cake. Study for supplies: Proses (Malaysia) financed by ADB. Study to be done for sheds. Short list not yet drawn up. Works: Acc. tender 2nd half '81. Supplies: Int. tender, 2nd half '81. Date financial decision end October '81. 5th EDF.

Sauniatu Hydro Electric Scheme. Resp. Auth.: Electric Power Corporation (EPC). Estimated Cost 7.1 mECU. EDF 4.1 mECU, EIB 3 mECU. Two power station of 1.75 MW each. Headpond, tunnel, penstock powerhouse with turbines and generators and transmission lines. Equipments, supervision of works and training. Design study completed by Mander, Raikes and Marshall (UK). Preliminary works and access road: acc. tender 2nd half '81. Main civil works: Int. tender after prequalification. Prequalification: launched August '81. Int. tender: end '81. Supplies: Int. tender: end '81. Supervision of works: end '81. Date financial decision: end of September '81. 5th EDF.

VANUATU

Rice study. Resp. Auth.: Ministry of Agriculture. Feasibility study on hand at Big-Bay-Santo. GITEC (D). 5th EDF.

ZAIRE

Extension of Kinois market garden's. Resp. Auth.: D partement de l'Agriculture (Centres des Produits mara chers: CECOMAF). 7.880 mECU. EDF 4.85 mECU, FAC and local 3.03 mECU. Development of three valley floors to grow vegetables ad fruit. Area 3 000 ha, of which 185 ha intensive cultivation and pisciculture and 584 ha orchards, rest for protection. Works: acc. tender 2nd half 1981. TA: FAC (F). Projet in execution. 4th EDF.

Akula-Gemena road. Resp. Auth.: Ministère des Travaux Publics. Upgrading and asphaltting of the road (115 km). Economic study: Bureau SPE (Local). Technical study: LUX-CONSULT (Lux). Project on appraisal. 5th EDF.

Thé Butuhé. Resp. Auth.: Département de l'Agriculture (Commission Agricole du Kivu). Estimated Cost: 2.5 mECU. Strengthening and prosecution existing projects. T.A. for management and trading. Project stage: identification. 5th EDF.

Mwebe-Batshamba Road. Resp. Auth.: Ministère de Travaux Publics. Part (81 km) of the national road Matadi-Shaba. Prequalification foreseen for July '81. Date foreseen for financial decision 3rd or 4th quarter '81. Project on appraisal. 5th EDF.

Kalemie port rehabilitation. Resp. Auth.: Département des Transports et Communications. Estimated cost not available. Study on the way by CADIC (B). 4th EDF regional. Project stage identification. 5th EDF.

Banana deep water port. Resp. Auth.: Département des Transports et Communications. Feasibility study: SEMA-TRACTIONNEL-OTUI (F.B.F.). 4th EDF. Complementary technical study to be done on 5th EDF. Project stage: identification. 5th EDF.

Cacao-trees at Bulu. Resp. Auth.: CACAOZA-Département de l'Agriculture. Strengthening and continuation existing operations. Project stage: identification. 5th EDF.

Palm-trees at Gosuma. Resp. Auth.: PALMEZA-Département de l'Agriculture. Strengthening and continuation existing operations. Project stage: identification. 5th EDF.

ZAMBIA

Supplementary financing for the construction of five Rural Health Centres. Resp. Auth.: Ministry of Health. 2 mECU. Works: direct labour. Supply of equipment and medical stores: acc. tender or direct agreement. Date foreseen for financial decision, end of September '81. 5th EDF.

Maize development project. Resp. Auth.: Ministry of Agriculture and Water Development. Total cost 6.540 mECU. EDF 5.55 mECU, Rocaf 0.99 mECU. Works: construction housing and office accomodation, marketing depots, feeder roads. Supply: 4 WD vehicles, motorcycles and bicycles. T.A. Works: acc. tender or direct agreement end 81 or 1st quarter 82. Supplies: int. tender in 82. T.A. short-list not yet drawn up. Date foreseen for financial decision mid-November 81. 5th EDF.

ZIMBABWE

Study Programme. Resp. Auth.: Ministry of Economic Planning. (MEPD). 1 mECU. 3 Studies: Intensive Rural Development Area 3 (IRDA 3), Mashoualand East. Pungwe/Honde Valley Development Study, near Umtali. Smallholder Irrigated Coffee Development, in Victoria and Midlands Provinces. T.A.: Short-list already drawn-up. Date financial decision 1st quarter '81.

Technical Assistance Programme. Resp. Auth.: Ministry of Economic Planning (MEPD). 0.500 mECU. To prepare agricultural projects. Contracts: direct agreement. Date financial decision: 1st quarter '81. 5th EDF.

Educational Facilities and Equipment. Resp. Auth.: Ministry of Manpower Planning and Development. 3 mECU. Building of Technical College and supply of equipment and furniture. Works: Acc. tender. Supplies: Int. tender. Date financial decision: 1st quarter '81. 5th EDF.

Reinforcement of National Extension Services. Resp. Auth.: Ministry of Lands, Resettlement and Rural Development. 1.5 mECU. Building of 70 standard staff houses and supply of 30 4-wheel drive vehicles. Works: Acc. tender. Supply: Int. tender. Date financial decision: 1st quarter '81. 5th EDF.

Rural Clinics. Resp. Auth.: Ministry of Health. 4.5 mECU: Construction and equipment of 115 rural clinics and 230 staff houses. Works: direct labour or direct agreement. Equipments: Int. tender. Date financial decision: 1st quarter '81. 5th EDF.

Intensive Resettlement Programme. Resp. Auth.: Ministry of Economic Planning and the Agricultural and Rural Development Authority. (ARDA). 4 mECU. Resettlement of some 18,000 smallholder families. Works: access roads, water supplies, fencing, schools... Supplies: Int. tender or direct agreement. Works: direct labour. Date financial decision: 1st quarter '81. 5th EDF.

Countries acceding to Lomé Convention

BELIZE

Three junior secondary schools. Resp. Auth.: Ministry of Education and Ministry of Works. 1.250 mECU. Technical and practical skills in rural areas. Classroom blocks, workshop blocks, principal's house. Works: direct labour. Supplies: furniture and equipment, restr. tender or direct agreement. Project in execution. 4th EDF.

Overseas Countries and Territories (OCT)

NETHERLANDS ANTILLES

St Martin Airport. Resp. Auth.: Departement voor ontwikkelingssamenwerking. 7.292 mECU. Construction of new air terminal. Study and works. Study: execution, Flughafen Frankfurt (D). Works and supplies in '81. 4th EDF.

