



The Courier

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*A fresh look
at Africa?*

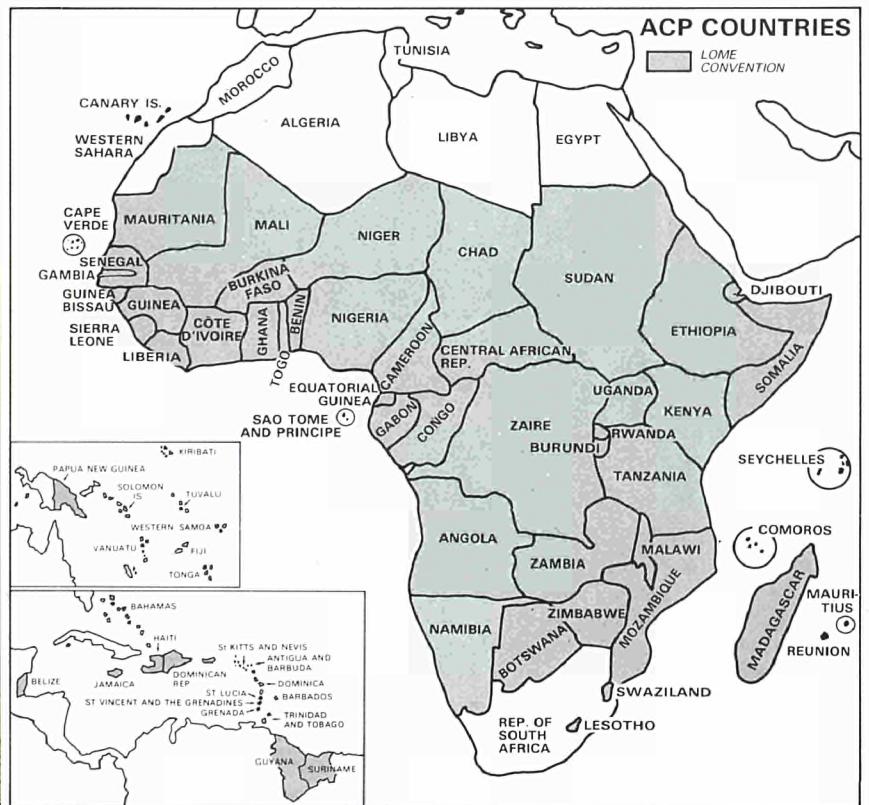
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(Country having special relations with Denmark)
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British Indian Ocean Territory
British Virgin Islands
Cayman Islands
Falkland Islands
Southern Sandwich Islands and
dependencies
Montserrat
Pitcairn Island
St Helena and dependencies
Turks and Caicos Islands

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

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Cover page: *Despite the development crisis in African society, it is possible to take a fresh look at a continent where almost two out of three inhabitants were born after decolonisation and have only ever known African rule (Photo MAPEZ)*

MEETING POINT: Edgard Pisani

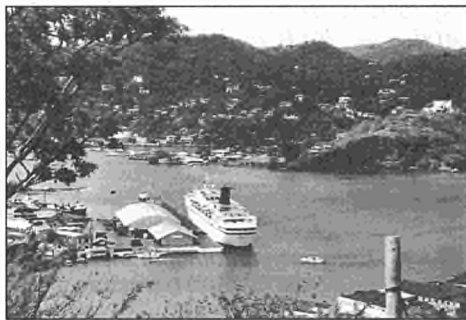
Over the past ten years, few people can have been closer to the centre of North-South relations and development issues than Edgard Pisani. He has successively held the posts of EC Commissioner for Development, President of the Preparatory Committee for the Special UN Session on Africa, Government Commissioner for France in New Caledonia and Director of the Arab World Institute. Just a few months ago he succeeded in his role as mediator in the crisis in Mali brought about by the Touareg rebellion. Edgard Pisani gives us his view — of Africa today — and of its future prospects. **Pages 2 to 6.**



ACP-EEC

The 17th session of the **ACP-EEC Council of Ministers**, which took place in Kingston, Jamaica, on 21-22 May, may have helped calm ACP anxiety over the direction of ACP-EEC relations in a changing world. Issues discussed included, the Uruguay Round, Stabex, bananas, sugar, ACP debt, and structural adjustment. Progress was made notably on bananas with a new Commission proposal to be put before the EEC Council. ACPs, on the other hand, abandoned old Stabex claims. **Pages 7 to 10.**

COUNTRY REPORTS



GRENADA: Remembered all over the world for the American military intervention of October 1983, Grenada has quietly returned to the democratic tradition of the English-speaking Caribbean from which it was severed by the 1979 Revolution. At the same time, it has embarked on a self-imposed three-year structural adjustment, aimed

at giving the private sector a leading role in the economy. The emphasis is on agriculture and tourism. **Pages 18 to 30.**

SEYCHELLES: The winds of change have finally hit the shores of the 115-odd islands which make up the Seychelles archipelago. On 3 December 1991 the country decided to abandon one-party socialist rule and return to multiparty democracy, which it had lost after a coup d'Etat in 1977. The Courier met both current President France-Albert René and the man he ousted as Head of State 15 years ago — who had since been living in exile and returned home the first time last April — Sir James Mancham. **Pages 31 to 45.**



DOSSIER: A fresh look at Africa?

Despite the development crisis in African society, it is possible to take a fresh look at a continent where almost two out of three inhabitants were born after decolonisation and have only known African rule. This, at least, is the view of a number of philosophers, economists and writers — both from Africa and from elsewhere in the world. **Pages 58 to 94.**

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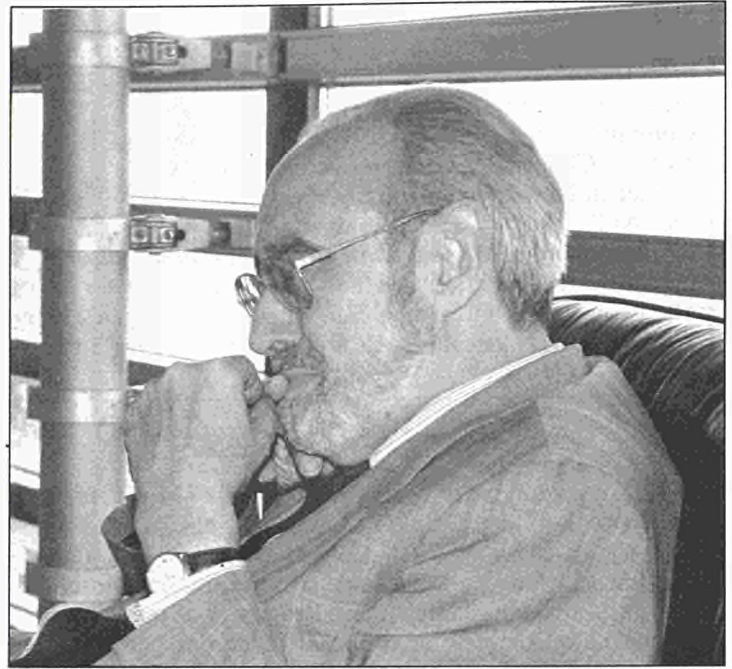
OPERATIONAL SUMMARY (blue pages)

Edgard PISANI

'Africa: Ends and Beginnings'

Edgard Pisani became a member of the Commission, taking charge of development affairs in 1981, after a long career as an administrator, politician and Minister in France. He was instrumental in the Lomé III negotiations, in particular presenting a memo on the Community's development policy in 1982, and chaired the committee which did the groundwork for the UN General Assembly's session on Africa in the spring of 1986.

After serving as Commissioner and later Minister for New Caledonia at a time of serious disorder in that French overseas territory, Edgard Pisani returned to France, where he was until recently on special assignment at the Elysee in the President of the Republic's Africa unit. He now directs the Institut du Monde Arabe in Paris and the journal L'Événement Européen, and a few months ago played a leading role in finding a solution to the Tuareg rebellion in Mali.



*Mr Pisani is the author of several books, including two devoted to development issues: *La Main et l'Outil* (Robert Laffont, Paris, 1984) and *Pour l'Afrique* (Odile Jacob, Paris, 1988), as well as an autobiography, *Persiste et Signe* (Odile Jacob, Paris, 1992). He is now working on a new book to be called *Africa — Ends and Beginnings*.*

The Courier recently met Mr Pisani in Paris.

► *Mr Pisani, a lot of people are saying there is a catastrophe looming over Africa. Are you one of them?*

— Disasters can't be ruled out, I think. I mean, analyse the most obvious inherited tendencies and disasters look inevitable. But take the analysis a little bit further and you find new tendencies there, correcting the old ones. They are unmistakable. Let me give you some specific examples. The old tendencies are desertification, with Africa losing 3 million hectares of fertile land every year let us not forget, and disease, for there is no doubt that AIDS is a problem for Africa just as it is for other continents, and the population explosion. Not that Africa is overpopulated, but it is being peopled too fast, with currently 11 out of every 100 children in the world born there. And come the year 2010, it will account for 24 out of every 100 births. So there will be 400 or 500 million people or thereabouts to be housed in towns over the next 25 years and it is by no means clear how to do it.

Another sign of imminent catastrophe from many points of view is the fact that the old leaders are unwilling to step down and are willing to put their countries at risk to stay in power. I name no names, but you all know who they are. To my mind, this inability to wreak changes on the political scene is far more serious than the difficulties of democratisation, because if these people were only in power for a limited period of, say, four or five years, a lot of the problems would go.

► *And what about all the civil wars, in Somalia and Liberia for example?*

— Yes indeed. They are major events in the here and now but, from the historical perspective, probably not so. They are serious, they are related to the demographic set-up, people stress their ethnic aspects and they have a lot to do with the different pressures which different tribes exert on over-burdened land. Ethiopia, where much migration has been dictated by over-grazing and over-density, is a typical case.

► *But you maintain that there is hope...*

— Well, take a close look and the first thing you see is that there are world-class people in Africa, which wasn't the case 20 years ago. Once upon a time there were people with charisma in Africa, but now there are people who, while remaining African, can understand the rest of the world, negotiate with it and stand up to it, and — this is the second thing — they want to stay there. The idea that any cultivated African has to leave Africa if he wants to carve out a career for himself no longer has the currency it once had. A lot of people want to stay there and that is important.

The third thing is that I happened to talk to one of the top men at Shell International yesterday lunchtime ⁽¹⁾ and to the President of the EDF ⁽²⁾ at dinner.

⁽¹⁾ This interview took place in Paris on 20 May 1992.

⁽²⁾ Energie de France.

They both run firms in Africa and apparently African businesses are now only short of the keystone in their company structures, as all the rest is there. Air Afrique is a typical example. All it took to get it back on its feet was for one man to come and bring in external discipline to do away with the tradition of patronage and behind-the-scenes fixes and the idea that time didn't matter.

So all things considered... And, of course, look at what happened in Mali. You could hardly have imagined Colonel Amadou Toumani Touré in Africa 20 years ago. Or Kérékou, with the national conference he wanted, all but refused and ultimately accepted. Or Museveni in Uganda or the transition to democracy in Zambia. There may well be old diehards who want to stay put, but things are changing nonetheless. The fact that it was the archbishop who took the responsibility for the national conference in one country shows what openmindedness there is.

I mean, there are signs that African society is changing, which is why, when I was asked to write another book on Africa, I decided to call it *Ends and Beginnings*, which sums up everything I have just said. We are seeing things come to an end, and not easily either, because they are still centre stage while the beginnings are still waiting in the wings.

► *Aren't you a little bit over-optimistic about these trends?*

— Who else would have dared start by saying that disasters couldn't be ruled out?

'Monkeys I've seen, but there are fewer of them now'

► *You said in one of your books recently that the Africans' Africa — the real Africa, not the one we talk about — had to be allowed to express itself. How?*

— I am working on this at the moment. A Canadian production company is making a film about Africa and I am responsible for half of it, all interviews. I did about 100 in six months. I'm off-screen, you don't actually see me. I am not a journalist interviewing people. I am more of a midwife, as I once put it to the ACPs' great surprise. In all these interviews, I never once came across a man or

a woman who didn't tell the truth in the end — and that includes Sembène Ousmane,⁽³⁾ who started by grumbling at me. 'It's not up to you to make this film. It's up to us,' he said. 'Except you're not making it,' I said, 'and you will note that I say practically nothing. All I do is get you to talk, so ultimately it's about what the Africans have to say.' I have looked at an hour's selection of the first 50 hours of interviews and it is fabulous when it comes to African awareness — I didn't realise it was so strong — and to a questioning of the link we Westerners have made between African development and our own evolution, which means to a search to stop linking changes in Africa to changes in the world. It is fabulous in the acceptance of the fact that Africa is behind — which is a *sine qua non* of its development. Non-acceptance could be to pretend it was up-to-date and that just a skip would get it into step. Acceptance is awareness of the distance there is to cover, that aping won't get it there, but that progress can be made by being inventive.

Last year, I was invited to the ADB for a one-day study session run on the occasion of the general assembly. The whole of Africa was there — Finance Ministers, university teachers, the lot — and I praised poverty. I mean, in fact there are three levels. There is destitution, poverty and wealth. Anyone who talks to you about wealth is making a big mistake. All there is in view and all you can hope to achieve is an end to destitution, a way of living like an animal, and an end to poverty, a way of living like a human being. I said all this clinging to the railings, as I didn't know what was going to happen. But they understood perfectly, particularly since I drew another conclusion — that the Western consumption model is not compatible with the resources of the planet, so someone has to come up with something else. Anyway, in these interviews, if you like, I didn't come across monkeys — that's what I call people who are black and talk posh — but genuine Africans who have espoused modern civilisation but remained authentically African. Monkeys I've seen, but there are fewer of them now.

► *You seem to set a lot of store by the move to democracy in various countries. Is it likely to be a success without development?*

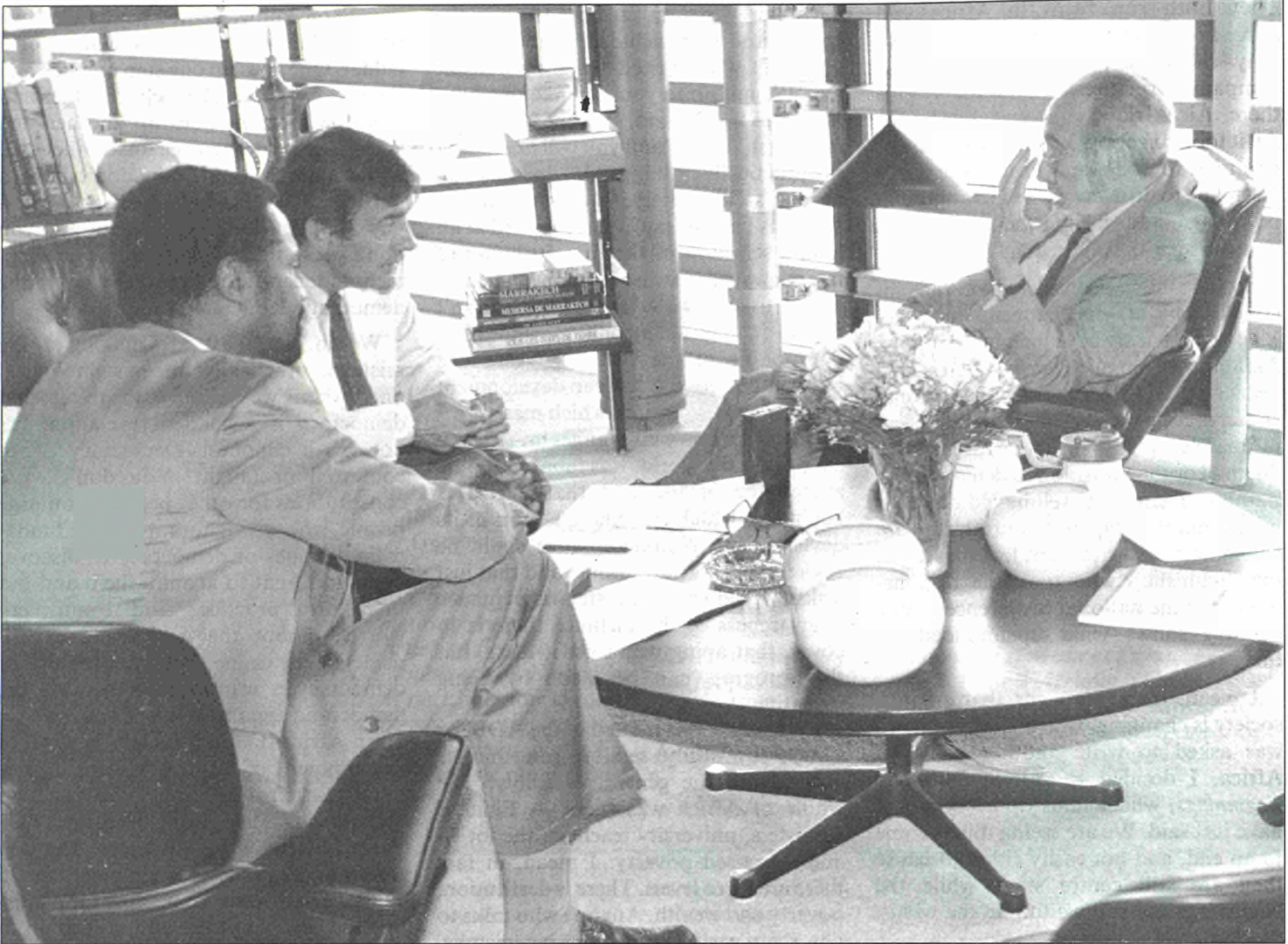
⁽³⁾ A Senegalese film-maker.

— You know, democracy is like two people climbing up opposite sides of a ladder. One goes up one step one side and the other goes up one step the other and then the first one goes up another step and the second one goes up another step and so on. I mean, you don't have a particular level of democracy with a particular level of development and you don't get to the next step up the development ladder without another step up the democratic ladder.

We in the West are making a big mistake, practically an epistemological one, when we pretend to think that democracy is a sudden revelation. It's not, it's a conquest. Democracy is not conferred or taught. You don't write constitutions for other people. You urge people who are ignorant of the fundamental values of democracy to discover them and fight to acquire them and put them into practice. And I am very worried about the democratic experiments in Africa, not because the spirit of democracy is wanting, but because the democratic apparatus which has been set up in Africa does not match the level of development of African societies. They have started out along the road to democracy. They want freedom, particularly freedom of the press. They do not want the same person in power for 25 years. They want some institutionalisation. They want their administration to be honest and independent of society. But they have practices and texts and machinery and structures foisted upon them from a development process which they have not yet undergone.

I believe that demands which outstrip values and escalate towards the machinery of democratic management mean that we in the West are exposing democracy to very serious danger. To the extent that it has anything to do with us at all — and it is for reasons of human solidarity, not politics, that it is — democracy is a very slow process. The important thing is not to achieve every aspect of democracy immediately, but to make sure that progress towards it is constant.

Take Mali. To be frank — and pretty hard-line — I do not believe that Mali's constitution can be put into practice as it stands. It would take an administrative set-up, teams of specialists and management costs out of all proportion to the country's immediate potential. But I do believe that the experience of the national



'They are setting up democratic systems which only people who have lived outside their countries feel comfortable in'

conference, the probity of the CTSP, (4) the way the elections were run and the freedom of the press are vital components. However, presenting the institutional apparatus as the sine qua non of democratic life is something I certainly do not think I would have done. The important thing is to keep moving forward, not having these pieces of paper. And there is a pitfall here. They are setting up democratic systems which only people who have lived outside their countries feel comfortable in. It is no accident that all these places have candidates from the World Bank or the IMF or GATT. They are devising systems in which it is hoped there will be no authentic Africans who are firmly rooted in their countries and who can make a go of it.

(4) The Transition Committee for the Salvation of the People.

► *There is still a strong demand for freedom inside these countries, isn't there?*

— We are talking about different things. There is an internal demand for greater freedom, but I am sure that there are people in these countries who are capable of running the administration. It is just that the sophisticated procedures work to the advantage of people who have spent most of their lives outside Africa and come back home to be Head of State. That's not right!

► *One of the remedies, one of the magic potions which the West wants Africa to swallow, is the one you have just mentioned — democracy, with all the lights and shades you put into it...*

— Watch it! I believe in democracy!

► *Another one which is always being pushed to the fore is the free-market*

economy, which should combine with democracy to foster development. Can the free-market economy really produce development in Africa, do you think?

— First of all, I have never come across a free-market economy in all my travels around the world. I have seen systems neatly designed to ensure the triumph of the strongest, who also hold the strings of the economy, political life and information and shout from the rooftops that free-market economics is the way to development and wealth. That is nothing but a hoax, because the strongest look to the political system to save them whenever there is a problem.

The Americans are against imported Japanese cars. They had and still have laws to protect them selves against this sort of thing. They look after their agriculture. I think the doctrinaire free-market approach is as dangerous as doctrinaire socialism. My belief is that the

market, authentically, is the best driving force there is for the economy. A boss's competitiveness, openmindedness and responsibility and calculations of performance all seem to me to be useful criteria, but that is not to say that I am prepared to abandon society as a whole to market forces. What I am looking for is a healthy compromise between the logic behind things, behind the marketplace in other words, and the logic which drives people, or society — which I believe is where politics comes in. I am very sincerely in favour of a mixed economy.

So let us talk about Africa. Surpluses of essential food and agricultural goods are sold on the world market at prices that very few African countries can currently afford. Undeniably, open frontiers would ultimately make all agricultural development impossible, as Côte d'Ivoire and so many other countries are there to show. So I think some form of agricultural protection is vital, but it has to be flexible if it is to force agriculture to progress, unlike what has happened in Europe — and I take a severe view of the common agricultural policy here. Forcing the African market to compete with products and surpluses from the developed world, which is what we have done with our food aid, is both unfair and dangerous. If we expose Africa to that sort of competition, it will never achieve the self-sufficiency which is vital to its development.

Secondly, I agree that business is the key to development, but not the whole thing from the word go, because that would mean that foreign firms would come and take Africa over. I have nothing against the dynamics of freedom or responsibility being taken by business. What I say is that we should decide on a case-by-case basis which is the machinery most likely to work. And that means infinitely more subtlety than seems to be managed by the IMF or the World Bank, which build you guillotines and then shroud them in white linen veils of candid probity.

► *You mentioned self-sufficiency in food as a condition of development a moment ago. People criticised you for concentrating too much on rural development when you were development commissioner, didn't they? What have you to say to them?*

— First of all, Africa is an essentially rural continent heading for a population

explosion and urbanisation will be a virtually absolute evil there if agriculture and rural society are not developed. Africa needs to hang on to its rural populations and slow down its urban expansion, because it does not have the financial or technical potential to urbanise in decent conditions in which social conflict would be avoided.

Secondly, historically speaking, most industrialised countries began with agricultural development and a domestic market was created to serve that agriculture and national industry grew up and flourished. There are few exceptions, and those are only in Asia. And what would have happened to Hong Kong without that vast mass behind it?

'Why on earth do you insist on doing things we should do by ourselves?'

Thirdly, as things stand, I think that, unless Africa develops its agriculture — and I never said anything about absolute self-sufficiency, just relative self-sufficiency — it will have a structural deficit in its balance of accounts and be forced to buy food with foreign exchange it should be using for something else. Nigeria would not be where it is or have the crises it has were it not spending three fifths of its oil revenue on importing food it could produce itself. And Côte d'Ivoire would not have its structural crisis if it had developed its own agriculture and a domestic market instead of concentrating on a single export crop and being forced to import the bulk of its daily diet.

So don't put words into my mouth. I am certainly not saying that the pro-industrialisationists are wrong. What I am saying is that the tendency to industrialise was so breathtakingly strong in the African world that someone credible had to stand up one day and tell them to be careful.