REUNION

Hydro-agricultural development of Bras de Cilaos Ministère de l'Agriculture. 2.650 mECU. Installations of a first section of water-supply network. Supplies and duct-laying and accessories, int. tend. in '81. 4th EDF.

FRENCH POLYNESIA

Tahiti territorial abattoir. Resp. Auth.: Service de l'Economie Rurale, Papeete (Tahiti). Secrétariat d'Etat des Départements et Territoires d'Outre-Mer, Délégation de la Polynésie Française, Paris. 0.850 mECU, EDF 0.730 mECU, Ministère Français de l'Agriculture 0.120 mECU. Modern

abattoir to replace old slaughterhouses and improve hygienic conditions for meat provisioning. Capacity 2 000 cattle and 13 000 pigs per year. Works: int. tender end '81. 4th EDF.

WALLIS and FUTUNA ISLANDS

Poi-Tuatafa track. Resp. Auth.: Administration territoriale. 0.665 mECU. Construction of a track suitable for motor vehicles, 8.4 km. Works: acc. tender end '80. Supplies: int. tender in '81. 4th EDF.

Mata Utu road system. Resp. Auth.: Administration territoriale. 0.850 mECU. Local roads and drainage road system. Total length 10 km of which 2 km to be asphalted. Works: acc. int. tender end '80. 4th EDF.

Regional Projects

BELIZE

Caricom grains project, pilot farm. Resp. Auth.: Caribbean Development Bank. Estimate 2.145 mECU. EDF 1.826 mECU. Works: acc. tender 1st quarter '82. Supplies: equipment and vehicles: int. tender 1st quarter '82. 4th EDF.

BOTSWANA — SWAZILAND

Regional Railway Training Scheme. Resp. Auth.: Office of the Botswana President and Swazi Minister for Finance and Economic Planning. 2 mECU. TA, training, architectural studies. TA: short-list already drawn up. 4th EDF.

COMMISSION DU FLEUVE NIGER (CFN) IN NIAMEY

Hydrological forecast system of river Niger basin. Resp. Auth.: CFN. 6.8 mECU. EDF 1.5 mECU. UNDP, OPEC, CFN, member states 5.3 mECU. To provide CFN possibilities to take hydrological dates on the whole Niger basin. Supplies: hydrometrical instruments, means of transport, equipment for teletransmission, supplies, int. tender in 1981. TA: supplied by Organisation Mondiale Météorologique (UNDP funds), direct agreement. 4th EDF. Phase II. Estimated cost 4.5 mECU. EDF 1.5 mECU. Project stage: identification. 5th EDF.

COUNTRIES MEMBERS OF C.I.L.S.S. (SAHEL)

Large basins dams inventory in West Africa. Resp. Auth.: Secretariat du CILSS (Oudgadougou). Study: FOUCHIER (F). Project in execution. 4th EDF.

DJIBOUTI — ETHIOPIA

Djibouti-Addis railway. Resp. Auth.: Ministère des Transports — Ministry of Transport. Railway, short-term, rehabilitation. Study: Carlo Lotti (I). Project on appraisal. 4th EDF.

FIJI — TONGA — WESTERN SAMOA

University of the South Pacific — agricultural and marine resources programme. Resp. Auth.: South Pacific Bureau for Economic Cooperation (SPEC). 3.2 mECU. Buildings and teaching facilities, vehicles and small vessels, technical assistance and programme finance for: development of Marine Resources Centre, Fiji — Rural development Centre, Tonga — Applied Agricultural Research Programme, Western Samoa. Contracts for work and equipment already awarded. TA for Fiji: four man years in marine biology and fishing technology from Europe and study programme assistance. For Tonga: five man years for the centre director and technologist and study programme assistance. For Western Samoa: four man years in plant breeding and agricultural economics. Experts: Prof. DUPHORN (D) — MUNCH — PETERSEN (DK). 4th EDF.

COUNTRIES MEMBERS OF C.E.A.O.

Financing of a regional trade cooperation programme. Resp. Auth.: Secretariat général de la CEAO. 2.500 mECU. Measures to improve production and develop trade. T.A., training, seminars. Trade missions. Date financial decision, July '81. 5th EDF.

O.C.A.M.

Building and equipment of Institut Africain et Mauricien de Statistiques et d'Economie Appliquée in Kigali. Resp. Auth.: I.A.M.S.E.A. Pedagogical, administrative and hostel buildings (4,500 m²). Correspondent equipment supply. Studies: a) Programming. b) Architectural and Technical. Bureau SPADOLINI E GORI (I). Project on appraisal. 4th EDF. Building and equipment. 5th EDF.

Training assistance for the African and Mauritian Common Organization (OCAM). Resp. Auth.: Secretariat de l'OCAM. 1.0 mECU. T.A., seminars and granting of study awards. Date financial decision June '81. 4th EDF.

COUNTRIES MEMBERS OF ORGANISATION AFRICAINE POUR LA PROPRIETE INTELLECTUELLE (O.A.P.I.)

Building and equipment of Centre Africain de Documentation et Information en matière de Brevets. Resp. Auth.: O.A.P.I. 1.25 mECU. Construction of 1,350 m² of buildings, and supply of equipment. Technical and architectural study: BRUSA PASQUE (I). Date foreseen for financial decision. 2nd half '81. 5th EDF. Study 4th EDF.

GAMBIA — SENEGAL (O.M.V.G.)

Bridge barrage on the river Gambia. Resp. Auth.: Ministry of Works and Ministère des Travaux Publics. Estimated cost in 78: 60 mECU. Foreseen funding: F.R.G. 20 mECU. UK 4.4/8.8 mECU. Canada 21.7 mECU, USA 11/22 mECU. Technical study: DHV-Rijkswaterstaat-Waterloopkundig Laboratorium Delft (NL). Project stage: identification. 5th EDF.

GUYANA — SURINAME

Guyana — ferry-link. Resp. Auth.: Ministère des Travaux Publics and Ministerie van Openbare Werken. Link ferry on Corentine river. Study to be done: economic and technical. Short-list already drawn up. Project on appraisal. 4th EDF.

UPPER — VOLTA — NIGER — TOGO

Fada-Border Niger Road. Resp. Auth.: Ministère des Travaux Publics. Estimated cost: 28 mECU. Construction and surfacing of the road for 171 km. Possibility of partial financing on 5th EDF. Economic and practical study completed. Project on appraisal. 5th EDF.