Lastly, the sort of industrialisation which Africa can hope for over the next 25 years is mining and basic processing. It does not currently have the structures or the skills to move on to second- and third-stage processing and it would be wiser to combine the drive to develop the domestic market and achieve internal balance with the drive to provide training and organise first-stage processing and then move onto the second stage in a generation or two. Guinea has bauxite, but it

has not yet managed to produce any aluminium. Disgraceful! And how many petrochemical industries does Africa have?

► *Mr Pisani, what can aid do given that — as you have often said and put in your books — development is first and foremost an internal phenomenon and that not only are the recipients required to be very stringent about it but now have to have democratic institutions as well?*

— When Boutros Boutros-Ghali, now Secretary-General of the UN, came through Brussels one day, he asked me to his hotel for a chat. I knocked at the door and went in and he was standing at the window with his back to me. 'Why on earth', he said, 'do you insist on doing things we should do by ourselves but don't help us with things we cannot do by ourselves?' You can ponder over that for hours, but he was right.

Not helping Africa to fight desert creep is disgraceful. Not helping it to build large-scale infrastructure which will only be profitable in 25 or 30 years is disgraceful. Not helping it to build research centres devoted to its problems but which it cannot supply as yet is intolerable. But helping it to do what it has to do to stay alive is senseless. Sometimes — and I am telling you all my sins — I wonder what I would try to get across if I were appointed to Brussels again — you're safe, it won't happen — and what my basis for discussion and negotiation would be.

I think that I should try to discuss and negotiate with an eye to focusing external assistance on two things to the exclusion of all others, because they are things which are important in the very long term. Those two things are the campaign against environmental disasters and the campaign for training. For these countries obsessed by the short term cannot build their own future. The point of aid — I detest the word and I have said so a hundred times — should be to help them do what they cannot do on their own, which is to plan 50 or 25 years ahead. For the rest — let them sort it out themselves.

► *Some people are talking about attaching political conditions and saying that it is important for social structures in Africa to change and that, as Bernard Kouchner says, we should step in to encourage that. Can social structures be pushed from the outside and, if so, is it up to aid to do so?*

— If we would only stop helping prop up outmoded structures, Africa would evolve, whereas 20 years ago it needed help to change. The seeds of change are there in the heart of Africa, so why don't we stop impeding them? As for interference and attaching political strings — the words mask so many different, contradictory things that I have to expand on what I mean. Here is an example, nothing to do with Africa, to show you what I mean. When I was Agriculture Minister in France, I managed to impose regulations on the country's private forests. How did I go about it? I asked every owner to set up his own forestry management programme and to stick to it. Attaching political conditions should mean agreeing with the Africans what their priorities and methods are, ensuring that they commit themselves and then only paying over the aid if they stick to their commitments. We have no duty actually to take a hand in their affairs, merely to ensure that their plans mature.

► *So no conditions to be attached without an equal say in the initial decision, is that it?*

— Exactly.

► *One of the big challenges in the coming years will probably be finding the funds to develop Africa with, bearing in mind the vast amounts involved in getting the former Soviet empire onto its feet. Everyone agrees that huge sums have gone astray in Africa. Might not our duty to take a hand in their affairs mean making sure that all that money invested in the West gets back to Africa?*

— I have been thinking about this for some time. I have asked specialists to think about it too and I hope to bring out a substantial paper on it one of these days. One answer may be to open an account with the African Development Bank, pay in all the private African monies in Western banks and empower the ADB to channel the whole lot into the development of Africa — with of course enough left over to ensure the owners a decent living. Never mind the ethics of it. Leave ethics out of it. Unless you make it clear to these people that they can live out their lives without threat or condemnation, you will never get their money. The only way is to launder it — let us call a spade a spade — so the money misap-

propriated and tucked away in Europe can go back to Africa.

► *I may be a bit naive, but why can't we do what we do with laundered drug money and just confiscate it?*

— If, when Soglo went back to Paris for treatment, Kérékou had not been told that he and his chief guards would not be prosecuted, the guards would have forced him to take power again. We are from a civilisation in which money and power are very closely linked. Any African with a cousin in power thinks the cousin owes him something. That is one level of civilisation. Colbert and Richelieu were the two richest men in the history of France and Richelieu was poor when he came to power.

At one stage in the development of societies, power and money are the same thing. We should try and leave this behind us, subtly and intelligently, without further ado. Those people were perhaps wrong to stash the money away, but let us see what we can do to get it back to Africa and invested in development.

'It's in Europe's interest to take a hand in Africa'

► *Do you agree that financing development in Africa may be a problem because of a credit squeeze?*

— Money has no smell and no soul either, you know. If there are attractive propositions going in Africa when the Eastern European countries turn out to be poor investments, the money which went East will pour into the South. They did not drop you because you were black. They dropped you because the East looked liked giving a better return. Make it clear that money can be made in Africa and money will go to Africa. Money has no religion and no colour. It just wants good returns.

Secondly, speaking in Europe and about Europe, I think it is absolutely vital for Europe to have a multidimensional strategy. It cannot exist as a power or a world geopolitical reality unless it looks East. It cannot exist as a world geopolitical power if it has a gaping wound to the South, a dramatic disease it has caught from its neighbour. My personal opinion, and a very firm one, is that it is in Europe's interest to take a hand in Africa to make sure that the continent finds the

resources for its own development at home. Europe cannot ignore the South. If it is to exist as a power, it has to have balanced relations with both East and South and I think that is perfectly possible.

► *How far is what is happening in Africa of interest to the public at large?*

— Growing desertification in the Sahara is a threat to our own climates. The population explosion will not be stopped by a Berlin wall in the middle of the Mediterranean. Industrial expansion needs customers and African development would provide them. So I think that, although we may be in some way hesitant as to the point of investing in Africa in the short term, there can be no room for hesitation over the medium and the long term. It all points in the same direction. I am in favour of immigration. And I am in favour of developing Africa so that the Africans, North and South of the Sahara alike, can stay at home. There is nothing contradictory about that.

► *What does the future hold for Euro-African cooperation after Maastricht?*

— That would be worth going into in more detail, but here are a couple of ideas. According to Maastricht logic, I think, European cooperation should gradually coordinate and integrate if not absorb bilateral cooperation and I suggest that the Commission get ready for this. And getting ready means devising new formulae, because we will not get any results with the kinds of mind-set prevalent when cooperation was set up.

Secondly, I question Lomé. I would happily throw in my lot with a European development cooperation charter which laid down principles, aims, methods of organisation and separate conventions for the different parts of Africa. As far as Abuja is concerned, there will be six Africas before there is one. So, first, integration. Second, assertion of principle, methods and aims.

Third, properly negotiated conventions reflecting actual conditions in each of the main regions. Last, Lomé-style negotiation is a spurious sort of negotiation because it covers such a wide spectrum of different situations that, ultimately, it means different things to each of our ACP partners.○

Interview by Dominique DAVID
and Amadou TRAORE

The 17th ACP-EC Council of Ministers Lomé IV under test

- **Progress on a number of issues**
- **ACPs abandon old STABEX claims**

The 17th meeting of the ACP-EC Council of Ministers, which was held in Kingston, Jamaica, on 21 and 22 May, may have helped lift somewhat the sense of gloom that has prevailed in ACP circles in recent months in the wake of the tremendous changes on the international scene.

These changes, in the words of the ACP Council President, Ralph Maraj, have

left the ACP countries 'in a state of suspended animation' as they try to figure out 'where they fall in the new scheme of things'. The drought and famine which threaten human tragedy on a scale never before seen on the African continent made that feeling of despair even more apparent in the tone of many ACP contributions.

A record number of ministers were in attendance at least. on the ACP side,

although some delegates deplored the absence of many others. However, there was a general wish to see more representations on a ministerial level to give the Council its full political authority in these times of uncertainties in international relations. An idea, mooted by ACP States, and supported by some European delegates, to find a format that would permit greater debate and dialogue in the Council was not accepted in Kingston, although it was felt that a strengthening of dialogue could be made within the existing arrangements.

Co-chaired by the Portuguese Secretary of State for Foreign Affairs, José Manuel Durao Barroso and Trinidad and Tobago's Minister of Foreign Affairs, Ralph Maraj, the opening session was attended by the Jamaican Prime Minister P.J. Patterson, one of the architects of the first Lomé Convention, and no one more competent to speak of the improvements that have been made in ACP-EC relations



The Jamaican Prime Minister, P.J. Patterson, addressing the Council. On his left in the front row is Vice-President of the Commission, Manuel Marin

since 1975. The present Convention, Mr Patterson told the Council, has not only 'kept faith with the previous ones', it was also designed to respond to 'changes in the international landscape'. The magnitude of those changes, however, has created a sense of insecurity among ACP States. He expressed the hope that the commitments shown so far by the European Community to the ACPs 'would readily point the way to a resolution of the current fears and thereby avoid any conflict between Lomé obligations and features of the Single European Market'.

Those fears were outlined by Ralph Maraj, in a long speech, on behalf of the ACP States, but they were almost immediately addressed by EC Council President Durao Barroso in his reply. Lomé IV, Mr Barroso said, has only been in operation for less than a year and experience so far 'augurs well and gives us reason to believe that we have an excellent and improved instrument. It is therefore only up to us to make the fullest possible use of it'. And making the fullest possible use of the Convention was precisely what the Council set out to do.

Containing safeguard provisions on ACP preferences in Community markets, Lomé IV had already galvanised the Commission, the ACP Secretariat and the various ambassadorial subcommit-

tees and ministerial working groups (set up after the 16th Council) into action in a number of areas, and the results were evident in Kingston as the Council made light work of the 13-point agenda in one and half days of deliberations. The topics ranged from trade, STABEX and commodities through to sugar and financial cooperation.

Trade cooperation

Three issues were dealt with under this heading, namely the Uruguay Round, Community concessions to the Andean and Central American countries, and bananas, the first two being the subjects of detailed study, respectively, by the ambassadorial subcommittee on trade cooperation and a Joint ACP-EC Ministerial Working Group. Although differences remain between the two sides, the working groups have enabled a convergence of views in several areas.

The ACP States hold the view that the current multilateral GATT negotiations will erode their preferences in the Community market and that the outcome of the *Uruguay Round* will be unbalanced and to their disadvantage, in particular, in agricultural and tropical products. Invoking the 'Joint Declaration on Trade Liberalisation' in Annex XXIX to the Lomé Convention, they have requested the Community to ensure that their advantages are not affected by measures

adopted under GATT, and to undertake to compensate them for losses resulting from any concession the Community eventually gives under the Agreement.

The Community does not share ACP pessimism on these negotiations which, it says, are aimed at liberalising international trade and therefore should be to the benefit of the ACP States. Nevertheless, it has always borne in mind their interest, but it feels it is best if the Group were to take a more active part in the talks. The Community will not give an undertaking to compensate the ACP States for any losses since there is no reference to such a measure under the Convention.

The ACPs, furthermore, have complained about the adverse impact on their products in EC markets of the *concessions granted to certain Andean and Central American countries by the Community*. By virtue of Annex XXX to the Convention, a working party has been set up to examine this claim, and its initial report, which has been endorsed by the Council, shows that the concessions have had very limited impact.

The Council took note of the concerns expressed by the ACP States on the Uruguay Round and urged the subcommittee on trade to continue its work in order to avoid the negative effects that would arise as a result of GATT and to propose measures to improve ACP competitiveness. It supported the recommendations made in the initial report of the ministerial working party on the concessions, which include, among other things, monitoring closely 'market developments in the EC for all the products involved'.

Bananas had appeared to be the most intractable problem raised by the forthcoming entry into force of the Single European Market and by the GATT talks. Because of the different arrangements obtaining in the Member States' markets, the introduction of a uniform Community-wide arrangement would place ACP and Community banana producers at a serious disadvantage vis à vis the South American or 'dollar zone' producers.

Again under the joint declaration relating to the Banana Protocol, Annex LXXIV to Lomé IV, the Community has been searching for a solution, and this in



José Manuel Barroso, Portuguese Secretary of State for Foreign Affairs, and EC Council President

constant consultations with the ACP States. The Commission has now proposed to exempt bananas from the Community offer to GATT on agricultural and tropical products and to impose a minimum quota on non-ACP non-EC bananas, together with a 20% customs tariff. This has met with ACP approval and the Group has expressed its gratitude, but the proposal has, predictably, provoked hostile reactions from the dollar banana interests.

As Vice-President of the Commission, Manuel Marin, pointed out to the Council, this is only a Commission proposal that is yet to be approved by the European Council for submission to GATT. Mr Marin has, meanwhile, put the ball in the ACP court, asking them to help quell opposition to the Community tariffication proposal.

In a statement to the Council, ACP spokesperson on bananas, the Prime Minister of Dominica, Eugenia Charles, congratulated the Commission on what is obviously a bold move, but urged the Community to ensure that its commitment is honoured.

STABEX

The vexed question of STABEX raised as much passion in the ACP Council of Ministers, which took place earlier on in the week as it did later in the ACP-EC Council. Dogged by insufficiency of funds for a number of years, the ACPs had, before Kingston, maintained on the agenda requests for payment of outstanding balances for the 1980, 81, 87, 88 and 89 years of application.

It should be noted that, for the 1990 year of application, an additional amount of ECU 100 million had to be drawn from resources of the fifth and sixth EDFs to effect reasonable transfers, with over ECU 757 million left uncovered. The ACP States were also claiming the payment of this amount and asking the Community to make an 'exceptional gesture' to remedy the whole STABEX situation. They wanted the possibility of using the balances of non-programme funds (e.g. emergency aid) under previous Conventions to be examined. They also suggested investing all the funds available under Lomé IV so that the interests accruing from them could be used for the system.



Ralph Maraj, Trinidad and Tobago's Minister of Foreign Affairs, and ACP Council President

The Community rejected these proposals. Speaking on this item, Vice-President Marin said that although the Community was still gathering information on the 1991 year of application, he hoped the situation would be slightly better than 1990. The system, though, would still be short of funds. There was no point in the ACPs asking for more money, and to drive that point home more vividly, he said: 'I have looked under the table, in the drawer, under the bed, in the kitchen but found nothing'.

As to investing Lomé IV funds, there was no provision for such a measure under the Convention, a point also emphasised by Director-General Dieter Frisch. Mr Marin reminded the ACP States that such a move would, in any case, have meant increased contributions from Member States and everyone remembered the battle he had to fight to secure the financial package for the first five years of Lomé IV.

Reality stared the ACPs in the face. They elected to abandon their claim of outstanding balances for 1980, 81, 87, 88 and 89, but maintained their demand for special Community gestures towards meeting either partially or fully the uncovered balance of ECU 757 million for the 1990 year of application.

The Council took note of this as well as the Community's position that as far as it

was concerned, the 1990 year of application is closed. It took note also of the ACP proposal to mobilise additional resources to augment funds available under STABEX and 'agreed that the implementation of the framework of mutual obligations should not delay the payment of transfers'.

Commodities

The Council received a report from the joint committee on commodities dealing with the International Cocoa and Coffee Agreements (to which ACP producing countries attach great importance) and the follow-up to UNCTAD VIII.

On cocoa, the ACP States and the Community subscribe to the Agreement being based not only on production policy but also on supply management. They differ on the price-stabilisation mechanisms. The ACPs favour a system of quota and buffer-stock, the Community prefers a system of withdrawals which will allow producers to react in accordance with market conditions, i.e. observing the rules of supply and demand. As to the funding of such an Agreement, the ACPs are asking the Community to support their proposal that the cost be borne equally between producers and consumers and to reject the suggestion by consumers that it could

be funded by payment of arrears of contribution to the 1986 buffer stocks. This, they say, would be unfair as new members will then pay nothing into the system.

On coffee, both sides are satisfied that negotiations for a new Agreement have begun with everyone accepting the principle of a universal quota, but the ACPs are asking the Community for support in ensuring that their market share is safeguarded just as the United States does for the Central American countries within that framework of a universal quota. Here again, the Community is upholding its principle of market forces, but has promised to take, as it has always done, the interests of the ACPs into account in the negotiations.

On the follow-up to UNCTAD VIII, both the ACPs and the Community welcome the decision to call for a World Conference on Commodities. The Community shares the ACP view that it should deal with specific questions, but warns against 'blanket approaches' that do not take account of realities or one that does not make 'allowances for differences in situations from one country to another'.

The Council gave its support to the committee's report and urged the pursuance of dialogue between the ACP States and the Community.

Sugar

Two issues were raised under this item, namely the accession of Zambia and Papua New Guinea to the Sugar Protocol under certain conditions, as agreed by the ACP-EC Council of Ministers in Fiji in 1990, and ACP's concern about the possible effects of the GATT outcome on their exports of sugar to the Community.

Although the Community, judging from information available, had decided that it was not possible for Zambia and Papua New Guinea to accede to the Protocol, it has agreed to re-examine the case of Zambia in the light of new information provided by the ACP States. Linked to this, of course, is the question of ACP sugar producers' access to the Portuguese market. This, the ACPs believe, will enable Zambia to secure an 'economically viable quota'.

On the issue of GATT, the Community has indicated it is prepared to study with

the ACP States, in accordance with Annex XXIX to the Convention, 'specific appropriate action with a view to safeguarding the interests' of the latter.

It should be noted that the Community has already provided ECU 30 million to ACP sugar producers 'in the form of a marketing premium for the three consecutive delivery periods beginning 1989-90 to offset losses in income stemming from a freeze and a reduction in the guaranteed price'. The Community has also agreed to bear the cost of a study on the transport costs of ACP sugar and their effects on price. For these very generous measures, the ACP ministerial spokesman on sugar, the Mauritian Minister of Agriculture, Fisheries and Natural Resources, Madun Doulo, expressed the ACPs' deep gratitude.

Financial cooperation

Among the various issues dealt with under this heading were the programming of Lomé IV, ACP debt and structural adjustment. These flow from the work of the Development Finance Committee (the successor to the Article 193 Committee of Lomé III), which has been given the responsibility of supervising the implementation of the financial cooperation provision of Lomé IV.

Unhappy about the 'unilateral' decision by the Commission to suspend aid programming in some ACP countries under Article 5 (which deals with human rights and development), the ACP States suggested to the Council the setting up of a joint ACP-EC body, which would have the authority to determine whether or not human rights have been violated and to impose the ultimate sanction, i.e. the suspension of aid. The Community rejected this proposal as unnecessary. On debt, however, the Council took note of the ACPs' request for the full remission of their debt to the Community as proposed by the Commission last year.

A resolution, annexed to the report of the Development Finance Committee, defining the guidelines for the implementation of structural adjustment, was adopted by the Council. Speaking on the subject, Vice-President Marin said that the involvement of the European Community in support of structural adjustment in the ACP States was an important challenge in the implementation of

Lomé IV both on political and technical grounds. It means that the Community has to reconcile two demands, working side by side with other donors within the framework of reform programmes unique to a country at the same time as re-situating its economic and social objectives within the framework of the Lomé Convention which implies certain obligations and certain rights for the Commission, and especially the necessity for it to have its freedom of judgement. 'In other words', he continued, 'we find ourselves in a situation where the role of the Community would not just be limited to financial contributions to reform programmes negotiated with and decided upon without her. We must, because the Convention demands it of us, be involved actively and seriously in every stage of the process'.

The emergency situation in Africa

The current tragedy in Southern and the Horn of Africa, where either drought or civil war or both have brought hunger and death on a large scale, did not escape the attention of the Council. The Community's record in bringing relief to the suffering millions in Africa was praised by the ACP States, which, however, urged the Community and Member States to make greater efforts in view of the scale of the problem. They could do this by creating an additional budget line. The ACPs commended the establishment of the European Office for Emergency Humanitarian Aid.

The Council was given a run-down of measures taken by the Community, and of those that are still in the pipeline, by Director-General Dieter Frisch, who, however, emphasised the fact that 'we are still only dealing with the symptoms'. Preventive measures have to be taken and a cure has yet to be found. Mr Frisch pointed out that part of the African tragedy was man-made. If the civil wars currently raging were to come an end, a good part of the problem would be resolved. He praised the good harvests recorded in West Africa and the Sahel in the last season. This was a development that was encouraging, he said.

The Council's next meeting will be in May next year in Europe at a venue to be decided.○

Augustine OYOWE

Luanda

ACP-EC conference on oil and gas in the ACPs

by Rui ALVIM DE FARIA (1)

The Commission of the European Communities ran this conference, with the help of the Government of the People's Republic of Angola, in Luanda on 4-6 May 1992.

Leading figures included Angolan Prime Minister Mr Van Dunem, Energy Commissioner Mr Cardoso e Cunha, Trinidad & Tobago's Foreign Minister Mr Maraj, who is also President-in-Office of the ACP Council of Ministers, Portugal's Industry and Energy Minister Mr de Mira Amaral, also President-in-Office of the EEC Council of Ministers, Angolan Oil Minister Mr Landoite and many other ministers and personalities from the ACP political scene.

More than 200 representatives of nearly 50 ACP and Community countries, more than 30 oil and gas companies, international organisations (the International Energy Agency and the World Bank), specialist institutions and the press attended the meeting and exchanged views on ACP oil and gas development in an excellent climate of dialogue.

The discussions bore on petroleum in the Community and the world, a subject covered by the Commission in a recent report outlined below.

The international oil scene

The main features are:

- an increase in world demand between 1985 and 1990 after a decrease in 1980-1985;
- a decline in output in the main consumer countries in 1985-1990 after an increase in 1980-1985;
- increasing demands on OPEC production from 1985 onwards, although there had been a slump in 1980-1985.

These trends should continue in the 1990s, so world demand could well go up by 5-10 (or even 15) million barrels per day — mainly to be supplied by the

(1) The author is an expert in hydrocarbons with the Directorate General for Energy at the EC Commission.



(L to R) Mr L. de Mira Amaral, Portugal's Minister of Industry and Energy and President-in-Office of the EC Council of Ministers, Mr F. Van Dunem, Prime Minister of Angola, and Mr A. Cardoso e Cunha, member of the Commission of the European Communities responsible for energy

OPEC countries — between now and the year 2000.

On the price front, the impact of the increase in 1979 was felt during the first half of the 1980s. In the second half of the decade, however, prices were much lower following a spectacular drop in 1986 and supply was plentiful.

With the Gulf crisis, prices soared and they remained volatile during this period, reflecting wavering fears about supplies being cut off — although, apart from a couple of short-lived regional difficulties, supply matched demand for most of the time. Prices soon returned to their pre-crisis level once the fears were assuaged.

Greater demand also gave a boost to the world's refining industry in the second half of the decade, attenuating and in some places completely eliminating problems of surplus capacity.

The Community oil situation

Trends in the demand for oil followed world patterns — i.e. there was a decline in 1980-1985, followed by an increase, although the level of oil consumption in the Community in 1990 (530 million t) was still below the 1980 figure.

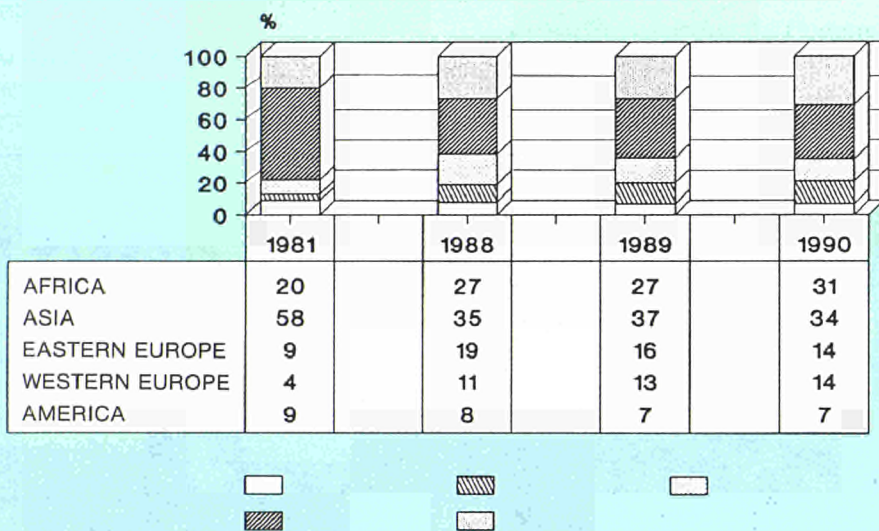
During the Gulf crisis, the markets functioned properly (absorbing price fluctuations), helped by new and expanding commercial practices.

Consumer oil prices reflected the fluctuations on the free markets of Europe, although there were still large gaps, mainly due to market structures and the tax systems of the individual Member States.

When it comes to the origin of oil supplies, the 1980s saw the Community's suppliers diversify encouragingly, with

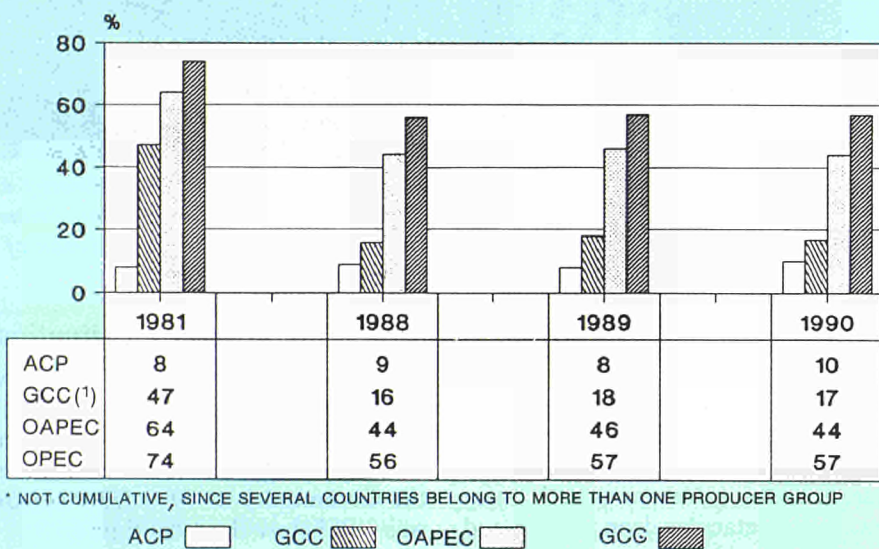
THE TWELVE

— Origin of oil imports, by region (third countries) —



THE TWELVE

— Origin of oil imports by group of producers* —



* NOT CUMULATIVE, SINCE SEVERAL COUNTRIES BELONG TO MORE THAN ONE PRODUCER GROUP

ACP GCC OAPEC GCG

SOURCE: EUROSTAT

(¹) Gulf Cooperation Council

imports from OPEC only accounting for 57% of the total by 1990 (as opposed to 74% in 1981).

Supply was also well distributed among the various groups of producers (see table).

Historical background

As the figures show, the Community gets the bulk of its supply from the Middle East. It has also been looking to

Eastern Europe, the CIS especially, over the past couple of years.

The Middle East, that traditional and inexhaustible source of Community energy, does not always seem to provide an adequate guarantee of regular supplies at a stable price.

The CIS, recent espouser of freedom and a market economy, should soon feel the benefit of the technical advantages of

the European Energy Charter, which set up an energy area for almost 700 million Europeans. Currently, however, the politico-economic contingencies of the former USSR will have to be taken into account when the Charter is applied.

Europe also has the experience of almost 25 years of privileged and preferential relations with the ACPs. In the first instance, this relationship covers the commodities — that is to say agricultural produce and various minerals, including hydrocarbons — on which the ACPs depend for their development. A whole series of agreements (the Yaoundé and the Lomé Conventions) have been established for ACP-EC cooperation, and one of the aims has always been to boost both the ACPs' development potential and the EC's supply of these products.

In view of this and the Community's wish to consolidate the diversification of its external supplies, it is natural for Europe also to look to the South, to the petroleum producers and exporters in the ACP Group — hence the oil and gas conference in Luanda.

The Luanda conference

This, the first meeting of its kind, set out to cater for these two elements — the diversification of Community supply sources and the lasting development of the ACP States concerned.

The Commission, and especially the Directorates-General for Energy and Development Cooperation, set up the conference with close collaboration from the People's Republic of Angola.

The organisers' five aims were to:

- improve the dialogue between the Community, the ACP countries and the European oil and gas industry;
- see where the ACPs stood and should stand on the international energy scene;
- reap the benefit of analyses which certain ACP countries and oil companies had produced of their oil and gas development operations in the ACP countries;
- identify the financial instruments and commercial aspects of the oil and gas industry;
- pool ideas on setting up a new type of EC-ACP cooperation in the oil and gas sector.

The outcome

Initial conclusions which may be drawn from the conference proceedings include the following:

Firstly, it was generally felt that the meeting was a response to a legitimate concern. The Commission saw it as part of its general thinking on the security of EC energy supplies and believed it should add to its traditional sources in the Middle East and the CIS by looking to the ACPs, thereby improving security.

The prime concern of the ACPs, and indeed the rest of the developing countries, was economic progress. An increase in their share of the market in Europe would be a decisive incentive to growth in these countries and in other countries in their region, as well as a powerful stimulus to their structural adjustment policies.

As far as industry was concerned, the risk factor attached to investing in the ACPs was a major obstacle to further commitment there.

All participants made it clear that the environment had to be protected. The inclusion of environmental considerations in economic calculations and, therefore, in thinking about EC-ACP cooperation was a priority for all concerned.

Secondly, the meeting was an opportunity for a fruitful exchange of information by all parties present. Specialist organisations announced the results of the various research projects in this field, national representatives provided information about their energy production, exports, prospecting and general outlook, while the oil companies described interesting prospecting and production prospects (and the contracts and tax arrangements which went with them) in the ACP countries.

Thirdly, guidelines and prospects were announced.

— First of all, industry, and the private sector more generally, were the backbone of economic recovery in that part of the world. There was general agreement that an economic system based on total planning had shown its limitations and so, on the face of it, it was up to the free economic operators to light the way to growth.

— More intense EC-ACP cooperation in training future cadres and experts (with help from specialist institutions and industry) was both urgent and necessary. This was a priority, bearing in mind how important it was for the ACPs to take their economies in hand themselves.

— Regional structures such as APPA and SADCC had shown that the problem was

a two-dimensional one — North-South in relation to the Community and South-South in intra-ACP relations. If some regions were to see their economies take off (again), the countries involved had to set up economic cooperation machinery between them. APPA and SADCC had demonstrated the results of regional collaboration.

A new EC-ACP partnership

EC-ACP energy cooperation could fit into a new kind of partnership between developed and developing nations. This cooperation of the third kind, (2) which should combine concerted, concentrated action by the Community, the ACPs, the oil industries and the financial institutions, will result in the development of the ACPs and the establishment of sound, solid trade relations with the Community.

Oil and gas may become the area in which a rereading of the Lomé Convention is tested and succeeds. Here, at least, the Luanda Conference hopes it has paved the way. ○ R. AdF.

(2) See Courier No. 130, November-December 1991.



(L to R) Mr M. Souidi, Secretary-General of APPA (the African petroleum producers' association), Mr Almeida Sampaio, Angola's Deputy Minister of Planning, Mr C.S. Maniatopoulos, Director-General for Energy at the EC Commission, Mr Q. Lumsden, International Energy Agency, Mr M.J. Carvalho Simoes, SADCC Regional Energy Coordinator

A climate of understanding and a desire to advance

The conclusions of Mr Maniatopoulos

Constantinos Maniatopoulos, Director-General for Energy at the Commission of the European Communities, summed up the main subjects of discussion at the end of the Luanda Conference.

'I should like to say how pleased I am at the intensity and the high standard of the fascinating discussions we have had over these three days. We have had representatives from all over the world here in Angola, we have found a common language and we have created a climate of understanding and enthusiasm for progress.

What do I personally think about what we have done together? Six things.

1. An impressive amount of data has been amassed on energy and hydrocarbons in the ACP countries. The diagnosis is clear. We all — producers, consumers and oil companies alike — agree that hydrocarbons have a major role to play in the future. They are a factor of interdependence for producer and consumer countries.

2. We have all also made known our concerns — security of supply for some and security of demand for others. Transparency must preside over the development of our reciprocal knowledge of markets and industrial interests. The experience which the Community acquired in coming up with the European Energy Charter can and must be capitalised on in the ACP States too. Our already frequent contact with other oil producing areas and with regional organisations such as OAPEC, the GCC, OLADE and now the former USSR have to be extended to the ACP and APPA members in particular. So consultation and more dialogue are called for.

3. Despite some differences of opinion, it is clear that business is the main guarantor of economic and industrial development, provided the conditions for stability and profitability are there. Com-

petition between the different areas of investment will be lively. The reference to the European directive on prospecting and production was significant. So political and economic stability and a contractual framework which meets the demands of our time are vital.

4. The importance of cooperation between States and businesses needs no further demonstration. Everyone wants it, but it will take reception structures and a faster, more modern process of education and training to set it up properly. The Community can help stimulate or improve the training process, of course, but the ACP countries themselves have to take the decision.

5. Finished products of a high standard are required if the economies are to be developed and major investments will also be called for downstream, in refining and distribution. It is wrong for countries which export crude to have to become net importers because their refining facilities are poor, so refineries have to be built and transport and distribution infrastructure developed.



At the Luanda Conference — Mr Landoite, Angola's Oil Minister (centre), with Mr Maniatopoulos, Director-General for Energy at the EC Commission (right), and Mr Alvim de Faria, hydrocarbons expert with the Directorate-General for Energy

Here too, investments will be made if profits are on the cards. As I see it, there has to be an efficient means of distributing energy products if national economies are to develop.

6. Lastly, the environment and environmental protection are not just the industrialised world's problems and, unless they become an integral part of the development process, the cost to society in the long run will be exorbitant. The Community has to make its experience available here too and the ACPs must make the protection of the local and global environment a priority.

All these things, and this is not an exhaustive list by any means, call for action. Working out what is going to happen is working in the right direction — a direction common to ACP and Community countries and to producers and consumers. Stability and foreseeability will create a climate conducive to investment. They are vital.

The situation could be improved, apparently, which is why the Commission will be taking the initiative on continuing the work started here in Luanda. A joint EC-ACP energy group would be a good idea, a first step towards going into one or two of the problems we have discussed over the past three days in more detail, and it could be set up in the autumn after the Commission and the ACP Secretariat-General get together.

Mr Van Dunem, the Prime Minister, said that God helps those who help themselves and I agree with him. Development and economic and social progress are dynamic phenomena which only occur when, as Mr Cardoso e Cunha, the Commissioner, pointed out, the know-how, the money, the operators and the will to combine the three are there.

I am sure that our conference has helped trigger this process, in the interest of us all.

Trade from aid

by Carol COSGROVE (*)

The fourth Lomé Convention commits all parties to work together for ACP economic development. It encourages businesses in ACP States to tender for EC-financed contracts from the European Development Fund (EDF). A number of practical questions arise. How can ACP firms as well as smaller European enterprises win contracts financed by the European Community in the ACP States? How can firms and individual professionals tap into the international tenders for works, supplies and services funded under the Lomé Convention? How can they find out where to look for tenders? And even if they are successful, how will they be paid?

Thorough preparation is very often the key to success in business. A new book entitled 'Trade from Aid' (1) aims to provide a clear guide, summarising the essential information needed to be ready to tender for business from the EDF. In this article, one of the book's authors summarises the procedures with a particular focus on small and medium sized enterprises.

National Indicative Programmes

Under the Lomé IV Treaty, the task of nominating the priority sectors in which the EDF and European Investment Bank (EIB) will finance projects and programmes, is left principally to the individual ACP government in question. These priorities tend to be defined sectorally, focusing EC assistance on, for example, agriculture and rural development, transport infrastructure, energy, environmental conservation, mining, tourism or industrialisation. It is largely up to the ACP State concerned to decide how EDF resources will be focused, and each ACP government negotiates with the EC to agree the aid priorities. This agreement becomes the *National Indicative Programme* (NIP), within which EC aid is spent over the duration of Lomé IV's first financial protocol (which runs for the

first five years of Lomé IV, from 1991-1995). The EC finances the purchase of capital equipment, goods, services and public works for any sector of the individual ACP States, providing they have been agreed in the NIPs.

Nearly all ACP States have agreed NIPs with the EC and the current EDF is already being used to finance projects and programmes. The NIPs therefore constitute a very useful market research guide to the types of goods and services as well as public works likely to be funded by the EC over the next four years or so. Thus, an investigation of the NIPs represents the first step towards finding out whether EDF projects and programmes are likely to be a market for *your* products. Some examples of the country/sector priorities are provided in the section which follows. Firms need to consider whether their products or services are relevant in the light of these priority sectors.

Market/sector priorities

Clearly there are too many NIPs to be able to provide, in this article, an exhaustive treatment of the priorities established for each ACP country. The following examples should be treated, therefore, as illustrative only.

As regards *Botswana*, up to 90% of the grants under the NIP will be spent on implementing the country's National

Conservation Strategy, Wildlife Conservation Policy, National Tourism Policy and related priorities. The remaining funds will support ventures in the minerals and mining sector, or small and medium sized enterprises seeking to become involved in international trade.

In *Kenya*, the priorities are somewhat different with 70% of EDF funds earmarked for agricultural development, water resources in arid areas and natural resource management. Technical assistance and training to finance industrial development in rural areas and improve health care facilities is also highlighted. EIB loans will be directed to agro-processing, tourism, energy (especially transmission and distribution of electricity) and improvements in port and harbour facilities.

Much of the NIP allocation for *Cape Verde* is to be spent on improving the urban infrastructure of the capital, Praia, with water supply and waste disposal having a high priority.

In *Guinea*, regional development is the highest priority, with road and town infrastructures highlighted for assistance. Health is the second focal sector with EDF aid allocated to support hospitals and rural clinics. Education and water supplies are also scheduled for assistance. EIB loans will go to aluminium mining and agro-processing and in improvements to the drinking water supply for Conakry.

ECU 55 million is the NIP allocation for *Mauritius*. EDF grants will finance water resources linked to agriculture (irrigation and canals) and environmental measures (solid waste treatment and protecting natural resources). They will also assist with a rural roads programme. EIB loans will target water, telecommunications and energy distribution projects.

For *Barbados*, the focus is on human resource development and notably training in hotel and catering skills. EDF and EIB funds will also support a wide range of productive projects including food processing, high-technology industrial products, data processing services and energy generation and transmission.

It is clear from this range of examples that priorities vary considerably from one ACP State to another.

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(1) TRADE FROM AID, by CTA Economic and Export Analysts Ltd., is published as Special Report P403 by Business International Ltd., 40 Duke Street, London, W1A 1DW (For further information contact Jan Frost, tel. (44) 322 289194). The book is intended to be a comprehensive layman's guide to doing business under the Lomé Convention. It contains information regarding how to find out about EDF contracts, the sectoral priorities of individual National Indicative Programmes, where to find National Authorising Officers and European Commission Delegations in ACP States etc.

Regional projects and programmes

While most EDF/EIB resources are allocated through the National Indicative Programmes, the Lomé Convention also seeks to promote more effective regional cooperation between the ACP States. Although these were not yet finalised at the time of writing, the regional programmes will provide an additional framework for tenders for goods and services. For example, in the *Pacific*, EDF-financed regional projects are likely in the fields of agriculture, rural development, environmental conservation, transport, telecommunications, marine resources and cooperation regarding an early warning system for natural disasters (such as cyclones and flooding). By contrast, in *East Africa*, the emphasis is on trade development (especially support for the Preferential Trade Area), regional transport networks, environmental protection/resource conservation and tourism.

Aid-funded contracts

The EC finances supply, public works and service/technical contracts. *Supply* contracts will probably be of most interest to ACP businesses looking for new markets. There are far more supply contracts than any other, and they range widely in value. Under Lomé, the EC has agreed to break down supply contracts into 'lots', which are often relatively small in financial terms. Individual contracts could be for as little as ECU 5000. For example, tenders may be invited for small lots of electrical equipment such as refrigerators, air conditioners and computing equipment. Similarly, tenders for vehicles may include only one or as many as five or six. Whenever considered feasible, the EC will work with the ACP authorities concerned to reduce the scale of the lots so as to encourage smaller businesses to participate in the tenders. Contracts, however, could also be for larger amounts — perhaps for several million ECUs, if major items of capital equipment such as electricity generators are required.

Works contracts individually are of higher value, but not as numerous as supply contracts. Works contracts include construction (such as schools, hospitals, hotels, power stations, crop storage systems), civil engineering (such

as roads, bridges, ports, airports, water works) and energy and telecommunications installations. ACP-based businesses have a strong track record in winning works contracts, in large part due to their comparative advantage of having a local labour force.

Service/technical assistance contracts embrace a wide range of service supplies, consultancy work, project management and training. To date, these contracts have been dominated by European firms, but Lomé IV pledges priority to those tenderers who include ACP businesses and professionals in the service and study teams. It is important that enterprises wishing to participate in EDF tenders for services should be registered with the European Commission (DG VIII). For ACP businesses, this generally means contacting the EC Delegation based in their national capital. Firms and professionals in Europe should register directly with the EC.

In the case of supply, works and service contracts, competition is restricted to firms, agencies or individuals from EC countries and ACP States. Thus, American, Japanese or other third-country businesses are not eligible to bid for EC-funded contracts in the ACP States. This restriction of competition affords ACP firms better chances of successful bidding. Local knowledge, good contacts, and lower transport costs to the delivery site should help give ACP businesses a competitive edge.

EC contracts

Under Lomé IV, new *General Regulations* and *General Conditions* of contracts have been agreed between the EC and the ACP. Public works and supply contracts are generally open to all EC and ACP tenderers. However, in certain instances, there is provision for *restricted invitations to tender* and for *direct agreement contracts*, and, in some cases, recourse may be had to specially *accelerated procedures*. In the latter instance, ACP firms enjoy the advantage of being on the spot, able to respond more promptly to EC-financed measures. Service/technical assistance contracts tend to be subject to pre-qualification and subsequent restricted invitations to tender.

All firms bidding for EDF contracts must be familiar with the contractual

obligations imposed by the new general regulations and general conditions as well as the special conditions attached to individual contracts. It is also important to note that the new regulations and conditions have replaced those previously governing EC-financed contracts which operated until 1991. Almost all EDF contracts are now subject to the new general regulations governing terms and conditions of business. Special exceptions may be permitted if the EC co-finances a project with another aid agency. The new general regulations provide a framework for decentralised cooperation, leaving the ACP authorities with more responsibility than was the case under the earlier Lomé Conventions. Unless otherwise stated, the local laws of the relevant ACP State will apply to all contracts.

Enterprises (whether from EC or ACP States) have to prove their *eligibility* to tender by preparing a dossier. The range of the dossier is shown in the chart. It may well deter many small firms! A major problem could be the time taken to persuade lawyers, accountants and bankers to provide the necessary documentation with a tight timetable imposed by the call for tender.

There are *derogations* from the eligibility rule to promote more cost-effective aid in some cases: for example, in the Pacific islands, where permission may be given in exceptional circumstances to accept tenders from non-EC/ACP businesses. Due to geographical proximity, supplies from Japan, Australia or New Zealand might well be at a lower cost than from Africa or Europe.

ACP preferences

ACP enterprises and professionals enjoy special preferences under Lomé IV. In the case of *works contracts* worth less than ECU 5 million, ACP tenderers enjoy a 10% price preference. For *supply contracts*, irrespective of value, tenderers from ACP countries offering supplies which are at least 50% of ACP origin will qualify for a price preference of 15%. In the case of *service contracts*, preference is given at all times to experts, firms or institutions from ACP States if they have the necessary competence. Finally, regarding *sub-contracting*, preference is given to ACP businesses whenever possible.

Types of contracts

There are numerous types of contracts; for example, lump sum deals, unit prices, cost-plus contracts, and composite arrangements including elements of the other three types. Payment arrangements vary, but in *all* cases, prices must be quoted in relevant ACP currencies as well as in ECU. Tenderers also have to justify the proportion to be paid in ECU (or foreign currencies) and the amounts payable in the relevant local ACP currency. Overall, payments are secure so long as participating firms fulfil the general and special conditions of the contracts.

Specifications and standards

This area represents another departure from earlier practice. ACP tenderers, in particular, need to do their homework to ensure that they know the current situation. As a direct consequence of the Single European Market and the 1992 programme, EDF contracts will refer to EC standards and specifications rather than previously existing national European standards. The new general regulations create a hierarchy of preference: first, EC and ACP standards; second, national standards in the relevant ACP State; third, standards in individual EC States; and fourth, any other standards.

The National Authorising Officer

Under the terms of the Lomé Convention, each ACP State is required to designate a principal contact point and administering department to deal with EDF-funded contracts. The National Authorising Officer, frequently from the Ministry of Finance or the Ministry of Planning, is responsible for dealing with all aspects of EC cooperation, with the task of issuing *invitations to tender*. In most instances, the National Authorising Officer works closely with the European Commission Delegation; a Delegation is now located in almost all ACP capital cities.

The National Authorising Officer drafts tenders, invites bids, receives offers, opens and evaluates them (with close assistance from the EC Delegation), and informs tenderers of success or failure. It is important, therefore, that all those seeking to participate in EDF contracts should know *who* the National Authorising Officer is and *where* he is located.

How to actually get the business

How can small firms (in ACP or EC countries) succeed in winning EDF contracts? They must first decide that bidding for a contract is strategically the right move for their business. If considering making a bid outside their national borders, firms must be confident that they can actually perform the required obligations. In the case of supply contracts, the ability to deliver to specification on time is critical. A strategy of 'waiting and hoping' for the chance of an EDF contract is very unlikely to be successful. It is essential to commit the resources to investigating the types of contract likely to be of interest, and to talk to key decision makers, especially the EC Delegation and the National Authorising Officer.

Having decided to bid for EDF contracts, the first step for an ACP-based business is to check the NIP priorities and assess their relevance. The NIPs of neighbouring states may also offer opportunities. Once these priorities have been checked out, it is important for firms to make contact with the local authorities, ensure registration (if required), and to find out where and when tenders will be announced. Tender notices are usually published in ACP official gazettes and the *EC Official Journal* (Supplement 'S'). The notices state the time given for responding to tender. It is imperative for would-be tenderers to have the administrative and financial resources in place to be able to respond properly. Above all, tenderers must ensure that their offers comply both technically and financially with the tender notice and reach the National Authorising Officer before the time deadline expires.

Firms tendering for works contracts generally have 90 days to respond, although this could be reduced if the accelerated procedures are used; for example, in the aftermath of a local

emergency. Works contractors are required to provide a *performance guarantee* and a *bank guarantee* to cover advance payments.

Those wishing to tender for supply contracts need to check the time limits (often 60 days). Supply tenderers must normally provide a *tender guarantee* (which could be up to 1% of the value of the contract) to ensure serious intent, together with a *performance guarantee* and an advance payment *bank guarantee*. Smaller firms may find it difficult to persuade bankers to support their tenders if they cannot offer sufficient collateral. There is also the additional cost involved in bank charges which could reduce overall profitability.

As a priority, those seeking service contracts need to maintain a dialogue with EC and ACP authorities to understand the likely tender sequence and the skills required. Many service contracts are likely to be awarded by restricted tender from a *shortlist* put together by joint EC-ACP agreement. Only those on the shortlist will be invited to submit proposals. It is essential that would-be tenderers have the required advance payment *bank guarantee* facility available. This is not always easy because consultants, in particular, frequently lack the kind of assets which the banks regard as acceptable collateral. Obtaining such collateral could add significantly to overall costs; these extra costs have to be absorbed within the total fee quoted.