SOMALIA — DJIBOUTI

Somalia-Djibouti Road Link. Resp. Auth.: Ministère du Plan. Economic study: Economic Consultant (UK). Technical study to be done. 1.200 mECU. Short list not yet drawn up. Date financial decision, end of September '81. 4th EDF.

SUDAN — KENYA

Juba-Kakuma road. Resp. Auth.: Ministère des Travaux Publics. Estimated cost: 20 mECU, EDF 10 mECU, USAID 10 mECU. Contribution for bridge-building and intermittent improvements over 655 km of gravel road. Works: int. tender launched. Date foreseen for financial end October '81. 4th EDF.

TOGO — BENIN

Integrate development of the Mono Valley. Resp. Auth.: Ministères des Travaux Publics. Estimated cost: 170 mECU. Construction of a dam and a hydro-electric power plant of 2x30.7 MW. Foreseen funding: World Bank, EEC (EDF + EIB), France, FRG, Canada, ADB, UNDP. Feasibility study done. Completion envisaged 1982/85. Project stage: identification. 5th EDF.

RWANDA — ZAIRE

Hydro-electric development «Ruzizi II». Resp. Auth.: Ministères des travaux Publics. Estimated cost: 50/60 mECU. Economic and technical studies (4th EDF): Bureau Tractionnel (B) and R.R.I. (D). Construction of a central hydro electric plant of 35 MW. Foreseen funding: EDF, ADB. Works: int. tender after prequalifications. Prequalification made. Project on appraisal. 5th EDF.

Methane gas from Lake Kivu. Resp. Auth.: CEPGL and Commission mixte de 2 pays. Estimated cost: not available. Pre-feasibility study underway. (Studies 4th EDF). Foreseen funding: EDF, Belgium. Project stage: identification, 5th EDF.

TROPICAL AFRICA REGIONAL PROJECT

Rice, mais, niébes, soja improvement programme. 1st phase. Resp. Auth.: I.I.T.A. (Institut International d'Agriculture Tropicale) à Ibadan. Nigeria. Estimated EDF contribution 2.250 mECU. Experimentation and demonstration improved varieties. Works, supplies and experts recruitment by I.I.T.A. with local agreements. Project on appraisal. 5th EDF.

SENEGAL — GUINEA

Tambacounda-Labe road. Resp. Auth.: Ministère des Travaux Publics. Upgrading and asphaltting of the road (455 km). Economic study: SONED (SE). Technical study to be done. Short list not yet drawn up. Project on appraisal. 4th EDF.

BURUNDI — TANZANIA — ZAMBIA

Mpulungu Harbour. Resp. Auth.: Ministry of Power, Transport and Communication. 2.24 mECU. Works, Supplies, T.A. Date financial decision July '81. 4th EDF.

ZAMBIA — BOTSWANA — ZIMBABWE

Training assistance for Namibian refugees and students. Resp. Auth.: U.N. Institute for Namibia. 1 mECU. Date financial decision July '81. 5th EDF.

GABON — CONGO

Construction and equipment of a boarding section at the Ecole des Postes et Télécommunications in Libreville. Resp. Auth.: Office Postes et Télécommunication. (O.P.T.). 2.020 mECU. Buildings Boarding facilities 976 m², restaurant-cultural complex 430 m². Equipment. Supervision of works. Date financial decision June '81. Works: Acc. tender launched on April '81. Supplies: Int. tender end '81 or 1st quarter '82. 4th EDF.

SOUTHERN AFRICA

Foot-and-mouth disease prevention. Resp. Auth.: Development Committee. Study to be done: Feasibility. Short-list already drawn up. Project stage: identification. 4th EDF.

17 COUNTRIES:
BENIN — CAMEROON —
CENTRAL AFRICAN REPUBLIC
CHAD — CONGO — GAMBIA —
GHANA — IVORY COAST —
LIBERIA — MALI —
MAURITANIA —
NIGER — SENEGAL —
SIERRA LEONE — TOGO —
UPPER VOLTA — ZAIRE

Academie Régionale des Sciences et Techniques de la Mer in Abidjan. Resp. Auth.: Conference Ministérielle des Etats de l'Afrique de l'Ouest et du Centre sur le transport maritime. Extension and renovation of the school. For EDF: supply of pedagogical equipment and TA. Project on appraisal. 5th EDF.

TOGO — MALI — UPPER VOLTA —
NIGER — CHAD

Agricultural produce regional transit centre. Resp. Auth.: Ministères du Plan and Ministère Affaires Economiques for Niger. Harmonization of stocking possibilities for the population and trade improvement. Technical and economic feasibility study: Bureau SATEC (F). 4th EDF.

SEYCHELLES — MAURITIUS —
COMOROS — KENYA —
SOMALIA — TANZANIA —
MADAGASCAR

Telecommunications for flying airways in the Indian Ocean. Resp. Auth.: Civil Aviation Departments, Directions de l'Aviation Civile. Supply and installation of telecommunication equipment. Study: preliminary appraisal, Mr. Durieux and Amory (F). Technical detailed study: SOFREAVIA (F). Project on appraisal. 4th EDF.

MADAGASCAR-SEYCHELLES

Ecole Maritime de Majunga. Resp. Auth.: Ministère de l'Education. Managerial staff training for mercantile marine and fishery. Supply of a school-vessel and equipment. T.A. Estimated cost 2 mECU. Project stage: identification. 5th EDF.

ACP STATES

Assistance to the professional ACP-EEC organizations concerned by improvement of the production and products commercialization on foreign markets. Resp. Auth.: COLEACP-FEDEAU. And the association for the improvement of the commercialization of products like coffee, cacao, oleaginous and cotton. 2.770 mECU. Date foreseen for financial decision, end of September '81. 5th EDF.

SENEGAL — GAMBIA
GUINEA BISSAU

Dakar — Banjul — Bissau Road. Resp. Auth.: Ministères Travaux Publics of the 3 countries. Asphalted road between Mandine Ba (Gambia) and Sao Vicente (Guinea Bissau). 129 km. Estimated cost 30 mECU. EDF 10 mECU. Technical study on hand. Project stage: identification 5th EDF.

COUNTRIES MEMBERS OF ECO-
WAS — CEDEAO

Wireless beam telecommunications. Resp. Auth.: Secrétariat Ecowas. (edea). Estimated cost 30 mECU. EDF 6 mECU. Project on appraisal. 5th EDF.