Conclusion

For those firms organised to undertake business on an international scale, EC-financed contracts in ACP States represent attractive commercial opportunities. As pointed out, however, small firms could have problems, not least regarding prompt access to information and bank guarantee facilities.

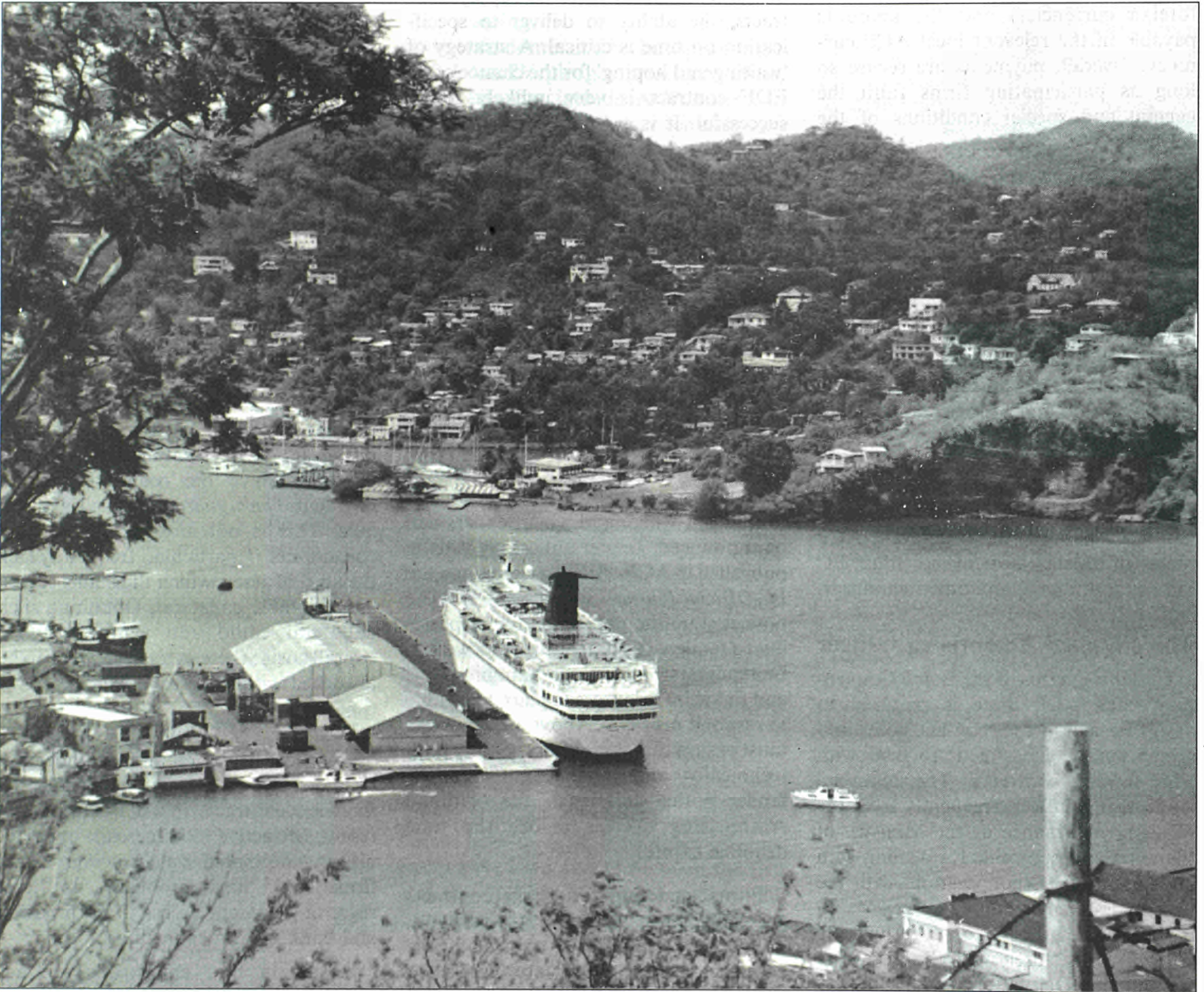
Assuming that enterprises are adequately prepared, the priority is to identify key target markets and to make contact with the relevant EC and ACP agencies. In the ACP States, the European Commission Delegations provide essential services to assist the participation of ACP businesses in the tendering process. But it is the National Authorising Officer (closely monitored by the EC Delegation) who decides which tenders provide the best value for money. Overall, thorough preparation is the prerequisite for success. ○ C.C.

REMEMBER THE BLUE PAGES

Owners and managers of small and medium sized enterprises interested in tendering for EDF contracts should, of course, also remember to read the Blue Pages of The Courier.

GRENADA

Political and economic renewal



A view of Grenada's capital, St George's

Grenada instantly brings to the minds of many the American military intervention of October 1983 when the small Caribbean island became prime news in every nook and corner of the globe. To critics of the US then, the invasion symbolised American bullishness — the most powerful nation flexing its muscles against what General De Gaulle would have described as *poussière dans la mer*.

Whether or not he shares that perception, the visitor arriving at the famous Point Salines International Airport, which, incidentally, now has among its closest neighbours the American embassy, cannot help but recall that October morning when American marines invaded to put an end to the bloodshed and struggle for power that had broken out among the leaders of the Popular Re-

volutionary Movement. The Prime Minister, Maurice Bishop, and some of his ministers had been murdered and there was a danger of total anarchy. The intervention was at the invitation of the Governor-General of Grenada and the leaders of some of its concerned neighbours.

Nine years on, the tremendous affection the marines enjoyed in Grenada

during their brief stay remains as strong as ever, despite the inconveniences suffered by the population in the early days of the intervention. Souvenirs abound in the hands of many: a hi-fi outfit here, a fan or a baseball bat there. As one hotel employee told me: 'They were very kind too. We miss them'.

Scars of the brief battle with the Grenadian revolutionary soldiers are visible in several places. Some of these are as much tourist attractions as are Grenada's magnificent beaches with certain landmarks disposed in a rather curious manner. On the sides of the hill which dominates the carenage and harbour of St George's stand the dismal-looking prison where Maurice Bishop was executed (on the right) and the maximum security prison where those now jailed for life for his murder are held (on the left). Towards the middle stand the burnt-out remains of the then office of the Prime Minister, which was bombed during the invasion.

Affection for the marines aside, the American presence and influence in Grenada are longstanding. An American medical school has been in St George's for over fifteen years: indeed, it was one of the reasons advanced by the Reagan administration to justify an early American intervention, ie protection of American students. The school has a strong economic impact on the community. Despite this, despite the ever-increasing number of American tourists and the tendency of many 'well-to-do' Grenadians to hop over frequently to Miami, Grenada remains culturally in tune with the United Kingdom and economically oriented towards Europe.

Although the traumatic events of 1983 had serious adverse affects on the country's tourism industry, these have been more than compensated for by an influx of development assistance, mainly from the United States, Canada and the European Community, enabling Grenada to record, on average, an economic growth rate of 4-5% between 1984 and 1990. This, however, slowed to 3% last year, still a much better performance than most of its Caribbean neighbours. This is reflected in a marginal improvement in living standards. Indeed, as Grenadians love to point out proudly, no one starves on the island, but the most serious problem remains, as always, unemployment.

Positive intervention

If the American intervention did anything really positive, it was in marking the beginning of Grenada's realistic return to the democratic tradition of the English-speaking Caribbean, having experienced the first ever coup d'état in the subregion in 1979. Prior to that, the Eric Gairy government, which led Grenada to a controversial independence from the United Kingdom in 1974, had become widely perceived as autocratic and repressive.

An interim government was installed. This lasted for over a year. Democratic elections have been held twice since then — in 1984 and in 1990. With the Judiciary reuniting last year with the Supreme Court of the Organisation of the East Caribbean States, from which it was severed in 1979, Grenada's democratic institutions have been fully restored.

These transitional years have not been entirely without crises, albeit on a very small scale compared to the 1976-84 period. Grenadians are by nature nearly as volatile as Trinidadians and politics can be a passionate affair. Infighting within the ruling New National Party in 1988 led to a scission and the formation of the National Democratic Congress (NDC) after the death in December 1989 of the Prime Minister, Herbert Blaize.

There are now five political parties in a country of fewer than 100 000 people. In the March 1990 election, the National

Democratic Congress won 7 of the 15 electable seats in Parliament, one short of an overall majority. It was, however, able to form a government when two elected members of the Grenada United Labour Party (GULP) defected to it. This inevitably has caused tremendous bitterness between the NDC government and the opposition parties made up of the GULP, which, because it had won four seats before the defections, was the official opposition in parliament, the New National Party (NNP), which holds two seats, and the National Party (NP), which has one seat. The fourth party, the Maurice Bishop Patriotic Movement (MPBM), did not win any seats in the election.

Parliamentary opposition is currently weak, mainly as a result of division in the opposition. Indeed the official opposition, GULP, has suspended its own parliamentary leader, leaving the very vocal NNP leader, Keith Mitchell, in the role of the main opposition personality. His task has been made easier by two measures deemed unpopular since the Government came to power — the commutation of the death sentence passed on those found guilty of the murder of Maurice Bishop to life imprisonment, and the reimposition of income tax, which had been abolished in 1986. The latter has been Mr Mitchell's main battleground, and he is finding the press an ally not only on this, but also on a number of other issues.



*A relic of a past era:
the wreck of a Soviet aircraft at Pears Airport*

Income tax and the opposition

The income tax controversy sums up Grenada's current economic situation. As a result of the abolition of income tax, government revenue has fallen significantly — from 37% of GDP in 1985 to 13% in 1991. The lag of revenue behind expenditure has created serious budgetary and debt problems, Grenada's external debt having risen to some US \$406 million or 51% of its GDP.

Following a report on the economy, commissioned by the Government from a group of experts from the Caribbean Development Bank and the University of the West Indies, a self-imposed three year structural adjustment programme has been put in place with fiscal reform as its main plank: increasing revenue and reducing spending, bringing down the size of the civil service from 6600 to 5400 and divestment of public enterprises.

In pursuance of these, Government last year introduced a 'debt service levy' which is in fact direct taxation, and has recently begun the retrenchment exercise. The divestment programme, which began as far back as 1984, is continuing; by last year, over 11 of the 27 non-financial public enterprises had been privatised.

The 1992 budget, unveiled in February, continues in that vein. There has been an increase in both the band and the structure of the levy to bring more people into the system. The Government thus expects higher revenue from direct taxation this year. It also expects extra income through sales of its land holdings, including those under lease. The private sector is being invited to play a leading role in the country's economic development.

The Government is not being given an easy ride on its income tax policy, however. The leader of the New National Party, Mr Mitchell, is vehemently opposed to the restoration of income tax. He has accused the Government of breaking the promise made before the election, not to bring it back (see interview on page 25). He believes indirect taxation would yield more revenue if only the Government could improve on its collection. This point of view is shared at least by a section of the business community. Mr Fred Toppin, Chairman of the Board of Directors of one of Grenada's largest companies, has, for example, been reported by *The Grenada Newsletter*



While there is evidently considerable room for improvement in agricultural productivity, marketing could prove extremely difficult if the experiences of recent years are anything to go by

as saying that he is convinced that the Government 'collects only 60% of available tax revenue and the uncollected revenue would more than wipe out the deficit on the national budget, leaving a reasonable surplus for essential public works and for servicing the national debt'.

At the Ministry of Finance, where the abolition of income tax is now seen as being wrong in the first place, this argument does not hold water. Income tax, officials say, presents the Government with the easiest and most assured way of financing government expenditure. Indirect taxation is unreliable.

Carriacou: the smugglers' haven

A smuggling incident in October last year on the island of Carriacou (one of the three that make up the country, the others being Petite Martinique and Grenada itself), has, to some extent, weakened the official argument and brought into focus the role of Carriacou in the economy of Grenada. As this is the constituency of which the Prime Minister, Nicholas Brathwaite is the representative in parliament, the incident, which concerned a raid by customs officers on a depot of smuggled goods valued at EC \$3 million, was a source of considerable embarrassment to the Government.

Carriacou has been known for years as a smugglers' paradise for such items as cigarettes and liquor. The activity is said now to have expanded to include a wide range of electronic goods and on such a scale as to overtake the island's main industry of schooner building. Although action has been taken in the past two years to curb the activity, a commission is currently studying the possibility of turning Carriacou into a free port.

The controversy over the island may have more political than economic value; the real debate is not only how to settle Grenada's external debt and balance the books, but also how to provide employment and improve the living standard of Grenadians.

As it is small island with very limited resources and employment opportunities, emigration has been a major feature in Grenada for generations. The United Kingdom, the United States and other Caribbean islands are favoured destinations. Although this has helped to reduce the pressure for jobs, the 'brain drain' implication has had negative economic effects: the country has continued to spend its money on training only to lose the trained personnel to other countries. There are today a good number of highly educated Grenadians in very high public and private positions in other countries, particularly in the Caribbean.

Ironically, Grenada suffers from a serious shortage of skilled manpower.

Grenada currently has a very high rate of unemployment — over 30% of the active population — and this situation is certainly not being helped by the belt-tightening and the redundancy exercises being carried out under the structural adjustment programme.

Although the Government has a plan to assist those losing their jobs under the programme (which largely involves training them to become mainly self-employed), it is counting on agriculture and tourism becoming more dynamic to deal not only with this redeployment, but also with the overall unemployment situation in the country. To this end, it hopes to make land available to those wishing to go into farming and to set up joint ventures in fishing and fish processing where necessary.

Leading role for the private sector

To facilitate access of the private sector, upon which it is pinning its hopes, to investment capital, the Government plans to make funds available through a small Enterprise Development unit to be set up within the Grenada Development Bank (GDB). For this reason, it is seeking to benefit from the structural adjustment facility of the Lomé IV Convention. This is in addition to a loan being sought by the GDB from the European Investment Bank.

It should be noted that Grenada's indicative programme under Lomé IV fits into the Government's strategy as it lays emphasis on infrastructure development (construction of farm roads, provision of water, tourism development and marketing), which will be largely beneficial to the private sector.

Local investors already enjoy a number of incentives in Grenada. The Government's land sale policy announced in the 1992 budget, which involves not only new lands but also those under lease, is an added one. Getting foreign investors has proved and still is proving very tough despite the policy which allows full repatriation of earnings as well as of the original investment at liquidation. A few, though, have come into the country since 1984. These largely account for the increase in private investment from 25%



The stalk of a banana plant affected by moko disease. The dark areas show where the bacteria have become established

in 1984 to 61% in 1988. It declined slightly though in 1989 and still further in 1990. However, manufacturing output has doubled, although, in terms of the GDP, this represents only 6%.

Grenadian manufactures are traditionally meant for the domestic and regional markets. There is a small export-oriented enclave industry specialising in such things as garments, pharmaceuticals and electronic goods. The Government's hope is for the establishment of more export-based industries in its bid to increase foreign-exchange earnings. Industry currently employs 8% of the workforce.

The outlook for jobs in manufacturing, however, is not good, hence the Government's desire, as the Prime Minister indicated in his interview on page 22, to see the development of a craft industry that will be linked to tourism as a way of creating more employment.

The Prime Minister also talked about plans to revive agriculture, which has been in decline for a number of years. With good soil, good sunshine and good rainfall, Grenada has one of the most diversified agriculture sectors in the Caribbean, producing cocoa, nutmeg and

mace, bananas and a variety of other fruits and vegetables. It accounts for 30% of the total labour force. The expectation, however, that this sector could provide more jobs and increased foreign earnings may not be realised because of a lack of export outlets.

While there is evidently considerable room for improvement in agricultural productivity, marketing could prove extremely difficult if the experiences of recent years are anything to go by. Although cocoa, Grenada's leading export crop, which accounts for only 6% of the GDP, has been doing rather well in the past few years, the most important crops, nutmeg and mace, have been in the doldrums, on account of the collapse of the Indonesia-Grenada 'cartel' agreement on nutmeg. The agreement, signed in 1987 by the two countries which provide 95% of the world's nutmeg (Indonesia 70% and Grenada 25%), helped triple prices in 1988. Over-production and undermining of the agreement by Indonesia soon led to a dramatic fall in price, so much so that, for the first time, the Grenada Cooperative Nutmeg Association (GCNA) has been unable this year to pay dividends to producers for the 1991 trading year. Although the Chairman of the Association, Robin Renwich, thinks otherwise, the prospect of a revival of the agreement and of sales is dim. The future for nutmeg seems to lie more in increased domestic processing. Banana exports have fallen as well, mainly as a result of the *moko* disease. The crop's future remains clouded by uncertainties in the Single European Market and the outcome of the GATT talks.

After a period of boom, the export of non-traditional products has slumped, following the reduced demand from Trinidad and Tobago. This has come as a serious blow to Grenada. Still, non-traditional products are an area with great potential for diversification and income, whether in terms of earnings for the people or in terms of foreign exchange for the country. There is a potential demand in the Caribbean for such produce as yams, cassava, beans, corn, papaya and a variety of other fruits and vegetables which are cultivated in the country, and the demand for them will almost certainly increase as tourism, which has been the most dynamic sector of the Grenadian economy in recent years, continues its impressive performance. ○ Augustine OYOWE

Working for the good of Grenada

An interview with Prime Minister Nicholas Brathwaite

Nicholas Alexander Brathwaite, OBE, was the man chosen to head an interim administration in Grenada, following the American intervention of October 1983. He did this with efficiency, successfully handing over to a democratically elected government in 1984.

In 1989, he was elected President of the National Democratic Congress (NDC) which, in the March 1990 election, won a majority of seats in Parliament. Mr Brathwaite was appointed Prime Minister and Minister of External Affairs immediately afterwards.

Since then he has been working to consolidate democracy in Grenada and to put the country on the path to better economic growth.

► *Prime Minister, in the new world that is taking shape, small countries like yours will increasingly find it difficult to fend for themselves. Now, looking at those countries in the Caribbean which are still under the protective wings of the United Kingdom and France, are you sometimes jealous of their position? Has independence been a positive thing for Grenada or do you think it was premature, as most people said at the time?*

— I agree with you that most people at the time felt that independence was premature. I personally did not agree with this. I believe that independence is something which must make a people proud. I do not think that continuing under the direction of a foreign power is a satisfactory arrangement for a country. At the same time, I want to make it clear that this must be a decision for the people themselves. So I have no difficulty at all with the arrangement whereby some of the small islands in the Caribbean are still colonial territories. This is the wish of their people and one must respect that wish.

However, in the context of small islands in the Caribbean, what I myself would want to see, in order to make independence more meaningful, is some kind of political unification as we have been trying to pursue in the Windward Islands. Recently I heard an announcement by the Prime Minister of Trinidad and Tobago about a possible arrangement with Barbados and Guyana.

My commitment is to Caribbean integration and I believe that now most of these countries are independent, they are in a better position to take decisions as to

whether or not they will want to come together politically or whether or not they would be satisfied with strengthening economic integration.

Political union

► *You have mentioned the moves being made in the Windward Islands. How do you rate the chances of this Federation coming into being?*

— I would not want to put the chances in percentage terms. But as far as Grenada is concerned, we are fully committed to the idea. And as you know, our colleagues in the other three islands

have also indicated their commitment. We have had a constituent assembly which was set up and which has had four meetings. The final report has been presented to the Governments. Now, I do not think that there is any wavering in that commitment. At the same time, one must admit that, in looking ahead, one has to think in terms of certain constitutional requirements in order for us to move to the next stage. For example, in Grenada, you need a two-thirds majority of the Parliament, followed by a referendum. Because there is unity among the political parties in Grenada on the issue, I do not think we will have any difficulty in getting that endorsement by the Parliament.

I think the same is true of St Vincent, but Dominica and St Lucia pose a slightly different problem, because my understanding is that they do not have the required majority on the government side and therefore they must get support from the opposition. Whether or not that support would be obtained, I am not in a position to say now, but I believe that once the support can be obtained, there is a very good chance that (I would say within the next two years) we should be in a position to achieve that goal.

► *Let us remain in the region for a moment. Geographically, Grenada is not too far from Martinique and Guadeloupe. To what extent have you been cooperating*



Nicholas Brathwaite

with these islands? Are you satisfied with the relationship you have had so far?

— Very, very satisfied. In fact, we have both bilateral and subregional cooperation. The OECS, of which Grenada is a member, has established very close links with Martinique and Guadeloupe, and every effort is being made to strengthen those links. Grenada has also had bilateral arrangements with France in terms of assistance for infrastructure development and therefore I would say that the relationship is excellent.

Foreign assistance

► *Now, coming back to Grenada, in 1983, the Americans intervened here. What kind of contribution did they make to the reconstruction of the country after the event?*

— Well, America did help us to complete the international airport; they must have spent about 21 million US dollars to complete it — and that is an important development for Grenada. We were also assisted with respect to the construction of some of the main roads. And we needed that especially for the development of tourism. They also provided us with budgetary assistance, because Grenada was as close to the IMF as one could have been at that particular time. That budgetary support helped us to overcome those early difficulties.

All in all, I would say that initially we got a fair amount of support in respect of infrastructure development from the US. Through the intervention of the President, we also had four industries relocated or setting up branches out of Puerto Rico, called the twinning project. So we gained in infrastructure development and we gained in a few manufacturing enterprises being established.

We were quite disappointed in that we did not get the private sector initiative out of the USA. We did not get the assistance over the development of the tourism industry as we would have hoped. We believe they left too soon. We believe that there was still more that could have been done to assist us in our efforts towards economic development.

► *The Grenada Government spent quite a bit of its own money on the construction of that airport, didn't it?*

— Yes, you know that before the intervention, the Cubans had provided assistance to the Government and people of Grenada in constructing the airport, and, as I indicated, the Americans after the intervention. The Canadians too provided an intervention of five million US dollars. The whole thing may have cost 85 to 90 million US dollars. In fact we still have some debts as a result of the airport.

► *How have you amortised the investments?*

— Our tourism has benefited to a very great extent. Formally, our previous airport could only accommodate the 48-seater LIAT flights. Now we have international flights coming in; BWIA has a flight coming here almost every day, American Airlines came in a little over a year ago, and I would say, generally speaking, that we have benefited a great deal, especially with the tourism industry. We have also benefited from the point of view of getting cargo space to export some of our manufactured goods, fish, fruit and vegetables.

Balancing the books

► *Grenada has returned to the democratic tradition of the Caribbean. Your opponents accuse your party of promising before the elections not to restore direct taxation. Now, that is more or less what you have done with the imposition of the debt service levy. Can you explain that?*

— Well, put it this way: one of the problems of islands like Grenada is that we do not have enough statistical information made available to the population at large. And usually opposition parties are at a disadvantage in terms of information relating to the fiscal situation of the country. We did not know, for example, that there were huge arrears of debt. We did not know that there was so much money owed to the NIS (National Insurance Scheme). And there were other local debts. We did not know that so many millions were owed in arrears of contributions to regional and international organisations. And when we made the promise that we were not going to reintroduce direct tax or income tax, it was because of a lack of information on the fiscal problems which the country faced.

When we discovered the serious fiscal problem, we had to address it. Now, it took courage. One had to display poli-

tical will in order to introduce a measure which one accepted would be unpopular, but which was in the national interest. And so, what we had to address was the question of what was best for Grenada and not what was best for the Government. If we take difficult decisions and the nation benefits, but the party loses, then I would think that we have done what is good for the country. So, we agree that we did make the promise and we have not been able to keep that particular promise, but we believe that that is best for Grenada.