SENEGAL — IVORY COAST —
CAMEROON — NIGERIA

Chemical industries in Senegal. Resp. Aut.: Ministère de l'Equipeement. Total estimated cost 275 mECU. EDF 10 mECU. Phosphoric acid and fertilizer factory. Infrastructure: harbour terminal, water supply, railway network - Project stage: identification. 5th EDF.

EASTERN AFRICA
COUNTRIES

Statistical training centre for eastern Africa in Tanzania. Resp. Auth.: Secretariat of the centre. 3.5 mECU. Widening of the capacity. Construction of class-room, offices and housing. Project stage: identification. 5th EDF.

DJIBOUTI — ETHIOPIA —
KENYA — SUDAN — SOMALIA —
TANZANIA — UGANDA

Prevention against noxious migratory animals in eastern Africa. Resp. Auth.: Desert Locust Control Organization for eastern Africa. Construction of buildings, storage, for pesticide, aircrafts, equipment for vaporization, vehicles and T.A. Total estimated cost 5.45 mECU. EDF 2.5 mECU. Project stage: identification. 5th EDF.

MEDITERRANEAN
COUNTRIES

ALGERIA

Livestock development study for vine-growing reconversion areas. Resp. Auth.: Ministère de l'Agriculture et de

la Révolution Agraire. 0.095 mECU. Possibilities for development of dairy cattle. Study to determine project contents: SCET International (F). Project stage: identification.

Study for artificial insemination development in Algeria. Resp. Auth.: Ministère de l'Agriculture et de la Révolution Agraire. 0.080 mECU. Study to establish an artificial insemination service. Short list already drawn up. Project on appraisal.

Scientific cooperation programme with O.N.R.S. and trainers' training. Resp. Auth.: Ministère de l'Enseignement Supérieur et de la Recherche Scientifique (M.E.S.R.S.) 4.300 mECU. Scholarships, T.A. experts and supply of equipment. For scientific equipment int. tender. Date for financial decision October '81.

Rural managers' training. Resp. Auth.: Ministère de l'Agriculture, de la Révolution Agraire et des Forêts. 4 mECU. T.A. with trainers and technical equipment. Supplies: direct agreement. T.A.: Contracts: from '81 to '83. Date for financial decision October '81.

Contribution towards the extension of two training centres for fishermen (Annaba and Beni-Saf). Resp. Auth.: Ministère des Transports et de la Pêche. Secrétariat d'Etat à la pêche. 0.600 mECU. Supply of pedagogical equipment and T.A. Supply: int. tender. T.A.: short-list not yet drawn up. Date foreseen for financial decision 4th quarter '81.

EGYPT

Soil improvement programme in Kafre-el-Sheikh Governorate. Resp. Auth.: Executive Authority for Land Improvement Projects (EALIP). Provisional amount 9-14 mECU. To reclaim an area of 65 000 acres of saline soil, located in Hamoul district of the Kafre-el-Sheikh Governorate. Feasibility study of the project: Euro Consult (N). Project on appraisal.

Improvement of agricultural input storage facilities in the Daghalia Governorate. Resp. Auth.: Principal Bank for Development and Agricultural Credit. Provisional amount 4.5-8 mECU. Feasibility study of the project: Berlin Consult (D). Project on appraisal.

Developing Vocational Training for Industrial Trades. Resp. Auth.: Ministry of Industry and Mineral Resources. (Productivity and Vocational Training Department — PVT.D.) 2 mECU. Community's contribution over a period of 3 years for TA and equipment. TA: direct agreement in '81. Equipments: int. tender in '81.

Sinai Water Resources Study. Resp. Auth.: Ministry of Irrigation's Water Research Centre. Total Cost: 3.75 mECU. EEC Contribution: 2 mECU. Equipments, and T.A. over 3 years. Contracts and int. tender foreseen in '81.

Helwan waste water Project. Resp. Auth.: Government of Egypt. Estimated Cost 125.040 mECU. EEC Contribution estimated 31.540 mECU, Nederland 2.660 mECU. Construction of a sanitation system within an area of 9,500 ha. Collector mains, pumping stations and treatment works. Works and supplies: int. tender, 2nd half '81.

Intervention programme for investments promotion and for cooperation at companies level. Resp. Auth.: Ministry of Economy and External Trade, Ministry of Industry and Mineral Resources. 2 mECU. T.A., training and investment promotion. Project on appraisal.

JORDAN

Assistance to the Jordan Valley Farmers' Association. Provisional amount 1.5 mECU. Resp. Auth.: National Planning Council (NPC) and Jordan Valley Farmers' Association (JVFA). To assist the JVFA in the implementation of an agricultural machinery repair and servicing centre, and a vegetable seedling propagation unit. Study: feasibility of the project, Minister Agriculture Int. (UK). Project on appraisal.

1 Secondary Industrial School (SIS). Resp. Auth.: National Planning Council (NPC) and Ministry of Education. EEC 0.950 mECU. School for technical education at secondary level at Mafraq. Buildings to be financed by Jordan. Training and TA programmes also. Study: to identify and define project. Tema Consultant (I). Financial decision: November '80. Supply: int. tender launched august '81.

2 Trade Training Centres (TTC). Resp. Auth.: National Planning Council (NPC) and Vocational Training Corporation. Cost estimate 1.650 mECU for EEC. The TTCs offer apprenticeship in cooperation with local trade and industry. One TTC for about 400 boys at Zarqa. One TTC for about 400 girls in Amman. Buildings to be financed by Jordan. Training and TA programmes also. Study to identify and define project, TEMA Consultant (I). Date for financial decision, in 1981. Project on appraisal.

Faculty of Engineering and Technology. University of Jordan. Resp. Auth.: Ministry of Education. EEC-Contribution: 6.68 mECU. Supply of Laboratory and workshop equipment and T.A. over 5 years. Jordanian Government will finance buildings. Supplies: int. tender launched in August '81. T.A.: Contracts in '81 and '82.

Faculty of Science-Yarmouk University. Resp. Auth.: Ministry of Education. 2.5 mECU. Supply of equipment, T.A. and training. Supplies: int. tender launched in August '81. T.A. contracts in '81 and '82. Project on appraisal.

2 Vocational Training Schools. Resp. Auth.: National Planning Council (NPC) and Vocational Training Corporation. Estimated cost. 1.200 mECU. (EEC part). Construction and equipment 1 school for 700 boys at Zarqa and 1 at Amman for 700 girls. Training and T.A. Date foreseen for financial decision 2nd half '81.

LEBANON

Industrial planning and industrial census. Resp. Auth.: Ministère de l'Industrie. 0.518 mECU. Foreign expert to supervise local experts for census. Mission in Lebanon 2 months. EEC contribution covers all expenses for foreign expert and $\pm 50\%$ of total cost of the project. Project on appraisal.

MOROCCO

National laboratory for the production of veterinary vaccines. Resp. Auth.: Direction de l'Elevage du Ministère de l'Agriculture et de la Réforme Agraire. 2.255 mECU, EEC 1.980 mECU, Local 0.275 mECU. Financing of equipment, installations, supplies and the raw materials for a veterinary laboratory for the production of veterinary vaccines. Works: completion and adaptation of the existing buildings, mutual agreement contract. All material, equipment and raw materials, int. tender launched in September '81.

Nador and Safi water supply. Resp. Auth.: Office National de l'Eau Potable (ONEP). Ministère de l'Équipement et de la Promotion Nationale. Estimated cost 20.890 mECU,

EEC 15.5 mECU, Local and Saudi Fund for Development 5.390 mECU. SAFI: water supply extension, partly service main, partly treatment and pumping station. NADOR: Regional water supply realization, service mains and treatment and pumping station. Works and supplies except pumping station and electrical connections: several int. tenders in 1981. For Nador launched in July '81.

Monitoring and equipment of 10 Instituts de Technologie Appliquée (ITA). Resp. Auth.: Ministère du Travail et de la Formation Professionnelle (MTFP). 34.510 mECU. EEC 15.500 mECU, Local 19 mECU. Community's contribution for technical and teaching equipment, training of instructors and TA at the beginning of the project. Equipment: int. tender in several lots in '81. TA: direct agreement in '81, '82 and '83.

Intervention for Laboratoire Officiel d'Analyses et de Recherches chimiques de Casablanca. Resp. Auth.: Ministère de l'Agriculture. 1.200 mECU. Equipments: int. tender in '81. T.A. and training. T.A.: ICON INST. (D). Project on appraisal.

Interventions for Laboratoire de Technologie des céréales de Rabat. Resp. Auth.: Ministère de l'Agriculture. 0.790 mECU. Equipment, T.A. and training. Supply by restr. tender or direct agreement. T.A.: short-list not yet drawn up. Date for seen for financial decision, 4th quarter 81.

TUNISIA

Sewerage scheme for 17 towns. Resp. Auth.: Office National d'Assainissement (ONAS). Estimated cost 40 mECU, EEC 24 mECU, Local 16 mECU. Improvement of the sewerage system (mainly for sewerage and rainwater) for 17 towns. Service mains extension, building of purification stations. Study: to define programmes and prepare the implementation project: SAFEGE (F). Funding phase 1 end 1980 (12 mECU). Phase 2: 2nd quarter 1981 (12 mECU). Works: int. tenders, several lots in '81. 3 Tenders launched in August '81 and 2 in September '81.

Expansion of industrial development activities. Resp. Auth.: Ministère de l'Industrie, des Mines et de l'Energie. Agence de Promotion des Investissements (API) and the Banque de Développement Economique de Tunisie (BDET). 0.630 mECU. TA and studies. Contracts by direct agreement in '81.

Office National Tunisien du Tourisme (ONTT). Resp. Auth.: ONTT. 0.300 mECU. TA, studies and tourism promotion. Contracts by direct agreement in '81.

Participation to create 3 Training Vocational Centres: in Nabeul, Menzel-Bourguiba, Zaghouan. Resp. Auth.: O.T.T.E.E.F.P. (Office des Travailleurs Tunisiens à l'Etranger de l'Emploi et de la Formation Professionnelle.) EEC Contribution 3.870 mECU. Supply of equipment, T.A. and training. Supplies: int. tender in '81 and '82. Contract T.A. and training, '81 and '82. T.A.: A.A.B. (D). Project on appraisal.

TURKEY

Mining Renewal Equipment and Spares. Resp. Auth.: Turkish Coal Enterprises (T.K.I.). Estimated Cost 16 mECU. EEC 16 mECU. Equipments: dump trucks, electrical excavators, bulldozers, associated spares. Equipments: int. tender in '81. Date for financial decision July '81.

Beypazari Lignite Project. Resp. Auth.: T.K.I. Estimated Cost 55.7 mECU. EEC 22 mECU, Local 33.7 mECU. EEC

part: Equipment supply for: development, mechanised face, conventional face and auxiliary. Equipments: int. tender in '81. Date for financial decision July '81.

Lignite Exploration Project. Resp. Auth.: Mineral Research and Exploration Institute of Turkey (M.T.A.). Estimated cost 25.5 mECU. EEC 8 mECU. Local 17.5 mECU. EEC part: Equipment supply: core barrels, drill pipes, drill collars, rock bits, core bits. Equipments: int. tender in '81. Date for financial decision July '81.

Electricity Transmission Line Project. Resp. Auth.: Turkish Electricity Authority. (TEK). Estimated cost 72 mECU. EEC 16 mECU. Upgrading of existing transmission lines and supply of equipment. Construction of new transmission lines. Italian aid foreseen for 5.2 mECU. Supply and works: int. tenders end 81 or 82. Date foreseen for financial decision 4th quarter 81.

Non-associated developing countries

BANGLADESH

Tea rehabilitation project. Resp. Auth.: Bangladesh Tea Board (BTB). EEC 6.6 mECU, UK and Local 55.680 mECU. Purchase of machinery for tea factories. Call for quotation in EEC member states and Indian subcontinent in 1981.

Emergency food grain storage. Resp. Auth.: Ministry of Food. EEC 8 mECU. Construction of flat grain storage buildings in six different locations to store approximately 32 000 tons of grain. Works: restr. tender May 1981. Supply of building materials (cement and steel) int. tender December 1980. TA and local consultancy, mutual agreement, November '80 and January '81.

Cotton Development project. Resp. Auth.: Cotton Development Board. Estimated Cost: 13.500 mECU. EEC 6.5 mECU, Local 7 mECU. Supply of equipment, T.A. Works. T.A.: direct agreement or int. tender in '81. Works and supply procedure to be determined.

BURMA

Palm oil development. Resp. Auth.: Ministry of Agriculture and Forest. Estimated cost: 16.300 mECU. Financing: EEC 4.9 mECU, Switzerland and local 11.40 mECU. Expanding production for domestic consumption. Supplies and T.A. Supply: int. tender 81 and 82. T.A. short-list already drawn up.