► *There is another measure which the opposition claims has lost you a lot of popularity — that was the commuting of the death sentence to life imprisonment of those found guilty of the murder of Maurice Bishop. How do you justify that measure?*

— If you had access to a copy of my address, when I announced the commutation, you would have seen clearly the reasons I gave. The fact remains that Grenada has been through many difficult times, where we have had bloodshed because of things political. We had problems in the 1970s, (1973, 1974, the demonstrations before we became independent). Lives were lost. We had a coup in 1979 and then we had this bloody affair with an internal coup you might call it in 1983. And I thought that the time had come when we should write a new chapter; that we should stop shedding blood because of political matters. And we decided in the Cabinet that in order to open up this new chapter, we should display a level of statemanship in keeping with what we were convinced should be a new image projected from Grenada on the international scene. We recognise that the majority of the people of the country would not have been happy with the decision. They had been put under house arrest for four days; they would have been shot on sight if they broke the curfew. For them the 19th of October 1983 was in fact a day they would have hoped to forget. It was a terrible experience, because many innocent people lost their lives — young people who were in the demonstration. But the fact remains that you do not resolve anything, you don't reconcile a people, you don't get national unity by taking measures which we might describe as vengeful. We wanted to get rid of this feeling of revenge

in the minds of our people and, therefore, we took the decision, knowing full well that it would not be popular. We believe that it was the best decision in the interest of the country, from the point of view of our efforts at national unity and national reconciliation.

► *Now on to the economy. The thrust of your government under structural adjustment is towards greater reliance on the private sector. How would you describe the relationship between your government and the private sector?*

— I would say, 'very good indeed'. I mean we meet with the private sector for discussions very frequently. We are now setting up a committee, on which all sectors of the population will be represented, to discuss new fiscal measures and the macroeconomic plan, because we believe in people's participation. Our party's motto was: 'let the people's voices be heard'. We have discussed with people in the villages and in various districts before making some of the more important decisions which we have taken. The draft macroeconomic plan was prepared as a result of consultation. So, we are not talking just about the private sector organisation as such. We are talking about the trade unions, about non-governmental organisations, and about the conference of churches. We want to bring all these groups together, so that we can, as a people, discuss matters of vital interest to the development of the country.

► *Nevertheless, the private sector has criticised the inadequacy of the collection of revenue. No less a personality than the director of one of the largest companies in the country has said that the government collects only 60% of its revenue. What is your reply to such criticism?*

— Let's put it this way. We do have a problem with what they call the smuggling trade. You will hear people talk a lot about the smuggling trade in Carriacou and Petite Martinique, two of our sister islands, which have an adverse effect on government revenue, because things like alcoholic beverages, even some electronic goods, are smuggled into the country.

We have done everything possible to strengthen the customs department. We have got two British experts to advise us

on improving the situation with regard to revenue collection. So, while we agree with the criticism that the Government is not getting all the revenue it should get, the important thing is that we are taking steps to improve the situation. And when you have a problem which is longstanding for years, it is not possible to resolve it overnight. Every now and then, for example, the customs come up against people who are under-invoicing. We had a raid on a business base in Carriacou, and the matter is now before the courts with respect to getting duties which should have been paid on the goods smuggled into the country. So the important thing is that one is taking steps to deal with the problem. In other words, we recognise that the criticism is valid. The most you can do is to recognise that, and the mere fact that people can say that means that there is that feeling that the government is likely to listen and the government is going to cooperate in ensuring that we put this country on the path to prosperity.

Structural adjustment

► *You are seeking assistance from the European Community with your structural adjustment programme. The Deputy Director-General for Development was recently here.*

— His visit was not just with respect to our application for assistance with our structural adjustment programme. We discussed the whole range of programmes for which we receive assistance from the EEC. For example, we receive assistance on the national indicative programme, and we are going to get assistance in building farm roads and improving the water system, in promoting tourism, etc. We also have the STABEX funds which are given for shortfalls in exports of major crops. We talked about assistance with respect to what one may call the broader area of loans from the EIB. But structural adjustment assistance did crop up. They had sent two persons here to review the performance of the economy and the fiscal performance of the government during the first quarter and it is on that basis that they will take a decision with respect to how to respond to Grenada's request. We were not at the point in a position to come to any definite decision. You can say that it was partly an exploratory visit, partly one to review,

and I imagine that when they get the report of the people who conducted the review of the performance, they will take a decision with respect to organising assistance.

► *You also envisaged, under the structural adjustment programme, redundancies in the civil service. When will this exercise begin?*

— That has begun. We have already had reductions for the first quarter. We have a three-year programme. We have had a reduction of 150 and we are going to go on. We have a target for the end of the year where the service will be brought down from 6500 to 5900. And next year it is going to continue and continue into 1994 for the three years. Because we have a high level of unemployment out here, we do not think we should aggravate the social situation by having the redundancies in one swoop. We want to do it gradually, because one of the problems I have had with structural adjustment programmes which are put forward by the IMF, for example, is that sufficient attention is not paid to the social aspect of these programmes. They look at the economic aspect, they look at figures, but you can have serious social problems if you are not careful with the way in which you create additional unemployment in the country.

► *How then do you envisage dealing with the social effects of these redundancies? It is not enough simply to reduce gradually. These people have to have alternative employment.*

— This is what we are doing. We have, for example, development in the tourism industry. We have two hotel projects which are going up at present, and there will be new jobs in that area. We believe, for example, in retraining. The UNDP has agreed to give us assistance in retraining people for new areas of employment. We have the whole area of self-employment. We believe there is scope for many of these people to become self-employed. So again, they are going to be given the skills which will help them to become self-employed. We have the area of agriculture where we believe a lot can be done. Agriculture has been in decline for a long time. We also believe that the local craft industry could be developed from a linkage with the tourism industry. ○

Interview by A.O.

There is decay in the country, says Keith Mitchell, leader of the New National Party

A member of the Grenadian Government from 1984 to 1989, Keith Mitchell, leader of the New National Party (NNP) is today the most prominent opposition personality in Grenada, following the disarray in the official parliamentary opposition party, the GULP (Grenada United Labour Party). The Courier spoke to him about his increasingly strident accusations against the current Government.

► *Mr Mitchell, the party in power did not have an overall majority after the elections. Now it has one without forming a coalition government. Why?*

— Well, by literally buying a few members of the opposition, the Government was able to form a majority in Parliament. But, as you can see, the mixture of elements that form this government makes it difficult for it to operate, and this is creating enormous problems in terms of running the government, and eventually the country.

► *But why have you not been able to retain those people in the opposition. Was it just the Government buying them?*

— Well, they are not from my party. Most of the people who went over to the government side are members of the GULP (Grenada United Labour Party).

► *It seems there is a lot of dissention within the GULP?*

— The GULP has been facing problems. Two of the four members who won seats under the GULP ticket have gone over to the Government. One is in the opposition, but he is playing a lot of games with the Government. The leader of the official opposition has now officially severed her ties from what I understand. We, not winning the majority of seats in the opposition, are therefore not the official opposition. However, if you go round the country you will see that people recognise the NNP as, in fact, the alternative government. They see us as the government in exile so to speak. In fact, a recent survey done by the University of the West Indies only three weeks ago ⁽¹⁾ showed us with a popularity rating of 40% and the government in power only 14%, and the Gairy

opposition 23%. So, we are 17 points ahead of all other parties right now. If an election were held today, we would certainly form the government.

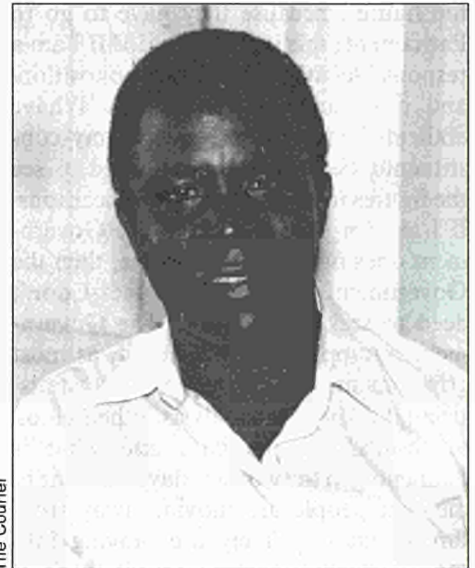
► *As there is no official opposition now, it means you are very ineffective in Parliament?*

— I would say so. I think that is a fair statement. I think there is opposition to the Government in the country; that is why the Government is very weak. Opposition is also there from its own internal fighting and from the official work being done on the ground among the people by the NNP, and I think the press has also been playing a major role. That is why the Government is not having its way. If you think of Parliament, you can forget that in terms of serious opposition to the government. Where meaningful opposition is really coming is from the people.

► *You have talked (if I am not mistaken) about the possibility of chaos in the country. What precisely do you mean?*

— Well, you see, if you have, as I pointed out earlier, social, economic and political decay, you are looking at chaos. That is the end result of all types of mismanagement. So, my point is that the Government is unable to arrest these problems. Unemployment is extremely high, there are no jobs in the country, businessmen are having great difficulty in meeting their expenses and of course their commitments, which means they are losing their businesses. Mortgages have been defaulted on. There is no incentive for farmers to produce, so there is decay in agriculture.

Even in the tourism sector, only a few hotels are doing well; the small hotels which involve many Grenadians are having tremendous trouble.



The Courier

Keith Mitchell

Look at the social problems, the lack of a serious educational programme in the country, the lack of a serious training programme, the lack of opportunity and hope for the young people coming out of school.

The Government is only concerned with playing games with the parliamentary system and not upholding certain principles. People don't know where they are going and don't know what to believe in. There is a lack of belief in churches, which are not playing a strong role in guiding the population. The legal system is not functioning properly. People feel they can't trust the lawyers and the doctors. The hospitals are in a mess.

The fact that the Government has gone down to 14% in the national opinion poll is an indication of their lack of support. They cannot win one seat in the country at the moment. I think the only other alternative is for a serious group (not necessarily political, but within the political system) to provide this necessary hope. We can do a lot to correct the situation. We, in the opposition, are not selling the idea as they did when in opposition, that we can solve the problems easily. We are saying that there must be unity to take the country forward.

► *You are opposed to the restoration of income tax, aren't you? On the Government side, they say that the trouble with opposition parties is that they do not see the figures; they criticise in a vacuum. Is that not what you are doing?*

— That is a lot of nonsense. When you are a member of the opposition you see

⁽¹⁾ Interview conducted in May 1992.

the figures, because they have to go to Parliament; this is a lot of crap! If I am a responsible member of the opposition, and if I don't see the figures, I have abdicated my responsibility to my constituents, because I am supposed to see the figures to make responsible decisions. If I ask for the figures and the Government does not give them to me, then the Government is culpable. In fact I don't need to seek information. The Government is supposed to provide it, as most governments do. You see, as a statistician, I do my own analysis. When I look at results and the data and what is happening in the world today, it is clear to me that people are moving away from direct taxation. They are moving into more consumption-type activities. So if your system is operating and you create

the incentive and give people an opportunity to invest, to take initiatives, to take risks, you will have a lot of activities. If there is a proper collection of tax and duties on consumption, the government will get considerable revenues to run its business, because of the multiplicity of activities. So, although it might reduce income tax here, the disposable income in people's pockets will go towards the creation of jobs. This is theoretically how it works.

What is happening is that the Government, because of its planning and its high taxation policy, has scared people away from investing. Because of the lack of trust in the country, people are not working, not producing, and what we have is a dead economy.○

Interview by A.O.

Cooperation between Grenada and the European Community

by Niels WENNEKES (*)

Grenada, one of the smaller states in the Caribbean, is often referred to as the Isle of Spice. It has a wide variety of spices growing all over the island — indeed, per square kilometre, it has many more than any other place in the world. Nutmeg, mace, cloves, ginger, cinnamon, pepper and vanilla are just some of the varieties to be found. The most important are nutmeg and mace for which Grenada is second on the list of world producers. The country also produces bananas and cocoa. The European Community is the most important export market for Grenada absorbing 60% of total exports.

Tourism is growing rapidly and has already surpassed agriculture as the main foreign exchange earner. Tourist arrivals from Europe in particular have increased remarkably over the past few years.

Community assistance to Grenada, since the country joined the Lomé Convention has totalled ECU 32.5m.

Grenada's economy is based on two pillars — agriculture and tourism. Agriculture, which is traditionally oriented, is the most important sector in terms of employment and exports. About 66% of export earnings come from this, providing employment to almost one third of the population.

Traditionally nutmeg, mace, cocoa and bananas are the main commodities, accounting for over 90% of total agricultural exports. The European Community, which is the main outlet for agricultural produce from Grenada, absorbs 60% of such exports and is by far the most important trading partner for Grenada.

Under the banana protocol of the Lomé Convention which guarantees Grenada an outlet for its bananas, almost the entire production is exported to the EC (United Kingdom).

Banana production in Grenada is in the hands of smallholder producers. They are relatively less efficient than the so-called 'dollar banana' producers in Latin America who enjoy superior economies of scale as a result of employing the plantation system. The EC has assisted banana growers in the region by funding various actions. It is expected that the cultivation of improved varieties and better farming practices as regards production, collection, packing and transport could improve the competitive position of smallholders vis-à-vis plantation producers. To this end the EC has

funded recently a study into the regeneration of a banana breeding research facility within the region. The results of the study are presently being considered.

Two projects aiming to reduce the incidence of Moko disease (a bacteriological disease which kills the banana plants and spreads rapidly, affecting whole plantations) have been financed by the EC:

— Under the recently completed Moko Disease Research Project a senior plant pathologist has been working within the WINBAN (Windward Banana Producers) Moko Research Programme based in Grenada to examine in detail the survival rates of bacteria causing Moko disease in bananas, modes of its transmission and to develop improved techniques to control the spread of the disease.

— The Moko Disease Control Programme, which was completed in 1989, was mainly intended to prevent the spread of Moko disease from Grenada to the other Windward Islands.

Of the other projects in the field of agriculture it is worth mentioning the Grenada Model Farms Project, relating to the development and subdivision of a Government owned estate, located at Paradise, into 12 smallholdings with the aim of increasing productivity and developing an efficient small farm sector.

Grenada has been one of the major beneficiaries of the stabilisation system of export earnings from agricultural products of the Lomé Convention in the Caribbean region. Transfers under the Stabex system amount so far to more than ECU 8.5m (since 1981), and have related to nutmeg and mace, cocoa and bananas. The Stabex funds have been spent on rehabilitation programmes, action to combat pests and disease, price support schemes, compensation to farmers and improved agricultural infrastructure (farm and feeder roads).

Tourism is a fast growing sector which is providing increased opportunities for employment. Total revenue from tourism was just over EC\$ 100m (± ECU 30m) in 1990 and increased to EC\$ 122m (ECU 36m) in 1991.

The increase in tourist arrivals is one of the fastest in the Caribbean. Stay-over visitors, who contribute most to earnings in the sector, reached 82 000 in 1990 (an increase of about 20% compared to 1989), and 92 500 in 1991. There were 183 000 cruise ship visitors in 1990 (an

(*) Desk Officer, Grenada, DG VIII, EC Commission.

Table 1: Summary of EC assistance to Grenada under the Lomé Conventions since 1975 (*)

	Million ECU
Project oriented assistance (Lomé I to Lomé III)	11.00
Project oriented assistance (Lomé IV)	4.50
Stabex	8.52
Emergency aid	0.55
Risk capital from the European Investment Bank	6.70
Aids prevention	0.55
Non-Governmental Organisations	0.76
Total	32.58

(*) Not including assistance in the context of regional cooperation.

Table 2: Projects under the Lomé IV National Indicative Programme (1991-1995)

	ECU
Tourism and tourism related infrastructure	2 700 000
— Tourism attractions project	
— Marketing and promotion project	
— Infrastructure/watersupply project	
Agricultural infrastructure	1 580 000
— Farm roads project	
Other	220 000
— Microprojects programme	

Table 3: Project-oriented assistance from the EC by sector under the Lomé Conventions (1975-90) in Grenada

Sector	Lomé I - ECU	Lomé II - ECU	Lomé III - ECU
Rural Development	—	230 000	298 000
Infrastructure			
— educational	—	740 000	—
— roads	1 462 500	1 555 600	4 225 000
— ports	—	409 100	—
— health	206 000	—	—
Tourism	22 300	261 000	938 500
Training	80 000	122 600	—
Trade promotion	—	—	38 500 (*)
Technical assistance	—	156 700	—
Microprojects	229 200	25 000	—
Indicative Programme			
Total	2 000 000	3 500 000	5 500 000

(*) Grenada also received trade promotion assistance through the regional programme.

area, located in the northern tip of Grenada, which has many species of wildlife. The project also includes the construction of access roads and the development of several sites which are of historical, cultural and natural interest.

The Government attaches great importance to the further development of the tourism sector and most of the funds available under the Lomé IV Convention have been earmarked for projects in this sector.

A major project of particular interest to Grenada was the rehabilitation of the Eastern Main Road. This was completed in three phases covering a total length of 53.5 km at a total cost of over ECU 7m. The road links the only deepwater port in Grenada to St George's (the capital) in the west, as well as to Grenville on the eastern coast and to Sauteurs on the northern tip of the island. It is very important for transport of agricultural products and also facilitates tourist activities.

EC-Grenada cooperation in the field of project implementation is very smooth. This relates not only to projects in the past but also to Lomé IV programming where it is expected that the total available funds will have been spent by early 1994.

Grenada has recently requested EC assistance for a structural adjustment programme. The aim of this is to bring down the budget deficit of the country, and in consequence, the size of the public service will be considerably reduced.

The EC is still considering this request and a decision will be taken in the near future. Generally, EC assistance to structural adjustment programmes is used to alleviate the potential negative impact of the adjustment process in a country.○

N.W.



The Grenada Model Farms Project at Paradise

increase of 52% compared to 1989), and the figure in 1991 was 196 000.

EC involvement in the tourism sector in Grenada was initially limited. However, since 1989 the EC has been contributing more and more to the development of this sector. A Tourism Promotion project has been financed and was

completed in 1991. Under this project a public relations campaign was carried out in Europe.

In 1990 the Levera National Park Project (ECU 925 000) was started in an effort to diversify tourism attractions in Grenada. The project provides for the creation of a national park in the Levera

Tourism: 'the best-kept secret?'

You do not just talk or write about it, you have to see and, probably, experience it to understand what in Grenada they mean by up-market tourism. A sleepy, lush, beautiful island fringed by numerous white sandy beaches, the catering services maintain a certain sophistication that gives the holiday-maker the millionaire feeling. How about breakfast on the patio with a view of the sea, sleeping all day or lying about on the beach, sailing on a yacht and having a four-course dinner? You must, of course, have a reasonable purse, for this is not an island of mass tourism or of sleeping bags and camping gas.

Augustus Cruikshank, chairman of Grenada Hotel Association. 'What we have now is a small tourism plant functioning well. We want to broaden it by getting more of those up-market rooms available.' Pointing out that the islands are not crowded, which explains why people have kept on coming, Mr Cruikshank describes Grenada as 'the best-kept secret', about which 'everybody is saying to us: "keep it that way, don't spoil it with mass tourism".'

Grenada's marketing policy, however, is 'that we do not want totally prepaid, pre-packaged tours', says Vinod Duggal,

people, though, mainly Americans, spend a lot of money in the country.

Increase in arrivals

It is now clear that after a short period of decline following the traumatic events of October 1983, tourism is on the upswing in Grenada. Indeed it has become the most dynamic sector of the economy, consistently recording increases in arrivals: over 120 000 arrivals in 1989, 180 000 in 1990 (a 20% growth over 1989 and 196 000 in 1991 (a 13% growth over 1990). Stay-over visitors in 1990 were 82 000 and they spent some EC \$92 million. In 1991 there were 92 000 stay-over visitors, whose expenditure amounted to over EC \$112 million. These figures, of course, include tourists visiting the other sister islands of Carriacou and Petit Martinique. Compared with other Caribbean resorts, Grenada is now one of the best destinations in the region in terms of relative growth. Indeed it was the second-best-placed last year after the Turks and Caicos islands.

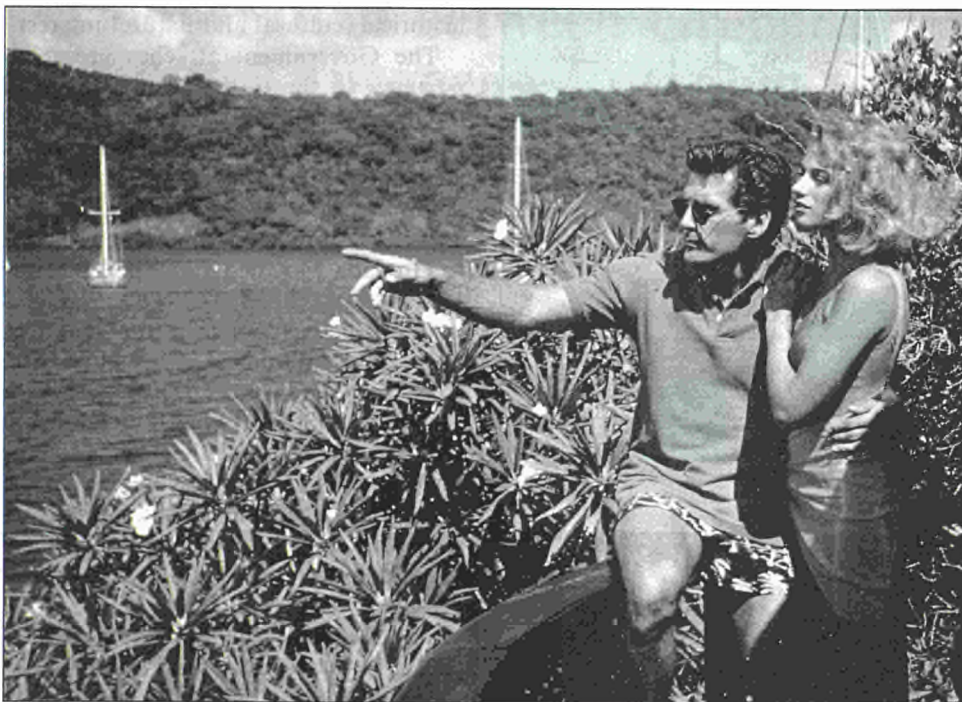
Visitors to Grenada come mainly from the United States, Canada and Europe (particularly from the United Kingdom). Although Americans go there for shorter periods, they spend almost as much as Europeans who go for longer periods.

Obviously the completion of the Point Salines International Airport gave a boost to tourism. Now 'we have major carriers flying in regularly; American Airlines fly in daily doing what they call the hop system, i.e. connecting ten cities, starting from New York down to Miami, with San Juan being the hub for all that. And then there is BWIA, which is the regional airline, bringing passengers out of the United States, United Kingdom and other cities in Europe', says Vinod Duggal.

Grenada also enjoys the system of combined services, matching very well with St Lucia. Under this system, tour operators in Europe, according to Mr Cruikshank, often sell Grenada/St Lucia, Grenada/Barbados or Grenada/Tobago to customers.

Government reforms

Credit for much of the recent progress in tourism is being given to the Government, which instituted fundamental reforms on taking office in March 1990, the most notable being the setting up of a



Grenada Board of Tourism

Having a good time in Grenada

At least eight hours of flight from Europe and four from Miami, Grenada is certainly a long-haul destination. Being able to pay the fare alone from Europe already speaks of the size of one's purse, and those who get there make the most of what the island offers in terms of recreation.

Because Grenada's bed capacity is small and demand reasonably high, the hotel rates are high, making package tours or charter flights unattractive. One could thus say that up-market tourism in Grenada is not by choice. 'And it will be a good thing if we can stick with that', says

tourism adviser to the Grenada Board of Tourism. 'We are selling our product more to the independent traveller or to a group of two, three, four or something like that. In our overall advertising strategy, we target a family with an income of US \$75 000 per annum'.

The nearest Grenada gets to mass tourism are the cruise-ships that berth twice or three times a week in St George's, which bring in large number of people for a day-trip or for one or two nights. These



Yatching, one of numerous activities for holiday-makers

near-fully autonomous statutory body, the Grenada Board of Tourism, to manage the entire sector. The Board's responsibilities include, among other things, personnel and financial administration, training, promotion and marketing. The Ministry of Tourism has been left only with matters dealing with policy. Previously everything regarding tourism in the country was handled by the Department of Tourism.