Pump Irrigation. Resp. Auth.: Ministry of Agriculture and Forest. Estimated Cost: 31.5 mECU. ADB 19 ECU. EEC 5.5 mECU. Local 7 mECU. Works: irrigation and related facilities. Supply of equipment and T.A. Works and supplies: int. tenders following EEC and ADB procedures. T.A.: contracts following ADB procedures. All items in '82. Date foreseen for financial decision for EEC: October '81.

INDONESIA

Pilot project on integrated soya and foodcrops development in Sumatra. Resp. Auth.: DG for economic, social and cultural relations (Department of Foreign Affairs). EEC

4 mECU. Local 1.4 mECU. To investigate the feasibility of arable cropping (mainly soya) and establish a seed multiplication centre in Jambi Province (Sumatra). TA: contract awarded. Works: direct labour. Supplies: int. tender or restr. tender to be determined in '81.

S.E. Sulawesi transmigration and area development project. Resp. Auth.: Directorate General of Transmigration. EEC 3 mECU. Islamic Development Bank, Local 44.943 mECU. Contribution to a settlement programme consisting of studies for future development and local costs for housing, land irrigation, roads. Consultancy services (studies) restr. tender. Works: direct agreement. 2nd half '81.

Lower Citanduy Irrigation. Resp. Auth.: D.G. for contagious diseases control. Estimated cost: 76.9 mECU. EEC 3.8 mECU, ADB 42.4 mECU, Local 30.7 mECU. Construction of irrigation and drainage canals, feeder roads, village water supplies for 287 villages in S.W. part of C. Java. Works: Acc. tender. Supplies: int. tender in '82.

Baturraden Dairy Development. Resp. Auth.: D.G. for livestock services. Estimated cost: 8.385 mECU. EEC 4.4 mECU, Italy 0.410 mECU. Construction, infrastructure, supply of equipment, T.A. Works and supplies: int. tender 1st half '82. T.A.: direct agreement 1st half '81.

LAOS

Seedling propagation centres. Resp. Auth.: Department of Agriculture. Ministry of Agriculture, Forestry and Hydrology. Mekong Committee Secretariat. EEC 2.9 mECU, Local 0.800 mECU. To establish six seedling propagation centres and to rehabilitate the agronomical research centre of Hat-Dok-Keo to supply selected seeds for the irrigated areas of Mekong plains. Works: direct labour. Supplies: modalities to be agreed between EEC Commission and government. TA by advertisement in member states newspapers, end 1980 or in '81.

NEPAL

Livestock project. Resp. Auth.: Department of Agriculture. Agricultural Development Bank of Nepal. EEC 2.2 mECU. ADB, Australia, UNDP. Local 9 mECU. Upgrading of animal health facilities and development of livestock production and marketing in two specific areas. Building and civil works: intern. tender. Date unknown. Project managed by ADB.

PAKISTAN

Baluchistan livestock development. Resp. Auth.: Provincial Government of Baluchistan. The Department of Fisheries and Livestock. The Baluchistan Development Authority. EEC 6.7 mECU, ADB 5.8 mECU, Local 1.4 mECU. Development of rangeland for sheep and goat production, construction of kid and lamb fattening units at selected locations, development of the dairy sector, establishment of local vaccine production, construction of a feedmill, training and consultancy services. Works, supplies and consultancy services, int. tenders. Dates unknown. Project managed by ADB.

Rural hydraulics programme in Baluchistan. Resp. Auth.: Rural Development and Local Government Department. Irrigation and Power Department. (KDLG) and (I.P.D.) Estimated cost: 25 mECU. EEC 4 mECU, UNICEF and Local

21 mECU. Construction of 180 small drinking water supply. Supplies: int. tender, 2nd quarter '81.

Emergency Programme-drinking water supplies for refugees areas (NWFP). Resp. Auth.: UNICEF. Estimated Total Cost 6 mECU. EEC 2.7 mECU. Cofinancing with Unicef. Supplies, drilling works, T.A. Supplies: Int. tender. Drills: Acc. tender Works: Direct Labour. Date for financial decision 2nd half '81.

Karachi fishing port. Resp. Auth.: Fishery department of the Sind Province. Estimated cost 45.5 mECU. ADB 24.8 mECU, EEC 12 mECU, Local 7.1 mECU, Agricultural Development Bank of Pakistan 1.6 mECU. EEC part: new facilities: quay, boat repair yard, fish-shed, dredging. Rehabilitation of existing facilities, equipments and TA. Date foreseen for financial decision 2nd half '81.

SRI LANKA

Mahaweli Ganga development. Resp. Auth.: Mahaweli Development Board (MDB). Integrated rural development project. 43 000 ha area with a population of 140 000. Priority to food crops development. EEC 2 mECU, IDA 87.2 mECU (joint funding EEC-IDA, IBRD, UK, N, Canada, USA). EEC contribution for social infrastructure and civil works. Modalities: World Bank procedures.

Integrated rural development in the Mahaweli Ganga region. Resp. Auth.: Mahaweli Development Board (MDB). Estimated cost 9 mECU, EEC 2 mECU. Development of 2 326 ha irrigated land and rehabilitation of 1 910 ha deteriorated land. Socio-economical infrastructure to allow settlement of 12 000 rural families. TA: FAO.

Eastern Region rehabilitation project. Ministry of Coconut Industries. EEC 3 mECU, Italy 0.375 mECU, small UK and FAO contributions, balance up to 7 mECU financed by Sri Lanka government. Rehabilitation of coconut plantations devastated by a cyclone and diversification of agriculture in the same region. Feasibility study financed by Italian bilateral aid executed by AGROTEC (I). Works: direct labor. Supplies: modalities for tenders to be determined, first quarter '81.

THAILAND

Cooperation training and marketing. Resp. Auth.: National Economic and Social Development Board (NESDB) and Bank for Agriculture and Agricultural Cooperation (BAAC). EEC 3.037 mECU. To provide training facilities for the personnel of agricultural cooperatives and equipment for cooperative marketing unit. Int. tender in '81.

Rubber smallholdings yield improvement. Resp. Auth.: Rubber Research Centre (RCC). Ministry of Agriculture and Cooperatives. EEC 1.8 mECU, Local 1.8 mECU. To introduce and popularize new tapping techniques to improve the yield of old rubber trees before their felling. TA by direct agreement. Supplies: modalities of tenders to be agreed between EEC Commission and government. Tenders in mid '81, '82, '83, '84.

HUAY-MONG-Irrigation and drainage Scheme. Resp. Auth.: National Energy Administration. Estimated Cost: 25 mECU. EEC 11 mECU, A.G.C.D. (B) 1.8 mECU. Works, T.A. and Supplies. Contracts ad int. tender for works and supplies, 2nd half '81.