Almost everybody involved in the industry has praised the reform, which clearly indicated, right from the start, that the Government recognised not only the importance of tourism, but also the fact that it is a private-sector business. It fits in with its overall strategy of allowing that sector to play a leading role in the economy. As mentioned in the article on page..., tourism is one of the most important areas, if not the most important, through which the Government hopes finally to come to grips with Grenada's very serious unemployment problem. It is, to this end, investing more

in infrastructure, and also lending financial support to the Tourism Board.

Investment and expansion

There are all together 11 000 rooms. Three hundred more are expected within the next two years from hotels currently under construction. Grenadian hotels are operating, on average, at a 45% rate of occupancy. Most of them are locally-owned. Mr Cruikshank believes that despite the increase registered in the number of tourists, not enough publicity is being put out about the country to attract more: 'Grenada is not being properly marketed', he says.

If the current financial state of the Board of Tourism is anything to go by, then Mr Cruikshank has no hope of better marketing in the coming months. Structural adjustment has meant curtailment of government financial support for the Board this year, although this is unlikely to affect arrivals much. The Board this year expects a 10% growth

over the 1991 figure in stay-over visitors. Evaluation of the first four months of this year showed arrivals up by 5-6%.

Mr Cruikshank meanwhile is disappointed about investment. 'The financing of locally-owned hotels is not bad, but we are not able to raise money — to go out and get money to build or expand. So we will have to attract big investors who will have to bring in the money... We have potential investors coming in every day, they take a look everywhere, but, as usual, nothing comes out of it: money is tight everywhere'.

Foreign investors may be playing a waiting game to see how realistically Grenada's tourism develops, for, compared with certain other Caribbean destinations where there are no more prime sites for hotel construction, Grenada has land and good locations in abundance — unspoilt beaches in plentiful supply. Indeed as Tillman Thomas, Minister in the Ministry of Finance, told *The Courier*: 'there is hardly any point in Grenada that is not within a short distance of the beach.' ○ A.O.

GRENADA



Grenada in brief

Area: 440 sq km. A three-island state made up of Grenada, Carriacou and Petite Martinique.

Population: 94 000, ninety-eight percent of whom live on the island of Grenada. The population of Carriacou is 7000 of whom the main occupation is schooner-building carried out mainly by descendants of Scottish shipwrights. About 700 people live on the island of Petite Martinique.

Language: English

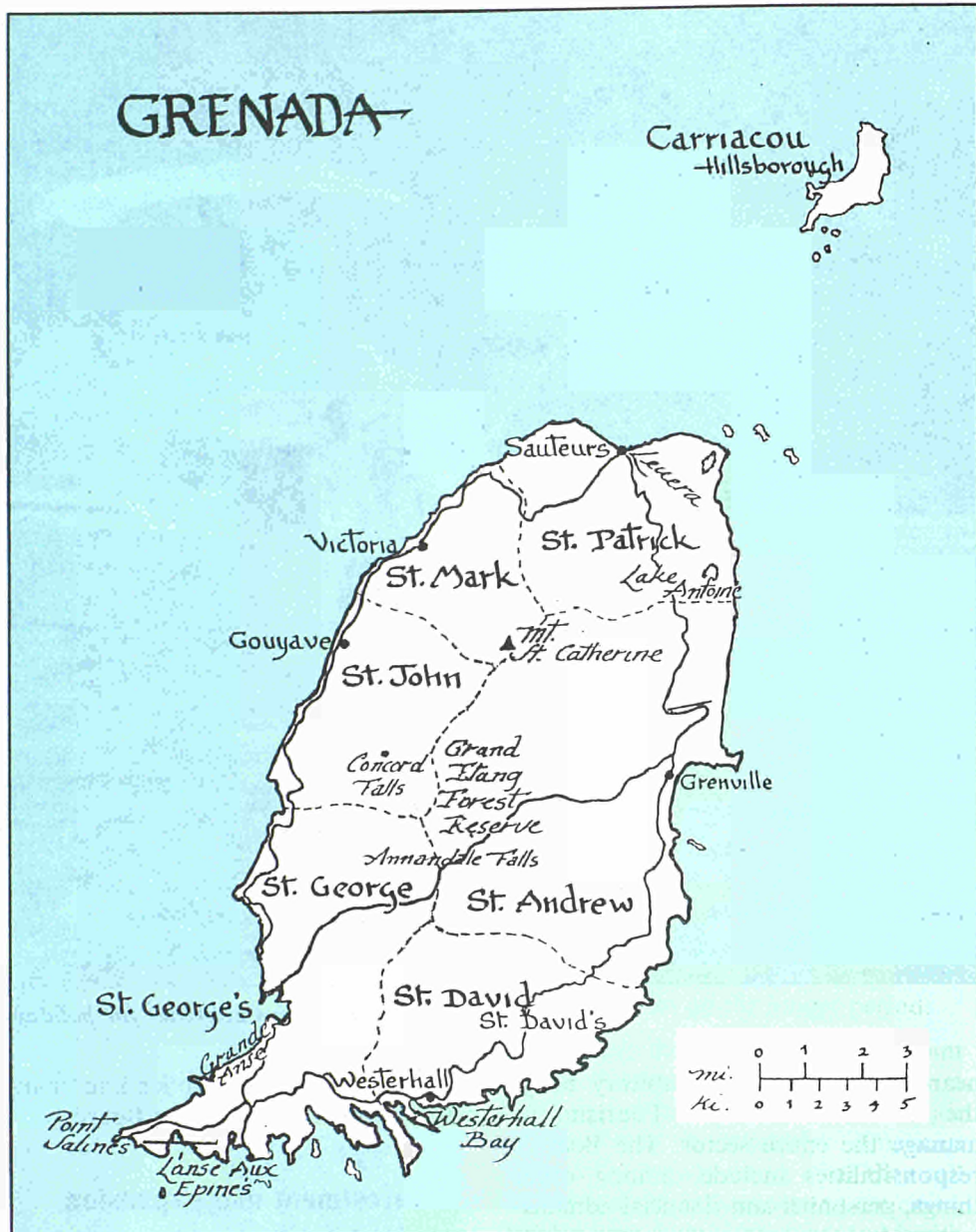
Capital: St George's

Currency: East Caribbean dollar (EC \$). US \$1 = EC \$2.70

Gross National Product: US \$197.3 million (at market prices 1991)

Main exports: Cocoa, nutmeg and mace, and bananas

Political system: Parliamentary democracy with Queen Elizabeth II as Head of State. She is represented by the Governor-General. Parliament is made up of a 16-member House of Representatives (15 chosen by the electorate and one, the Speaker, elected by the House) and the Senate made up of 13 members appointed, on advice, by the Prime Minister. There are five main political parties: the National Democratic Congress (NDC), the Grenada United Labour Party (GULP), the New National Party (NNP), the National Party (NP), and the Maurice Bishop Patriotic Movement (MBPM)



Recent political developments: Grenada gained independence from the United Kingdom in 1974. Independence was opposed by a section of the population who were either uncertain about the viability of the new nation or apprehensive of the autocratic and repressive regime of Eric Gairy. In 1979, Gairy was overthrown in a coup carried out by Maurice Bishop and the New Jewel Movement which had been founded in 1973 as an opposition force against Gairy. This marked the beginning of the Grenadian Revolution. In 1983, division within the leadership over the Revolution led to another coup against the Prime Minister, Maurice Bishop, and his eventual murder along with some of his ministers. At the invitation of the Organisation of East Caribbean States and the Governor-General of Grenada, the

United States sent in its Marines in October that same year to end the regime. The US was only too willing to do this, because it had become increasingly suspicious of the intentions of the Cubans, who were constructing an 'unusually' big airport — the Point Salines International Airport — for an island as small as Grenada. An interim administration was set up under Nicholas Brathwaite. This lasted until December 1984 when elections were held.

This was won by the New National Party (NNP) led by Herbert Blaise. The latter was Prime Minister until his death in 1990. Another election was held in March 1990 and this returned the current National Democratic Congress government with Nicholas Brathwaite as prime Minister. The Governor-General, Paul Scoon, is to retire shortly.

Recognising the writing on the wall

The winds of change have finally hit the beautiful shores of the 115-odd islands which make up the Seychelles archipelago. Indeed, after almost 15 years of rather authoritarian one-party socialist rule, the country is now back on course towards multi-party democracy. The change was sudden and took most observers by surprise, as the regime of President France-Albert René had been extolling the 'benefits' of one-party rule until very shortly before it announced its major political volte-face on 3 December last year. But, whereas the present about-turn might ultimately have been expected, given that the same phenomenon has occurred in many other countries since the end of the East-West conflict, the events 15 years ago which brought the current regime to power were certainly a bolt from the blue, even by the international standards then in force. The 1977 coup sent a shockwave through the media and public opinion at large as it was so out of line with the image of a tropical paradise that was cast in people's minds. After the coup, some — primarily those who were ousted from power — claimed 'paradise was lost', while those who took power, today claim that their 'paradise' has reached an extraordinary level of development thanks to their intervention. And indeed, Seychelles tops most of the charts ranking African States by GDP per capita or by the more trendy human development index. Most opposition parties, while admitting the progress in prosperity, feel perhaps an even higher level of development could have been reached in a true democracy and blame the regime for having curtailed human rights and taken away the Seychellois' joie de vivre. Undoubtedly paradise is in transition and the scene is set for a year, buzzing with political activity, during which three elections are to be held. The future third Seychellois Republic will first elect a constitutional commission, will then submit its new constitution to a referendum and finally will hold general elections by the end of 1992.



SEYCHELLES

Small land — big sea

The most striking feature of the Seychelles' geography is undoubtedly the contrast between the size of its land surface and that of its exclusive economic zone (EEZ). Indeed, whereas the 115 or so islands cover only some 445 sq km, the EEZ extends to over 1.3 million sq km. The bulk of the archipelago lies only four to five degrees south of the Equator, with the main island, Mahé, situated some 1800 km east of Mombasa, to the north-east of Madagascar. While most of the islands are coralline, some 40 of them are granitic, including Mahé. Covering 154 sq km — against 291 sq km for all other islands together — Mahé is quite mountainous, with a peak rising to 903m above sea level and surrounded by a fairly narrow coastal fringe. It is here that 88%

of the total population of 67 000 people is concentrated, with Praslin (7%) and La Digue (3%) being the other main islands in terms of population. Population increase is less than 1% per year as it is limited by emigration. Most of the population is young — over 45% is in the age bracket up to 19 years old and a further third ranges from 20 to 44 years old. This factor may well play a role in political events to come as many a Seychellois has conscious experience only of the one-party rule of President René's Seychelles People's Progressive Front.

In pure by material terms, the Seychellois can at first sight by no means be ranked among the poor. Indeed, the SPPF government never misses an occasion to point out its development record,

claiming that it brought Seychelles from the status of a poor developing country in the 'pre-liberation' days (before the 1977 coup), with a per capita income of less than \$1000, to the status of an upper-middle income country with \$5000 per capita income today. Mrs Danielle de St. Jorre, Minister of Planning and External Relations, for instance, feels that 'we can be proud of our very positive achievements over the past 15 years, and nobody can throw brickbats at us on that score!' While economic progress is obvious, the SPPF stresses even more the achievements in the social sector, be it in health, education, housing or amenities for the elderly.

A new political arena

This overall record will be the main electoral weapon of the SPPF in the series



The Courier



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Views of Mahé, the largest of the 115-odd islands of the Seychelles archipelago, where most of the population is concentrated

of elections to be held between late July and the end of this year. Yet the record will not remain uncontested as it was in the previous fifteen years. Indeed, as said earlier, the Seychelles' political scene is no longer a one-sided showcase but will again be open to argument and debate, this time between eight registered parties. While this is quite a number for such a small population, it is expected that some will return to the status of 'never-has-beens'. Why the sudden change? What inspired the abandonment of a one-party policy that was so unrepentantly stuck to for so many years? The SPPF and its leaders refer to the coming of age of the country, reaching finally the 'serenity of adulthood' combined with the 'quiet enjoyment of consolidation'. The pre-coup or pre-liberation years — in SPPF jargon, that is — were said to have been those of 'flagrant disparities'. 'In those days of acute social and economic disparity, compounded by poor literacy and exploited by political dissension, the prerequisites for a viable multi-party democracy did not exist. A single-party popular democracy seemed the only sure way to achieve national unity and obtain consensus on the development of Seychelles in the interest of the great majority of Seychellois'. These words — of Finance Minister James Mitchell — are a classic justification, first of the 1977 coup, then of the creation of the one-party state the following year. And he stresses that: 'Today, the stage is set for a new era of growth, of adulthood and of consolidation. Political pluralism must now take its place and it must do so with maturity

and dignity. At all costs it must remain a means to an end, not an end in itself. It must not compromise our progress or our unity. National unity, in spite of differences of opinion, is the only sure way to economic growth and prosperity'.

External and internal pressures

Pressure for change had been building up over the past few years, both externally and internally. Externally, the shock-waves from the fall of the Berlin Wall made themselves felt, here too. Seychelles

traditionally, while keeping up a wide range of international relations — though places like China and North Korea were held in high esteem by SPPF cadres — performed a balancing act between the two superpowers: whereas Mahé houses a US tracking station, Soviet military vessels were usually on the horizon, always on call for a possible internal security crisis. The reduction of one superpower to a mere shadow of its former status was accompanied by a greater call from other industrialised nations for multi-party democracy, good governance and accountability. Two such nations were France — with the famous La Bauleu declaration — and the United Kingdom, with a similar democratic agenda within the Commonwealth. The governments of these countries — both having had a colonial presence in Seychelles — took every opportunity in recent years to make their democratic viewpoints clear to the Seychelles' authorities. UK Prime Minister John Major, for instance, had a tête-à-tête with President René at the Harare Commonwealth Summit in October 1991, only weeks before the political about-turn.

The external opposition, including, obviously, the ousted President Sir James Mancham, was also becoming more active than ever — at least, if one doesn't count the failed counter-coup attempt staged in the early 1980s by a South African 'rugby team'. Indeed, in July 1991, representatives of a number of exiled opposition groups (Seychellois exiles are said to number 30 000) met in



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Mrs Danielle de St. Jorre, Minister of Planning and External Affairs
'We can be proud of our very positive achievements over the past 15 years'

Munich, Germany, at the instigation of Dr Maxime Ferrari, a former René Minister now turned fierce opponent. They made a strong call for a return to multi-party democracy, a call which was again turned down as an alleged destabilisation attempt.

Meanwhile, internal opposition was also gathering momentum, although in 'a climate of fear and psychological warfare', according to the leader of the Parti Seselwa (Parti Seychellois), the Reverend Wavel Ramkalawan. Fear indeed, because, let there be no mistake, the reins were held tight. As was widely reported in the media, at least one opposition leader in exile was 'taken out' in London on a mob contract, while within the country several others are said to have had strange accidents or to have disappeared altogether. The security forces held the lid down tightly, hardly in tune with the image of a tropical paradise... Presidential detention orders putting people in solitary confinement without trial were always a threat, according to the opposition. In May 1991, however, a weekly pamphlet pointing out acts of corruption and bad governance saw the light of day. It was issued by an underground movement and fed by a secret network of 'white ants and termites'. Today, the Parti Seselwa claims responsibility for the continuation of this movement, whose literature soon became much — sought-after reading. The popular Rev. Ramkalawan, who had previously been banned from broadcasting services after voicing some of the first public criticisms of the regime, is today quite explicit: 'We claim responsibility for the current political changes because, without internal opposition — while respecting those outside — things wouldn't have changed. We lived the hardships; we were in the house when the roof was leaking. What we claim is accountability, transparency, honesty and respectability — those are the main leaks — with more proper management and less arrogance in the decision-making process'.

Buzzing with political activity

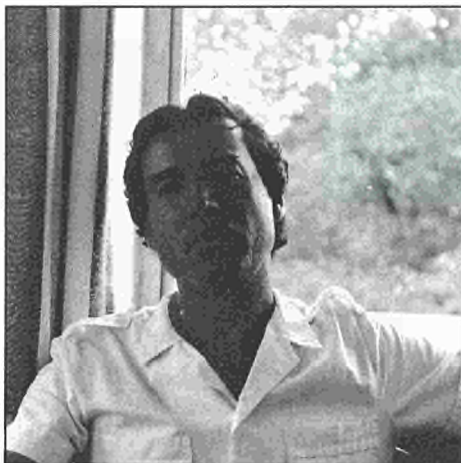
'Truly', says the Reverend, 'we have reached a very high level of development, certainly if you compare us with the African continent, but much more could have been achieved without the coup and what followed, as it caused so many professionals, surgeons, vets, lawyers, etc. to practise abroad, and as so many means were used in an unaccounted-for



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Reverend Wavel Ramkalawan, leader of the Parti Seselwa

'... we were in the house when the roof was leaking'



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Philippe Boullé, leader of the National Alliance Party

An executive presidential system 'failed in virtually all former UK colonies for lack of countervailing forces and a democratic political culture'



The Courier

Dr Maxime Ferrari, Director of the Seychelles Institute for Democracy

'Development without democracy is impossible in the end'

and non-productive way'. The same is felt by many in the opposition, wherever they situate themselves within the political spectrum. Besides the ruling SPPF — which has generously attributed to itself 9.6 million rupees in the 1992 budget — seven other parties have registered. They will each receive 200 000 rupees. They include Sir James Mancham's Democratic Party, (1) the already mentioned Parti Seselwa, which includes among its leadership the young Jean-François Ferrari, already 'wounded-in-action', and a variety of others, a number of which are headed by former Ministers of either René or Mancham. Some of the personalities involved have had a chequered history of political attachments. One party leader is a former Catholic monk who became a marxist Minister and is nowadays a self-declared capitalist with a human face. Another who has adopted liberal credentials, is a former defence minister who was known for his tough, pro-regime stance. Sir James' SDP can claim the record of having won all pre-coup democratic elections. Also, as leader of a coalition government with France-Albert René, he led the country effectively to independence in 1976.

The deck of cards is now being shuffled, as it were, and a new deal will emerge in late July when a constitutional commission is elected. Held on a proportional basis, they will be a first and decisive test for most parties.

Constitutional reforms?

Many in the opposition are already reflecting on the new Constitution and welcome the introduction of proportionality at this stage, presumably bearing in mind the last pre-independence election results where the SDP, under the winner-takes-all system, obtained 13 out of 15 seats with only 52% of the votes. The Reverend Ramkalawan, for instance, wants to avoid 'a parliamentary dictatorship', a viewpoint shared by lawyer Philippe Boullé, the leader of the National Alliance Party. As an opponent of the regime since day one of the coup — 'a barbaric act against democracy' — he has known the hardships of long months in solitary confinement without trial as well as several years of exile. He goes out of his way to point out the flaws and failures of an executive presidential system which, in his view, has 'failed in virtually all former UK colonies for lack

(1) See his interview below.



A historic but doubtless uneasy handshake, symbol of the restoration of a multi-party democracy: current President France-Albert René (right) with Sir James Mancham, ousted by the former in the 1977 coup, and returning at last after 15 years of exile

of countervailing forces and a democratic political culture'. The Parti Seselwa too has been pleading for a move towards an executive Prime Minister and a Head of State with limited powers, but the vested interests of other parties may prevent unison on that issue in the end. Mr Boullé also stresses the need for a constitutional court and the incorporation of a bill of rights into the constitution so that it can be invoked in court and so that arbitrary power is limited.

The already-mentioned Dr Maxime Ferrari — a man with a 'past', as he says himself — who claims never to have been

a Marxist-Leninist but admits his biggest error was to go along with the one-party state, resigned as a Minister in 1984, to become UNEP Regional Director for Africa. Today he is heading a think-tank, the Seychelles Institute for Democracy. Sustainable development, in his view, is not limited to the use of resources with respect to the environment, but is also impossible if human resources are not treated with democratic respect. Embittered over the lack of a European response so far to the ongoing democratisation process, he pleads for tougher attitudes from donors as he feels that 'development without democracy is

impossible in the long term'. 'However difficult it may be in terms of procedures', he stresses, 'ways and means have to be found so that donors can effectively support those local organisations which promote the young and fragile democracies which are at last seeing the light in so many developing countries'.

Paradise in transition

The emergence of a new or rather reborn political culture formally announced on 3 December 1991 was perhaps symbolised best of all by the return on 12 April of former President Sir James Mancham, who had spent 15 years in exile. A week after his return, he met with the man who had ousted him, President René. In fact, the two men have been political opponents ever since they created their respective parties in 1964, although they had been sharing power in a coalition government prior to the 1977 coup. Sealed by a historic but doubtless uneasy handshake between these political rivals, the meeting focused, among other issues, on reconciliation and national unity. Both leaders are conscious of the fragility and openness of the economy, heavily dependent as it is on the sensitive tourist sector. In fact the awareness is widespread among most politicians, even those on the verge of their new-found careers. Some, such as Philippe Boullé, even warn against too much complacency, pointing to the process of disintegration affecting so many African societies which are going through transition. The business community, too, spares no effort in trying to keep 'things cool', remembering that in 1977 the 'unthinkable' nevertheless happened.

The restoration of political pluralism will certainly take time, just as it will take time to try and rediscover the natural Seychellois joie de vivre, which many in the opposition accuse the regime of having stifled through an excessively paternalistic attitude. The SPPF and President René, for their part, call for a 'Seychelles Incorporated' spirit, with all citizens pulling in the same direction to enhance national development even beyond the current record, which is so impressive in their view. For the first time in 15 years, the ballot boxes will determine the direction of future development. Only time will tell how paradise digests its democratic transition. ◯

Roger DE BACKER

'Development need not have a multi-party environment for it to flourish' declares President France-Albert René

On 3 December 1991, President France-Albert René took most Seychellois as well as outside observers by surprise in announcing a political turnaround: Seychelles was to become a multi-party democracy again. By surprise indeed, because until late November he had continued to wave the banner of the one-party revolutionary socialist state which he himself had installed a year after staging a coup d'Etat in June 1977. In his view, it was the achievement of national unity which required the establishment, in 1978, of a popular one-party 'democracy'. In its extraordinary congress held on that memorable 3rd December of last year, the Seychelles People's Progressive Front, thus inspired by its Secretary-General René, finally decided that: 'The development conditions necessary for Seychelles to embark upon a multi-party system now exist without putting at risk the stability required for economic activity and tourist development'. Putting an end to an increasingly anachronistic system, President René remains as convinced as ever that it has been the only way to bring Seychelles to its current high level of development and he now banks on past achievements to try and assert his place in the new democratic process. The Courier spoke to him shortly after he met with one of his main political rivals, former President Sir James Mancham, who had just returned from 15 years of exile.



The Courier

President France-Albert René

'I don't think there is necessarily any link between human rights and multi-party democracy'

► *Having been a keen defender of a one-party state, you have suddenly set the country on course towards multi-party democracy. What was the inspiration behind this move?*

— I think it is essential to bear in mind why we had a one-party state in the first place. The idea was that in a small country like Seychelles, it was essential that people worked together in order to promote economic development and we had hoped that everybody would be prepared to join together in this venture. Unfortunately, there have been elements that have not been prepared to contribute towards this end. Now, with the developments going on in the world at this particular time, some of these people became a little bit more active in wanting to move to multi-party democracy. We felt that in that case it would not be a bad idea if we could move to such a system, but always keeping in mind the need for national unity and the need to build up a country where everybody contributes to economic development.

► *What is the agenda for the evolution towards democracy?*

— We have basically three stages. The first will be in July when there will be elections to determine what sort of support each political party has in the country. Once this is done, we will form a constitutional commission which will draft the new constitution. Once this has been drafted, it will be put to the people in a referendum, for them to say whether they agree or not. Once that is done, then elections will be held — we hope by the end of this year — which will be based on the new constitution, whatever it is.