Seed production centre for the Southern Region. Resp. Auth.: Ministry of Agriculture. Estimate of Cost: 3 mECU.

EEC 2.2 mECU. Construction of a centre for the production and distribution of improved qualities of rice seeds. Equipments and T.A. Works and Infrastructure: Acc. tender. Equipments: Int. tender and direct agreement. T.A.: direct agreement. Date foreseen for financial decision June or July '81.

THE PHILIPPINES

Bicol River-basin Development. Resp. Auth.: Ministry of Public Works and Ministry of Public Highways. Estimated cost: 53.6 mECU. EEC 4.5 mECU, ADB and others 35 mECU. Irrigation and drainage facilities, village water supply, feeder roads to serve an area of 17,000 ha in S. Luzon. Works: direct labour or acc. tender in '81 and '82.

Crop protection Programme. Resp. Auth.: Ministry of Agriculture. Estimated cost: 8.596 mECU. EEC 3.5 mECU, F.R.G. and Local 5.096 mECU. Strengthen and expand the existing crop protection service. Works and supplies (vehicles and equipment). Way of execution to be determined. Timing: '81 and '82.

YEMEN ARAB REPUBLIC (YAR)

Resource investigation for agricultural planning in the Wadi Rasyan Basin. Resp. Auth.: Tihama Development Authority, Ministry of Agriculture. Studies concerning physical characteristics, natural resources and potentialities of Wadi Rasyan Basin and preparation of first development plan. Studies: Consultant DHV (N).

ASEAN

Regional collaborative study on aquaculture. Resp. Auth.: The ASEAN Committee on Food, Agriculture and Forestry (COFAF). EEC 0.300 mECU. To assess the present and future potential of rural aquaculture in the ASEAN countries, and in particular study means of developing existing applied research training and extension facilities in this field. Contract will be awarded by mutual agreement to a mixed team composed of ASEAN and EEC experts. Last quarter of 1980 or '81.

Scientific and Technological Cooperation Programme. Resp. Auth.: ASEAN-Committee on Science et Technology (COST). EEC 2.8 mECU. Training, T.A., Studies, seminars. During 2 years starting from 4th quarter '81. Contracts for T.A. and studies will be negotiated by the Commission of CE after agreement with COST.

HAITI

Integrated rural development of Asile region. Présidence de la République. Estimated cost: 12 mECU. Foreseen financing: EEC 5 mECU, IDB 7 mECU. Feeder roads, rural monitoring, irrigation, social infrastructure. Financial decision: 1st quarter '81.

Public health and drinking water in rural area. Resp. Auth.: Département de la Santé Publique et de la Population. Estimated cost: 4.893 mECU. EEC 1.6 mECU, IDB 3 mECU. Drinking water supply system for 100 rural communities. EEC contribution to supply equipment and accessories. Int. tender for supply to be decided by IDB.

Training and research for rural production development. Resp. Auth.: Département de l'Agriculture, Ressources naturelles et Développement Rural (DARNDR). Cost: 0.412 mECU. EEC 0.300 mECU, France 0.112 mECU. Construction of tank and reservoirs and wells. Contracts and supplies, direct agreements. 2nd and 3rd quarter '81.

HONDURAS

Rural water supply and sewerage. (Saveamiento Basico). Resp. Auth.: Ministerio de Salud Publica y Asistencia Social. Direccion de Saveamiento Basico. Cost: 6 mECU. ECE 3.2 mECU. Well construction, water supply, health installations in the Olancho region. T.A. direct agreement, 2nd half '81. Supplies, contracts already awarded. Works, direct labour, 2nd half '81.

HONDURAS — COSTA RICA

Regional grains stocking and trading programme. Resp. Auth.: (Banco Centro-americano d'integración economica). Total cost: 21.43 mECU. Financing: EEC 1.80 mECU, IDB 15.18 mECU, BCIE — BANAFOM — CNP 4.45 mECU. In Honduras building of 6 complementary grain-stores, in Costa Rica 7 grain-stores with a capacity of 46 000 tons (total). IDB envisages partial reallocation of Costa Rica project for Nicaragua.

LATIN AMERICA

Rural micro-projects. Resp. Auth.: Ministerios de la Agricultura. IDB special fund. EEC contribution for the programme 2 mECU. To be decided.

BOLIVIA

Irrigation Programme Altiplano-Valles (Cochabamba). Resp. Auth.: Service National de Développement Communautaire (S.N.D.C.). Cost: 9 mECU. EEC 2 mECU, KfW (F.R.G.) 6 mECU, Local 1 mECU. Construction of small dams and irrigation canals. Works by direct labour. (Outstanding project).

NICARAGUA

Training assistance to ENABAS (Empresa Nicaraguense de Alimentos Basicos). Resp. Auth.: Ministerio de Comercio Interno and ENABAS. Estimated cost: 0.850 mECU. EEC 0.850 mECU. Training assistance: 2 long-term and 6 short-term experts. Amount foreseen for TA: 0.600 mECU. Construction, equipments, materials: 0.250 mECU (local contracts). Date foreseen for financial decision: July '81.

EQUADOR

Irrigation in Chambo. Resp. Auth.: Institut National Equatorien de Ressources Hydrauliques (I.N.E.R.H.I.). Cost: 5.92 mECU. EEC 2.9 mECU. Repairing and extension irrigation system. T.A., training and supplies. Works, direct labour or direct agreement: 2nd quarter '81. Supplies: acc. tender, 2nd quarter '81. T.A. and training different phases in '81 and '82.

Foderuma (rural micro-projects). Resp. Auth.: Ministère de l'Agriculture. Total cost 3.4 mECU. EEC 3 mECU. Local 0.4 mECU. Works, supplies (tractors, lorries, motor-cultivators, waterpumps) training and T.A. Supplies: int. tender in '82. T.A.: direct agreement. Date for financial decision, end of September '81.

COUNTRIES MEMBERS OF PACTO ANDINO

Technical cooperation (industry and economical planning) Resp. Auth.: Junta del Acuerdo de Cartagena, Lima-

Peru. Estimated total Cost: 1.7 mECU. EEC 1.1 mECU. To place experts, equipment and T.A. and training at Junta's disposal. Contracts T.A. and experts by the Junta and the Commission of EC. Date for financial decision end of September '81.