► *There is much talk now within the European Community about the link between human rights, democracy and development. What is your view on this and where do you put the link yourself?*

— Personally, I don't think there is necessarily any link between human rights and multi-party democracy. I think that in any system you can have human rights and you can have development. In fact, had we had a multi-party democracy since 1977, we would not have developed as much as we have. There is no doubt

about that whatsoever. Seychelles has moved from a per capita income of about 1000 dollars to 5000 dollars, which has only been possible in a one-party system. In a multi-party system, if we get people to understand that we can't fight all day long, if we do not have in-fighting between political parties, we will progress. We will not progress as fast because there will always be arguments and delays in implementing projects, but I think still, we will be able to make some progress. So, development need not have a multi-party environment for it to flourish. All it needs is to have an honest government, a government that devotes all its attention to fruitful projects. That is what we have shown here. As far as human rights are concerned, once again I do not think that these need necessarily be tied to multi-party democracy. You can have human rights in any environment. Although everybody is linking them, I do not think that you necessarily need to. I believe that human rights are important but I believe however that human rights are not one-sided. One must not talk only of rights, but also of responsibilities and this is very important to enable development to take place.

► *But basically what you are saying is that it takes stamina, it takes maybe a strong hand and determination to bring development about?*

— I think that so far as a developing country is concerned, if you have a system which enables people to argue about every issue, then development slows down. I think you need a strong government, be it in a single party system or in a multi-party system. There needs to be a strong government, if it is going to get development done.

► *What do you consider are the main achievements of the last fifteen years. There may be many but what is for you the mainstay?*

— I think you have got to understand what we aimed at and I think we have achieved it fairly well — that is to create a society in which every child has the same opportunity. That does not mean that he becomes equal in the sense that everybody gets the same pay or the same benefits. We believe in a system that should have equal opportunity for everyone and we have established this system. We have done it by democratising education. Nowadays, every child in this country has exactly the same chance of getting good education. He does not have to see if he can pay for it or not. That to me is the most fundamental thing that we have achieved over the last fifteen years. We also have a health system which enables everybody to get at least basic medical attention and that also I think is the base for development of a good society. We have also created a system that enables every person who reaches retiring age to live fairly comfortably. With these three elements combined, we have set the scene for the future.

► *Assuming the outcome of the election is positive for you and you become the leader of a new government, what would be your main target or objective?*

— Our main target would be unity. I think it is very important in a small country that we continue to work towards national unity. Without it, a small country can just break apart. Our economy is fragile; it depends very much on tourism and external factors and therefore we need to tackle all our problems with a certain amount of harmony between us. If I were to lead this country again, I would try and get people

who are in the opposition, once again to work together with us for the future.

► *Earlier this week you met one of your main political opponents, Mr Mancham, whom you ousted in the 1977 coup. What was your impression of the meeting?*

— I think the meeting was very cordial. We have agreed on the point I have just mentioned that if we are going to have to move the country forward, then we must have what we both called national reconciliation. But I made it clear to Mr Mancham that national reconciliation is not just the two of us sitting in a room and shaking hands. We have to work towards national reconciliation and we have to set up certain structures that will bring people together, because national reconciliation must be between people of various political views and ideas and not just between two men. So I think the meeting has been very fruitful and I hope that if Mr Mancham does come back to take part in the political life of this country, we can do that together.

► *In many countries, the shift towards a multi-party democracy has been accompanied by considerable changes in the economic apparatus in the sense of a liberalisation and privatisation. Do you foresee anything like that happening in the Seychelles, where state control of the economy is still fairly heavy?*

— No, because I disagree with you that state control of the economy is fairly heavy. I think that is a misconception. There is a lot of private enterprise in Seychelles; there always has been. It has been encouraged throughout the period. It is true that because the country is small, there are certain aspects of economic development where private enterprise was not interested and will not be interested in the future. Private enterprise has got one motivation, which is profit, whereas the public sector sometimes has to provide services. So, there is a combination of both. I think it is fairly well balanced. There are certain aspects where we can consider enlarging the scope for private enterprise but this has been the case all along. Every year we have analysed what needs to be transferred and what needs to be kept and this has been an ongoing process. I don't think that has got anything to do with multi-party democracy. Some people may, if they win the elections, want to reverse things

completely. If they do, they will ruin this country.

► *Throughout the business community, one hears comments such as: 'we have difficulty in motivating people, in keeping up productivity and we also often have the problem of finding people'. Is there a labour shortage and how can people be motivated? Do you share their view and if so what can be done about it?*

— I think it is one of the headaches of a small country. We have only some 65 000 people altogether, including old people and children. The country has moved very rapidly and there is no doubt whatsoever that we have a shortage of qualified people, particularly tradesmen, carpenters and masons in the building industry. Once you reach full employment in such sectors, the motivation goes with it, because people are no longer motivated to work hard in the fear that they might lose their job. Everybody is prepared to grab the next job that comes along. So there is a shortage of qualified labour and, as long as there is a shortage, we are going to have this problem. It is uphill work all the time. It is not like when you have many people on the market and you can pick and choose. It is the other way round here — people choose jobs.

► *There is much talk about the future of the Indian Ocean as a growth area, with a growing role for the post-apartheid South Africa. On the other hand some major countries of this region are going through political turmoil, which hampers regional cooperation. What is your view and what are the concrete sectors for cooperation that you see?*

— Regional cooperation, as you know, does exist to a certain extent between the Indian Ocean islands, particularly between Mauritius, Réunion and Seychelles, with a growing interest in Comoros as well. However, with the coming on of South Africa, I think that the trade that exists between the Indian Ocean and the African continent is bound to grow, to a certain extent. It is very difficult to forecast what will happen, but personally I feel quite positive about it. I think it will be a good thing if we can continue to work towards that, but it is not as simple as one might think, because we have really to work hard at it. The tendency is still north-south and we will have to be thinking of east-west.

► *What would be your main motto for the coming campaigns of 1992? On what grounds are you going to say to the Seychellois 'Vote for me'?*

— On the grounds of achievement; I think the message we will be passing to the people is: 'This is what we have achieved and this is what more we have to do', and the fact that we have achieved so much is some sort of a testimonial to what we can achieve in the future. Also, we are prepared to do what is left in collaboration with others.

► *Many African countries are in complete turmoil following incomplete political reforms, and many are facing civil wars. This is a very small country which was once called paradise and though in paradise a coup was unthinkable, it happened nevertheless. Do you think that violence will be prevented in such a small community where everybody knows each other?*

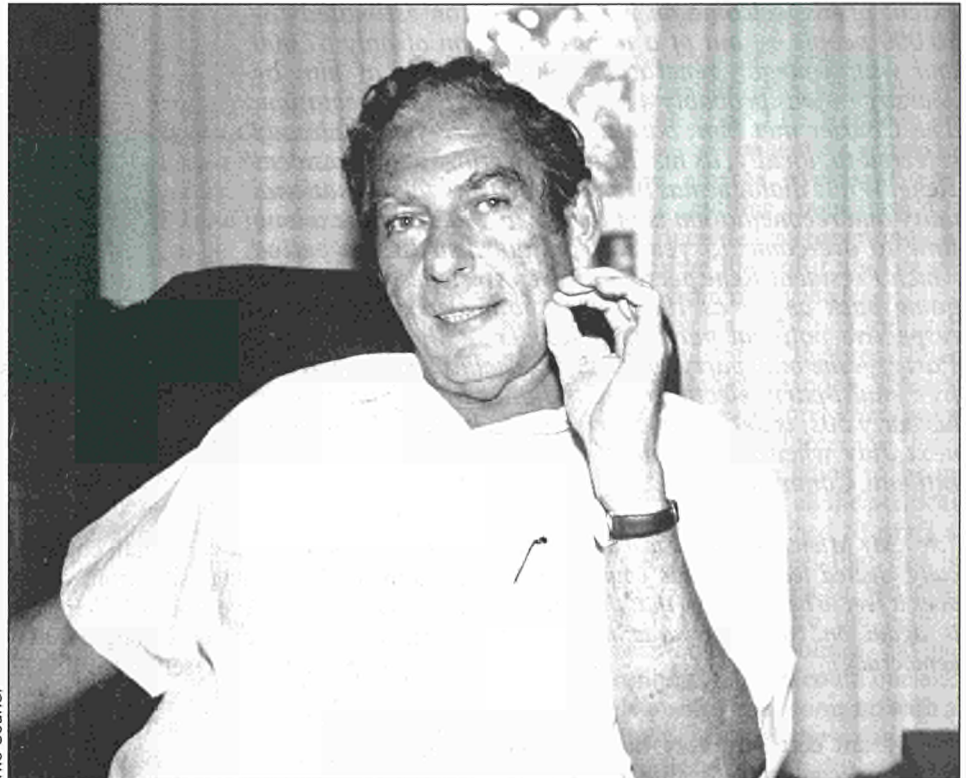
— I think that if political leaders are mature enough, it will be prevented and I am fairly confident that there will be no serious violence here.

► *A number of major projects, such as the one for prawn production or the tuna boat, have come in for severe criticism from many quarters. According to Agriculture Minister Bonnelame, these projects may indeed be expensive, because, as he puts it, the country is paying for a sort of apprenticeship but that 'if we don't do these projects ourselves, nobody else is going to do it for us'. Would you agree with him?*

— I think there have been too many false accusations about these projects that have been going around. I am very confident that by July this year, I will be able to prove to everybody how very, very profitable the prawn project is. It takes time. We are having to build 40 ponds. We have just been talking about the problem of labour: we needed a big team to dig and build them. Next month, the first 12 ponds are going to start receiving the small prawns and by July, we will be exporting prawns worth millions of dollars. I think that some people have, perhaps, talked so much against it that they are keeping their fingers crossed that it will fail. But, I am sure we have now got over all the teething problems which every big project of this nature has. It is the same thing with the tuna boat. When it arrived there were some problems with

the engines, which was no fault of ours. The manufacturers came and replaced them. That took a few months to do, then they went out fishing and did very well. In fact so well on the second trip that the nets were torn because they were catching 300 tonnes instead of its capacity of about 150 tonnes. It just so happened that this accident occurred. The damage has now been repaired and they have gone back out. I am very confident that the vessel will be very successful.

who have a lot of previous experience in this sort of industry. We consulted people who use this kind of boat in the Mediterranean. We had quite a body of experts who looked at the plans of the boat, before we built one. But it seems as if we have been very unlucky in the first few months with this project: as you know, the first boat that was built was destroyed by fire in France, and we had to build another one and that took another year. So, all these things have sort of cast a



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'... human rights are not one-sided. One must not talk only of rights, but also of responsibilities and this is very important to enable development to take place'

► *I think there is even a decision pending about two more new vessels?*

— Yes, but now we are talking of bigger vessels. The two new vessels are similar to those that the French are using. The small vessel which we have built has been planned for our use. It is not an international fishing vessel which can cope with going 200-400 miles out. It is one of the first vessels, apart from some in the Mediterranean, built of fibreglass. In the end it will be a good thing because of lower maintenance costs. So we experimented with this, but we did not just experiment in the sense some people think that one or two men decided 'this is the boat we want'. We consulted people who knew something about fishing, people

shadow over the project. But, I repeat, I think we have now come to the point where the project is under way.

► *Do you feel that the further fostering of a tuna industry is going to be a counterbalance for tourism?*

— Yes, but the second biggest project that will come on line, as far as foreign exchange is concerned, equivalent to about perhaps half to three quarters of our tourism revenue, will be the prawn project. Very few people here realise what this project is about. It is a very big project, its marketing is already guaranteed and it will bring a very high volume of foreign exchange.○

Interview by R.D.B.

'There should be no recognition of a regime which overthrows a democratic constitution' declares former President Sir James Mancham

There are two dates in his political career Sir James Mancham is not likely to forget: 5 June 1977 and 12 April 1992. On 5 June 1977, while attending a Commonwealth Heads of State Conference, he was ousted as President in a coup d'Etat staged by his then Prime Minister France-Albert René. On 12 April, he came back to the Seychelles for the very first time after 15 years of living in exile. The extent of his welcome on his return, by an estimated 18-20 000 people — out of a total population of only 67 000 and with younger generations only knowing of him by hearsay — was probably even for him beyond expectation. The Courier met him, barely a day after what is already referred to, locally, as his 'historic meeting' with President René. While dialogue has been resumed and talk of national unity and reconciliation is in the air, it will still take a long time to overcome 15 years of mutual distrust... a period which President René personally even stretches to 28 years, going back as far as 1964, when both men created their respective political parties. As leader of the Democratic Party — the only party so far in Seychelles's history to win free, multi-party elections — Sir James Mancham, now in his early 50s, is definitely gearing up to try and do so again next July when elections are initially, held for a Constitutional Commission.



Sir James Mancham

'... all the allegations made to justify the coup.. were known by the people to be propaganda and prefabricated lies'

► *Mr Mancham, as the last democratically elected leader of this country, how does it feel to be back now that the country is again on course towards multiparty democracy?*

— I am certainly very happy to be back, especially as I realise the sort of affection and support which a great part of the population has for me. This underlines the fact that all the allegations which were made to justify the coup — even if they had a certain impact internationally — were known all the time by the people to be propaganda and prefabricated lies. So it was with a lot of joy and great satisfaction that I returned a week ago to what even today the state newspaper Nation has described as a 'rapturous welcome'. Being back after 15 years, I have also lost no time in taking note of what has taken place in the country during my absence. True, there have been certain changes. One would naturally expect changes over a period of 15 years, but I cannot see why these changes, and perhaps even more, could not have materialised within the framework of the government that was in office in 1976. Very sad and dramatic things have happened within the country, particularly in the area of violation of human

rights — and this is a very small country, it's almost like a village situation, where everybody knows everybody. There are therefore a lot of wounds. I believe that it is very important for myself, returning as I have done in the situation that still exists, to endeavour to act more as a statesman, conscious though of the fact that what we have before us is not a smooth avenue to democratic government, but a game which is very complex. In pursuit of this objective, I must take account of the various sensitivities which exist at the moment in the country.

► *Many leaders of other opposition parties seem to be afraid of going back to the old system with an executive presidency because they feel it might draw the country into exactly the same problems as before. Have you been doing some thinking on a new constitution, or is it too early to pronounce?*

— I think it is too early to pronounce on the specifics of our constitution. I don't believe that democratic constitutions vary very much in terms of whether they will work or not if they came into being as a result of a democratic process. We realise that the constitution is a sacred document; it must be followed

and respected. There was no problem with the old constitution. It was working very well. Naturally, those who make a coup d'Etat must try to find reasons to attack the old constitution. The coup d'Etat was more the result of one man's ambition, a man who had been flirting with the idea of socialist marxism and who decided to create a revolution, when there were no grounds for such a revolution. He then had to justify it — he had to find a *raison d'être* — and he had to put the blame on the state of affairs which existed. That is why I was targeted. But the constitution was operating in such a way that the period of the coalition government was — as I described in my address to the public rally on my arrival — the honeymoon period in Seychelles. Indeed it was at that moment in time that we were having maximum investor interest in the country. It was a time when most Seychellois who had settled for years overseas were preparing their return to play their part here. We know ourselves that, until the coup d'Etat that took the world by surprise, Seychelles enjoyed the highest reputation as a tourist resort area and as a country of tomorrow.

► *Outside observers who know the country well often remark that the last 15*

years have taken away some of the Seychellois' joie de vivre through a combination of paternalism and deliberate isolation. Would you agree with this?

— Yes, and I would also add that a lot has resulted from the fact that people in such a small community have been subject to a certain type of leadership — a leader who is not seen and lives in isolation, surrounded by militia. You know, we live in a country where you have this continued awareness that there is an army of 2300 for less than 70 000 people, when Jamaica for instance has 2.5 million people and a total armed force of only 4000.

So our proportion of armed forces to population is something for the Guinness Book of Records and obviously this creates an implication of fear. Yesterday, I was being driven to Anse Royale for a social occasion and I remembered 15 years ago at night-time, the number of cars which were passing by. On the outward journey, there were practically no cars and likewise when we returned. Why are people not moving about? It is because people are frightened. We have beautiful beaches. On a moonlit evening, young people would be walking on the beach, with friends. Now, people are frightened because of what has gone on in the past in terms of certain behaviour from the security set-up. So these, I think, are pertinent points to be considered. The combination of our almost Mediterranean attitude to life with the mixtures of blood has created a people who by nature would like to live in peace with their environment and peacefully among themselves and to make the most of life, which has given us everything we want. Unfortunately, it is the human factor, introduced by politics, which is putting a restriction on us. We were called the last lost Paradise during the 1960s. Why? It was not simply the physical beauty which is still there, but also the matter of the human warmth, the human contact, the friendship. Everybody felt welcome and at home, before this politics of the one-party state came in, with its very sad implications.

► *Is it now Paradise lost?*

— Well, at the moment, I would like to say Paradise in transition. You know, I don't think we will lose it forever because, as I have said, the joie de vivre is very much in us. However, there are people who have been subjected to so much propaganda that they are confused. But,

on a long term basis, this cannot remain because no hurricane can keep away the truth and though man will pass, truth will remain. So, I think our problem is very much a temporary one. However, we would all like to see within our lifetime the joie de vivre returning. We should be starting to share it, if we can now, instead of having to wait for twenty years. Over the past fifteen years I have travelled extensively around the world as a tourist; now I am in a Seychelles hotel, surrounded by three armed guards... However, I think in the long term, the Seychellois will get their joie de vivre back.

► *The European Council of Ministers has recently passed a Resolution on the link between democracy, human rights and development. What is your view on this and where would you put the link yourself?*

— This is a most important Resolution and it should be adhered to very strictly. I feel that in the final analysis we live in one world and when we speak in terms of a new world order, we must not only think of economic well-being but, above all, of the happiness of the people. I believe that the Seychellois people have the same right to respect for the individual, the right of association and the right of free speech as are enshrined in the American Declaration of Independence for the benefit of the American people. One of the sad concepts which has prevailed during the East-West tug-of-war has always been the recognition of governments on the basis of who is in control of the country, irrespective of whether the majority is against the regime. Whoever had an army and was able to hijack a nation got recognised. Now, I don't think that the European Community should carry on with this sort of policy. We must look beyond and see what the situation actually is. All efforts must be based on making the people happy and to do that there must be a common denominator. I think democracy should be the common denominator. We know what happened in the cold-war period when, for strategic reasons, big nations sacrificed principles for expediency, supporting people such as Mobutu and the like. If we consider the evolution of Europe into one strong power, and bearing in mind the value which Europe attaches to democracy, I think it must be made a matter of prior consideration before entertaining a relationship with other countries. There should be no recognition of a regime

which overthrows a democratic constitution. If such recognition was not forthcoming, then the people who might violate existing constitutions by force would question what they were planning to do before they got involved in such activities.

► *Critics say that although you won the last democratic elections in the country before you were ousted in the coup, you were elected not on the basis of a programme but principally on your personal popularity. Yet once again your party does not have any clear programme.*

— The question of popularity is a matter which can be thrown at Charles de Gaulle in France or J.F. Kennedy in America. In fact we are getting people in America who emerge overnight and nobody knows anything about them. So as far as I am concerned my programme is known. The broad lines of it are known because I have been in Seychelles politics for so long: I was the first Chief Minister and the first President. So the broad lines were there then as they are today. There is no ideological war any more. Everybody is going for free market forces. So, how much difference is there going to be in terms of the manifestos of all the political parties? Some people rushed to draft a manifesto because they feel that this is very important. I don't think so. We have had almost 15 years where the people have not been active in politics, having had no consultation. How could one ask those people overnight to come up with a manifesto? It can only be the creation of two or three people, with little or no involvement of the public at large. We are very serious in saying that we don't want to rush into things and in stating that our manifesto will enshrine the basic requirements for the most democratic, respectable and most transparent government possible. At the moment, I think this is what is important; the rest is a matter of detail.

► *Any democratically elected government that takes over — assuming it is different from the current one — is going to be confronted in the economic sphere with a call from free enterprise to liberalise the economy and it will have to cope with a number of lame ducks. How would you plan to tackle this?*

— We will have to make a start. There is no point in shunning the programme and postponing these matters. I think that for all problems a solution can be found. For example, I would state catego-



Sir James saluting 'rapturous' crowds after 15 years of exile

'True, there have been changes... but I cannot see why these changes, and perhaps even more, could not have materialised within the framework of the government that was in office in 1976'

rically that a government led by me would go very much for a programme of privatisation. We do not believe in government interference in commercial activities. We don't think it works. We believe in the privatisation process — which is taking place elsewhere. The problems are enormous, but if we are able to bring in the stability and the sort of government which enjoys the support of the people, the opportunities to solve this problem will equally be enormous.

► *What sort of future do you see for the Seychelles?*

— I would like to see a Seychelles in which the government has a policy of giving to its people the highest level of *joie de vivre* which they desire, in an environment of maximum individual liberty, and where the people are also aware of their responsibility in a democratic society. You cannot only ask for freedom but must also respect the freedom of others. Additionally, you must recognise that the world does not owe us a living, that nature has given us a lot of advantages but that we must also rise and build. I would like to see a Seychelles which lives in harmony, a Seychelles which can cry out to the world 'we are the islands of love, peace and harmony'.

► *There is a lot of talk about the emergence of the Indian Ocean as a future growth area, in particular with the post-apartheid South Africa. How optimistic are you about the future of this particular area and about regional cooperation?*

— I am all for regional cooperation. I think if we are going to live in an interdependent world then cooperation must start first within the country, then regionally, then more globally. As far as Seychelles is concerned, we are no longer a small country, because of the law of the sea. The 200 mile economic zone around each island makes us in fact into a huge territory. There are two aspects to this: from the ocean surface standpoint, we are actually of a significant strategic dimension. There is also what lies below the ocean surface and on the seabed and this raises a big question mark. I would think that there are a lot of riches under the ocean. We might not be able to exploit it tomorrow, but, with man's progress, you can never tell what we really control. Take for instance our fishing potential — something which is of great interest to Europe. When you think that last year the government of Seychelles was paid a royalty on nearly 200 000 tonnes of tuna fish and the average price of tuna fish per tonne is about \$1000 dollars, you can see that this is an area of great significance. But what is going on at the moment? Fishing boats from EC countries like France and Spain as well as countries such as Japan, Korea and Taiwan are coming to take this fish, and we are getting a royalty. Now, we believe that we could have a form of cooperation — for example with the EC — where the fishermen on these boats are local people. The Seychellois have got to realise that there is a lot of money for them in the sea and, if we can train people to become doctors and pilots, why should we not

train them to become modern fishermen? This is an area where we could have very important cooperation with the EC. So you see, if we have a government that has the interests of the people at heart, so many things can be done to give them new opportunities. To give another example, the army is too large, but I think to control our EEZ there should be a bigger navy. We should also do more in terms of education, for instance, establishing a university here which specialises in maritime and environmental studies and which would attract people from all parts of the world. All in all, it should be manifest that we are an island people, that the sea is our future and that we should have a lot of practical knowledge of the sea. Education should be very practical when it comes to the question of mastering the ocean.

► *The current government is pushing the use of Creole in education, some say for political reasons because, in a way, it isolates people who were formerly bilingual in two major languages, French and English. What is your feeling on this?*

— I feel very sad about what has happened in this area. During my time, we utilised all three languages French, English and Creole. The Creole which we used was a Creole as it was spoken, which was based more or less on the French phonetic. The decision of this government to turn Creole into a language was, I think, a very, very shortsighted decision for the simple reason that such a language did not exist, it was creating something like a beast. There are no books written in this Creole. So, even if the poor child is educated to master it, where is he going to seek additional knowledge, because there are no books written, no poetry: there is nothing. Unfortunately it has affected the French language. During my time, we were brought up to be bilingual in terms of international languages. We all speak some French and some English. We may not speak either 100%, but today in the world as we know it, who speaks any language 100%? The question is to communicate and to understand. This is the broad objective of learning a language. You don't necessarily have to speak with a flawless accent to communicate with other people and cultures. It was a great advantage to the Seychellois to be bilingual in French and English, since it enabled us to penetrate the world of two great cultures. The way they have formalised Creole is totally at the expense of the French language. ○

Interview by R.D.B.