Andean Programme for technological development (Rural PADT). Resp. Auth.: Junta del Acuerdo de Cartagena. Lima-Peru. Estimated total Cost: 7.560 mECU. EEC 3.927 mECU. Supply of equipment, training and T.A. Vehicles purchase: int. tender. T.A.: Short-lists to be drawn up by the Commission of EC and decision by the Junta. Date for financial decision, end of September '81.

Last minute

KENYA

Veterinary Investigation Laboratory Mariakani. Adm. Resp.: Ministry of Livestock Development. Veterinary Department. 3.4 mECU. Construction of a veterinary investigation laboratory. Supply of materials and equipments. T.A. Materials and equipment: int. tender 1st quarter 82. T.A.: direct agreement. Date foreseen for financial decision mid-November '81. 5th FED.

TOGO

Strengthening and improvement of 3 roads. Resp. Auth.: Ministère des Travaux Publics, des Mines, de l'Energie et de Ressources Hydrauliques. Aflao-Avezopo road (19 km) - Lomé-Kpaliné road (118 km) - Atakpamé-Blitta road (100 km). Works: int.

tender foreseen in December '81, conditional upon provisional finance. 5th FED.

Kara bridge. Resp. Auth.: Ministère de Travaux Publics, des Mines, de l'Energie et de Ressources Hydrauliques. Accès roads and bridge (150 m). Int. tender foreseen in November '81, conditional upon provisional finance. 5th EDF.

Rural Development of Kara Valley. (329 phase). Resp. Auth.: Ministère du Développement Rural. Estimated cost 4.277 mECU. EDF 2.888 mECU. Local 1.339 mECU. Supplementary in infrastructure, training and monitoring. Works by direct agreement. Equipment and supplies by int. tender. T.A. Date foreseen for financial decision mid-November. '81. 5th EDF.

UGANDA

Karamoja Development Programme. Resp. Auth.: Ministry of Agriculture and Forestry. 4.400 mECU. Constructions and Civil works. Transport, Equipment, Supplies, Training. T.A. by Lutheran World Federation. Equipment and Supplies int. tender. Date foreseen for financial decision and mid-November '81. 5th EDF.

ZAMBIA

Zambia Marketing and Trade Promotion. Resp. Auth.: Ministry of Commerce and Industry. Zambian Export Promotion Council. 0.795 mECU. Product Development and Marketing. Marketing management. Trade Fairs — Tourism planning and promotion. Contracts by direct agreement. Date foreseen for financial decision mid-November '81. 5th EDF.

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BOOKS

Frederick JOHNSTONE, Martin ME-GASSICK, Harold WOLPE & Mike MORRIS — **Apartheid and Capitalism** — Edition François Maspero, 1, place Paul-Painlevé, Paris — 1979

If there were no cheap labour in South Africa, there would be no prosperity for the white minority. So says this book, which is the outcome of a survey run by a group of researchers on the economic development of South Africa. The country's economy has always been based on mineral wealth, plus agriculture and industry, and the government has had to have a submissive labour force under its control to exploit it. Apartheid had two aims: to push the Africans into a very small section of the territory—the poorest areas—thereby making it easier to keep them under control, making them enter the work zone like foreigners and sending them into their homelands, under state supervision, in the evenings; and to keep the workers down and deprive them of all their union and political rights.

The initial aim of apartheid, the authors say, is to extend segregation, ultimately achieving total separation and development of the two racial groups. Profit is a legitimate desire in any economic activity and if the title of this book conveys the impression that it is blaming capitalism for the maintenance and development of apartheid in South Africa, it is mainly because of its more vicious aspect, the ultimate exploitation of man and nature. This, at all events, is what emerges from the work, which is a very useful one for those wishing to understand the systems which aim to eliminate or destroy that which they should be serving: mankind.

Menotti BOTTAZZI — **Et germe l'espoir (And let hope bloom)** — Les éditions du Cerf, 29 boulevard Latour-Maubourg, Paris — 126 pp. — 1980

Four years of apprenticeship work, twelve years in the depths of a potassium mine, eight years of sustained work for Action Catholique Ouvrière and, since 1974, secretary-general of the Comité Catholique contre la faim et pour le développement: a career marked with meetings and travels for Menotti Botazzi.

This son of an Italian emigrant lives with his wife Lucie, four children and a number of friends and comrades at Bollwiller, in Alsace. Although Bottazzi's story is a personal one, that of a worker launched into militancy, it is also the story of a church: a story

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marked by the Algerian war and enriched by trade unionism and politics, of men and Christians who refuse to accept a world divided between rich and poor and who are fighting for a world of sharing and planet fit for all to live in. It is a story of love, bread and liberty.

ooo

UNIDO — **Répertoire des institutions de financement du développement industriel, (Directory of financial institutions for industrial development)** — P.O. Box 300, A — 1400 Vienna, Austria — 1981

The United Nations Industrial Development Organization (UNIDO) has just published the second edition of a directory listing a number of financial institutions for industrial development, which have their headquarters in the developed and developing countries.

This directory would surely help to stimulate the flow of investments and advance industrialization in the Third World. It would help the latter to find or to invest financial resources under satisfactory conditions.

Compiled from answers to questionnaires submitted by UNIDO, the directory contains the names of national, regional and international organizations which give financial support to industrial development.

There is information on the structure of capital, objectives and activities of

the various institutions. The book places emphasis on UNIDO's investment promotions with details of its operations in seven countries, namely the Federal Republic of Germany, Austria, Belgium, USA, France, Japan and Switzerland.

Accordingly to UNIDO, the developing countries would need some \$4 030 bn to finance their industrial projects if the Lima objective is to be realized—namely raising their share of the world industrial production to 25 % by the year 2000. At the moment, this stands at 11 %.

Given the general lack of information on the objectives and conditions of finance, the hope is that this directory will fill an important gap and facilitate the access to capital indispensable for industrial development.

The last edition of this directory was printed in Yugoslavia thanks to the Yugoslav government, which met the cost. The first edition was published in March.

ooo

Sekou ADAMA — **Soleils (Suns)** — Collection "A l'Ecoute des Sources" — Editions St Germain des Prés, 7, rue du Cherche Midi, 75006 Paris — 62 pages — 1980

Poetry is surely the best way of expressing our sensibility and emotion towards beings and things. Classical poetry was written according to precise rules, which lent the lines a certain rhythm, but modern poetry, like the modern novel, has broken with classicism and forms are now freer.

This collection by Sékou Adama reflects this, but childhood, love and the environment have had just as big an influence on Adama as on classical authors. Not even the uninitiated cannot fail to be sensitive to the beauty of his verse.

ooo

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