Thriving on tourism and tuna

As an island nation, it is not surprising to discover that the economic fortunes of Seychelles are strongly tied to the seas that lap its shores. Self-evidently, the tuna fishery and its associated processing industry, which is a major sector, are reliant on the quality of the surrounding waters. But tourism, currently the other major export earner, also heavily depends on the sea and its environment as an important attraction. In the near future, with the coming on stream of a prawn farm from which the current government expects to derive considerable earnings, the sea will again play a determining role. The waters of the Indian Ocean, however, cannot insulate the Seychelles' economy from the vagaries of adverse international economic trends. The 1991 Gulf crisis, for instance, threw quite a large stone into Seychelles' otherwise calm economic waters. Having had eight consecutive years of strong growth, the country felt the backwash of the crisis in the security-conscious tourist sector during the first months of last year as the bottom fell out of Europe's tourist market, traditionally the main source of tourism here. Arrivals of European tourists dropped by over 40% and major markets such as France and Italy fell even further — to less than half their previous numbers. Government faced a staggering shortfall of tourism revenue, decided to tighten the belt and declared an economic 'state of emergen-

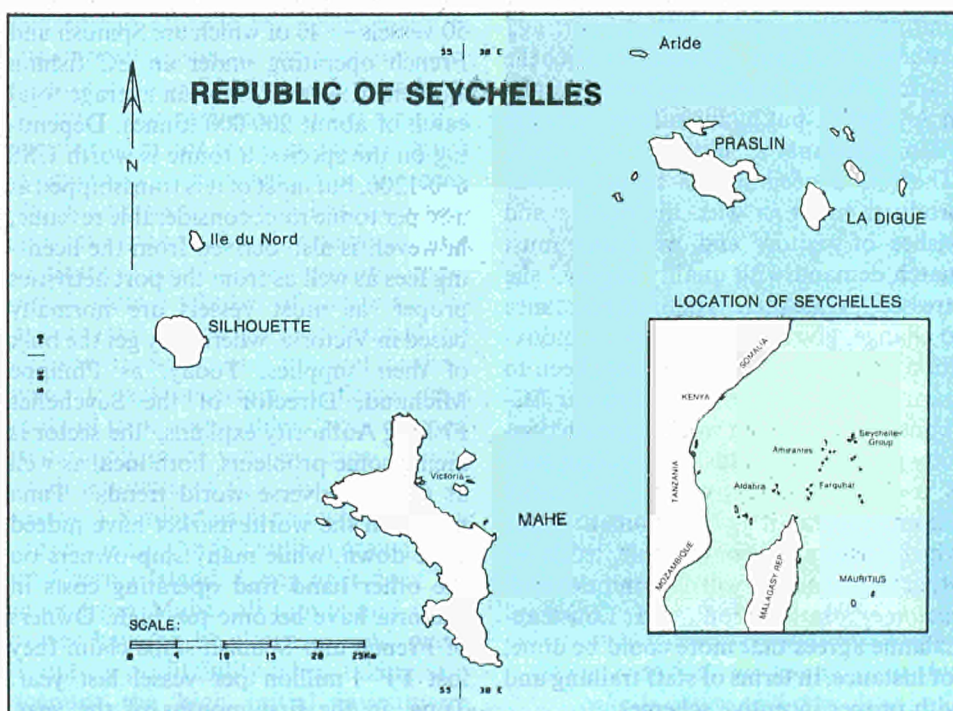
cy' in order to respond to a rapidly deteriorating economy. Fortunately the war ended quickly but its immediate consequences — the ensuing lack of confidence and the worldwide recession — can be read in the figures: total visitor arrivals dropped to 90 000, down from about 104 000 the previous year (-13.2%) and overall tourism revenue fell by 15% to SR 550 million. The budget deficit rose from almost nothing in 1990 to 1.7% of GDP or some RS 34 million in 1991.

Value for money?

'How would you like your island, Sir?' Such a rhetorical question can easily be put to any tourist on the verge of booking a holiday in Seychelles. 'The combination of granitic and coralline islands is quite unique', feels Maurice Lousteau-Lalanne, Principal Secretary for Tourism. And indeed, it is a major asset to include in your product the possibility of choosing an island destination — or a combination of several — ranging from the spectacularly mountainous to the languidly flat, from the medium-sized cosmopolitan to the small and secluded, from the active beach scene to the totally deserted strand, from a dive among underwater marvels to a walk on mountain tracks among waterfalls, or from spots with unique bird life to others with equally rare vegetation.

'The well-being of Seychellois people is linked, to a considerable extent, to the fortunes of the tourism trade', according to a sector policy paper and tourism is certainly vital to the economy. It is by far the leading foreign exchange earner and provides close to a fifth of total employment. The government is conscious of the need not to 'overdo' it in order to preserve both the culture and quality of life of the Seychellois as well as the unique fauna and flora, and it has therefore set a maximum ceiling: 'Tourists staying in licensed accommodation on Mahé — Praslin-La Digue should, in total, not exceed an absorption capacity of 4000 a day', says Lousteau-Lalanne. He also feels that 'the preservation of the natural and physical environment is part and parcel of our policy and vital to its future success'.

Equally vital will be to try and strike a new balance between quality, service and price in accommodation — a mixture which today seems to leave many tourists with a sense of dissatisfaction. Seychelles clearly opts for a limited up-market clientele, often in search of that special place, away from modern comforts and close to nature and its beauty. In terms of accommodation, 'government favours the development of high quality hotels, providing a superior degree of personalised service' says the policy paper. Overall room expansion is again subject to a ceiling of 4000 beds by 1994 and new ventures are therefore in the upper-bracket range, such as a new Hilton, due to open in Mahé in a couple of years time. Yet, while many are satisfied with the 3S formula (sun-sea-sand) and the numerous other attractions, there are quite a few who are dissatisfied with the present quality of rooms, food and service, often judged to be below what one might expect to get for the relatively high price paid. Accommodation is classified on a purely internal basis and Mr Lousteau-Lalanne feels 'it is the operators' problem to grade hotels, bearing in mind for instance the rigorous consumer protection laws in Europe. I personally feel that the small units, which represent the true character of our islands, are unclassifiable, and we ought to pitch our strategy to that niche market of the better-to-do, "get away from it all" visitor, he stresses. Repeat business — a good indicator of tourists' overall satisfaction — was said to be only about 7% until a few months ago, but has now, according to Mr Lousteau-Lalanne, 'considerably picked up again'.





The Courier



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*Left, the port of Victoria, the capital; right, inside the tuna canning factory
Fisheries have developed rapidly into the second most important foreign exchange earner*

Much of the accommodation seems in need of upgrading or refurbishing but many private operators have refrained from doing so, for lack, as some say, of a proper investment code. Government itself has a considerable stake in the sector, often acquired with no compensation for the previous owners, yet in many of its operations, service is said to be lacking as staff are often unmotivated. Kathy Mason, Managing Director of the largest private travel organisation, Mason's Travel, whose only competitors are the state-controlled Travel Agency and the Mauritian-owned Travel Services — which makes it a very closed market for foreign tour operators who often find their competitors are already working with one of these three agencies — readily admits 'there is a value-for-money problem. Only a few hotels meet the standards one could expect for the prices charged'. And she adds: 'The whole sector suffers from excessive government control.' Having spent six weeks in solitary detention under false allegations, she readily affirms 'tourism has done well so far, but despite politics, not thanks to it. Privatisation and a change of mentality towards a more service-oriented and professional approach — many licenses were given to political cronies with little knowledge of tourism as a business — are urgently needed'. She continues: 'Many of the hotel operators have their hands tied by government, so a real liberalisation is necessary if we want to keep up the momentum at a time when we are facing fierce competition from elsewhere.'

Mr Lousteau-Lalanne feels there is much scope to broaden the product itself: 'Generally speaking the marine side of our tourism is still underexploited: sailing and boating, scuba-diving, fishing, watersports etc. still offer vast scope for developing a more comprehensive product.' More benefits are also expected to be derived from better integration of handicrafts into the tourism sector. Codevar, the 'Compagnie pour le Développement de l'Artisanat', is trying to do exactly that, with EC help. 'Codevar provides training, support and assistance to artisans, with workshops for instance in wood, textiles and pottery, with the aim of making them self-supporting,' explains Codevar Director Michelle Harter. 'We try to raise the level of crafts in Seychelles, but handicraft workers are often resistant to change,' she feels. 'There is a need for us to design our products to fit in with the desires and wishes of visitors and we really must match demand with quality supply,' she stresses. 'While there is definite resistance to change, given the right type of motivation craftsmen are nevertheless keen to learn new techniques, as our recent EC-sponsored engraving workshops successfully proved,' she adds. Motivating staff is a 24-hour-a-day worry for Kathy Mason too, as it is 'the human factor which, assuming comparable levels of other tourist assets, will determine overall customer satisfaction'. Mr Lousteau-Lalanne agrees that more could be done, for instance, in terms of staff training and with proper incentive schemes.

Fishing: going its own way

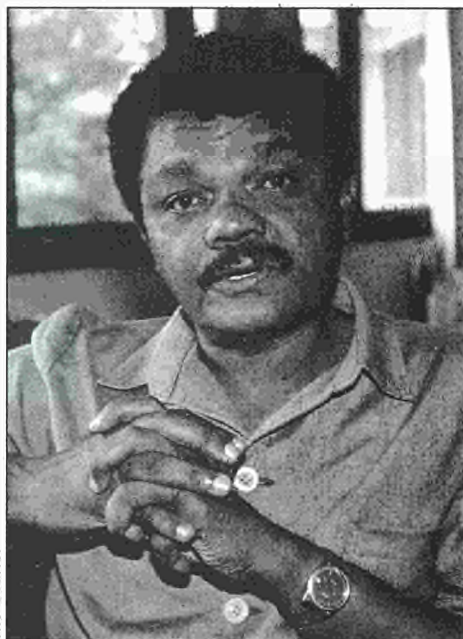
The lack of motivated staff is a complaint heard throughout the fisheries sector as well, both at the fishing port and in the tuna canning industry. Fisheries have rapidly developed into the second most important foreign exchange earner. A recent study on the economic benefits shows that industrial tuna fishing brought about a net inflow of RS 91 million in 1990. Government has spared no effort to try and put the harbour of the capital, Victoria, on the world map as the most important tuna port in the Indian Ocean. An industrial fishing fleet of some 50 vessels — 40 of which are Spanish and French operating under an EC fishing agreement — makes for an average total catch of about 200 000 tonnes. Depending on the species, a tonne is worth US\$ 600-1200, but most of it is transhipped at a \$6 per tonne rate; considerable revenue, however, is also derived from the licensing fees as well as from the port activities proper, as most vessels are normally based in Victoria, where they get the bulk of their supplies. Today, as Philippe Michaud, Director of the Seychelles Fishing Authority explains, 'the sector is facing some problems, both local as well as due to adverse world trends'. Tuna prices on the world market have indeed gone down, while many ship-owners on the other hand find operating costs in Victoria have become too high. Owners of French and Spanish ships claim they lost FF 1 million per vessel last year. Tuna, in the first months of the year,

tends to be found in the Mozambique Channel and many owners then operate out of Mombasa or Antsiranana (better known as Diego Suarez). This year many vessels were reluctant to return to Victoria. The competitiveness of the port is part of the answer, but insiders also feel ship owners no longer want to put all their eggs in one basket and, given the risk of political uncertainty in Seychelles, they want to try out other alternatives for their operations.

Part of the tuna is canned in the Conserverie de l'Océan Indien (COI). According to Managing Director Radley Weber, 'the canning operation is now running at 100% of its capacity, with a throughput of 45 tonnes per day of raw material, which gives some 120 000 cans at the end of the day'. Employing 425 people, mostly women, he would like to expand his operation to 60 tonnes throughput per day. This would imply putting on a second shift and recruiting more workers, which is another kettle of fish altogether. 'Unemployment is a bit of a fallacy here, and a major policy decision to bring in expatriate labour could well be needed,' he feels. While still a net foreign exchange earner, COI is losing money in rupee terms and increasing output may be an answer to that.

Towards a new business climate?

Financial data on the COI are not accessible to the public and this is a widespread attitude for which many in the opposition and in the business community at large blame the government. Without any real information about a number of major projects, there is much speculation over their true financial status and results. Seychelles' own venture into tuna fishing, for instance, with its 'Spirit of Koxe' vessel, has come under attack from a number of quarters. 'Unproven and over-expensive technology' (it has a fibre-glass hull, unusual for these waters); 'lack of certain certificates' (it is said not to be very stable); 'poor catches' (it certainly made very few trips, landing small amounts of fish, for a variety of reasons). Similar black and white charges are levelled at the \$12 million prawn farm on Coetivy Island. Lying as it does 200 miles from Mahé, all inputs and manpower have to be flown in, and many doubt its profitability when taking into account the high initial investment.



The Courier

**Jeremie Bonnelame,
Minister for Agriculture**

'The concept of development does not go hand in hand with the profit motive'

Government for its part has high hopes of the project, which it expects to come on stream in July 1992. These are merely a few examples from a long list of ventures into which government has launched itself but which are under constant attack from the newly created opposition parties.

Some speak of massive window-dressing. Others make pointed accusations



The Courier

'Giving everybody his fair share of the cake is easier said than done'

about the lack of consolidation and the mysterious secrecy which surrounds a number of projects. Much criticism is voiced about the functioning of the Seychelles Marketing Board, which, until a few months ago, had a virtual import monopoly, killing off all competition, despite the fact that its operation remained beyond scrutiny or proper auditing. The positive outcome of a recent study by two Australian professors on its role in the economy has been greeted with considerable scepticism in opposition quarters. Agriculture Minister Jeremie Bonnelame attributes most of these attitudes to 'a village mentality in which a number of personal rivalries have readily flourished'. In his view 'the concept of development does not go hand in hand with the profit motive'. According to him, a sort of apprenticeship fee goes together with the launching of a number of projects — such as the tuna vessel, the prawn project or the flower-exporting nursery — which have come under fire. 'Building up our own skills, management and technology may explain the higher costs when we want to do our own thing.'

Basil Soundy, the Chairman of the Federation of Employers' Associations of Seychelles, certainly holds the view that the 40-plus state cooperations — some of them 'lame ducks' — must come under close scrutiny so that decisions can be taken upon their future: privatisation, joint-venture or foreclosure. Given current political developments, 'the prospect of seeing changes on the horizon makes the business community cheer up. Over the years, we gave constructive criticism to soften the one-party approach. Without us, God knows what sort of steamroller effect it would have had,' he reflects. He also stresses 'the almost claustrophobic over-regulation — although the necessary deregulation should be carried out very cautiously'. In the new Seychelles which is likely to come about, the 'truth' as usual, will be somewhere in the 'middle' or, as the FEAS Chairman puts it: 'One should not be too critical of the socialist concept here, as it has achieved a lot which would have been difficult to achieve in any other way. The original idea of giving everybody his fair share of the cake was certainly very laudable but difficult to put into practice.' Perhaps that is precisely what the newly re-introduced multipartysystem will lead to — but in a democratically controlled way this time.○

R.D.B.

EEC-Seychelles cooperation

When Lomé I was signed in 1975, Seychelles was a British overseas territory and therefore automatically associated with the European Community. After independence in June 1976, the country became a member of the ACP Group and a direct member of Lomé I.

Between then and the signing of the Lomé IV indicative programme, Seychelles was allocated programme aid (ECU 16.7 million or Sey Re 108 million), EIB risk capital (ECU 4.58 million, plus ECU 4.5 million from own resources), emergency aid (ECU 290 000), cofinancing with NGOs (ECU 110 000), support for the AIDS control campaign (ECU 150 000), food aid sent direct (ECU 493 000) and through remaining NGOs (ECU 794 000) and support from the Centre for Industrial Development (ECU 160 000). This came to almost ECU 28 million.

There was regional cooperation too, particularly in the Indian Ocean Commission, of which the EEC has always been the main supporter, with ECU 87.5 million for the Indian Ocean countries (Comoros, Madagascar, Mauritius and Seychelles) over the four Lomé Conventions. Regional projects have stepped up regional cooperation a good deal and triggered thoroughgoing exchanges of view and Seychelles has been very active in this.

Lomé Convention — programme aid

A first indicative programme worth ECU 2.4 million was signed in 1977. Subsequent programmes were bigger, with ECU 3.6 million for Lomé II and ECU 6.2 million for Lomé III.

Community funds were allocated in the light of Seychelles' development plans. Under Lomé I and Lomé II, they went to social infrastructure and, under Lomé III, to support the productive sector by setting up a rural development project, one of the highlights of the policy to improve self sufficiency in food by offering support for small farmers. Craft also received financing under Lomé III, making it possible to set up basic structures and infrastructures, a raw materials store and pilot wood, textiles and ceramics workshops, a scheme being continued under Lomé IV.

The Lomé IV indicative programme which President René signed for the Seychelles and Manuel Marin signed for the Commission in May 1991 gives the country ECU 6 million, or Sey Re 40 800 000. ECU 4.5 million of this is grants managed by the Commission of the European Communities and ECU 1.5 million, risk capital managed by the European Investment Bank.

Under the indicative programme, 50% of the grant amount will go to industry, especially cottage industry and craft, a sector

which the Government feels is crucial to the development strategy it has devised to achieve balanced economic growth. The craft project financed under Lomé III is being pursued and consolidated here to ensure that the levels of training can be achieved and improved on.

A study to identify the support required for cottage industry is under way and a technical assistance and vocational training project should be prepared by the end of the year. Both schemes are intended to foster job creation via the setting up of small firms, boost import substitution, ensure the intensive use of local raw materials and identify new markets. The bulk of the 50% of the grants will go into environment and tourist projects, two essential sectors of the national economy.

Fisheries agreement: a major contribution

The EEC has signed three three-year fisheries agreements with Seychelles, over and above the Lomé Convention, since 1984, giving Community tuna freezer ships the right to fish for tuna in Seychelles waters. Here again the amounts have increased regularly, as the table shows.

	Agreement		
	1st — 1984	2nd — 1987	3rd — 1990
<i>Number of vessels</i>	27 tuna ships	40 tuna ships	40 tuna ships
<i>Financial compensation</i>	ECU 3m	ECU 6m	ECU 6.9m
<i>Contribution to scientific programme</i>	ECU 250 000	ECU 750 000	ECU 2,7m
<i>Study awards & traineeship grants</i>	—	—	ECU 300 000

The scientific programme is important for Seychelles, and a large number of jobs have also been created (labour in the port and the canning plant) in addition to the above financial compensation.

The fourth agreement is to be negotiated soon.

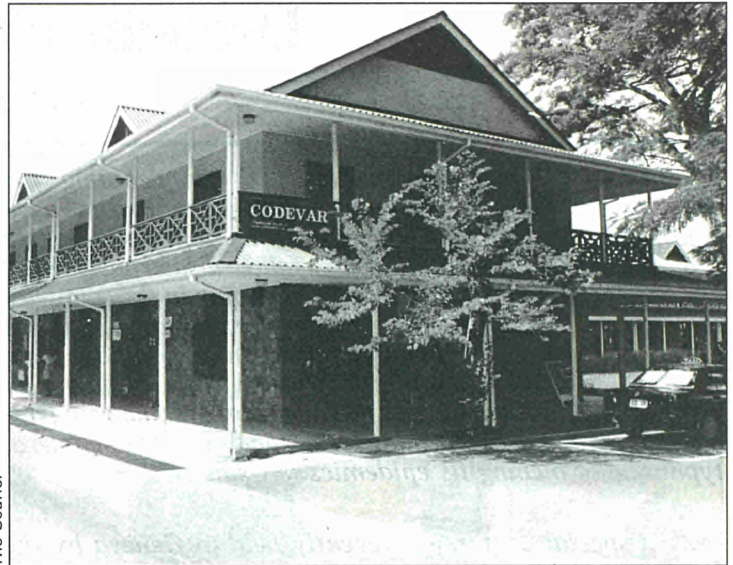
Seychelles is known for its ability to run development projects properly and conscientiously and cooperation between it and the Community has been exemplary over the past few years.

Support for small industries and craft under Lomé IV will be a considerable encouragement to the private sector and the assistance with the environment and the tourist trade will make an efficient contribution to the aims of regional cooperation. ○

Christiane DE GIETER
Desk officer, Seychelles

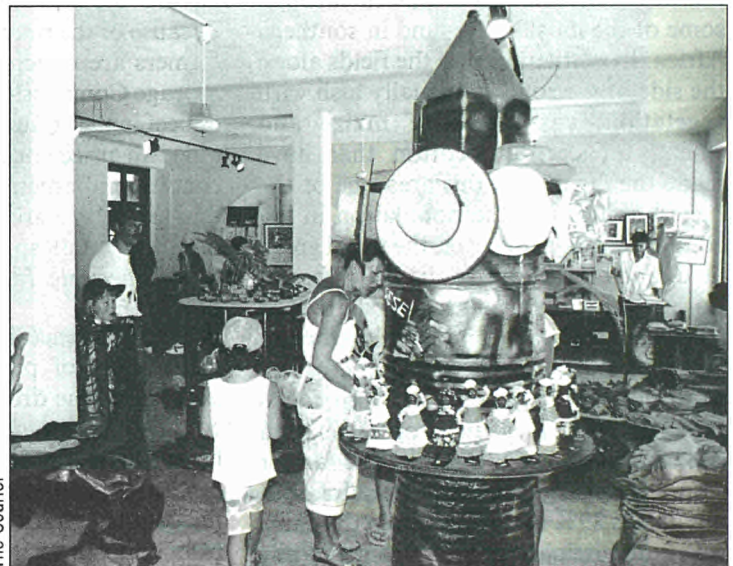
EEC-Seychelles cooperation

<i>Projects</i>	<i>Amounts committed</i>	
Lomé I — 4th EDF		
1. Social infrastructure — housing	ECU 1 580 000	
2. Economic infrastructure — weather station	ECU 147 000	
3. Rural development — water supply — microprojects — TA fisheries — animal feed study	ECU 681 300	
Total Lomé I	ECU 2 408 500 i.e. 15 530 489 R. Sey*	
Lomé II — 5th EDF		
1. Social infrastructure — Victoria hospital	ECU 2 400 000	
2. Microprojects	ECU 547 000	
3. Training	ECU 319 400	
4. Rural development — TA fisheries	ECU 107 000	
5. Trade promotion	ECU 126 000	
6. Small industry support project	ECU 28 000	
Total Lomé II	ECU 3 499 400 i.e. 22 564 831 R. Sey*	
Lomé III — 6th EDF		
1. Rural development — agricultural development programme — TA fisheries biologists — fisheries (microprojects) — coconut plantation rehabilitation study	ECU 3 085 502	
	ECU 427 000	
	ECU 171 071	
	ECU 22 000	
2. Craft	ECU 1 200 000	
3. Infrastructure — Rehabilitation of the tuna wharf	ECU 1 271 178	
Total Lomé III	ECU 6 176 751 i.e. 39 828 925 R. Sey*	
	<i>Amounts already committed</i>	<i>Amounts foreseen</i>
Lomé IV — 7th EDF		
1. Industrial development — consolidation of craft — support for small industry	1 000 000	1 200 000
2. Environment		800 000
3. Tourism		500 000
4. Miscellaneous (agriculture, studies etc)		1 000 000
	1 000 000	3 500 000
Total Lomé IV	ECU 4 500 000 i.e. 29 016 900 R. Sey*	

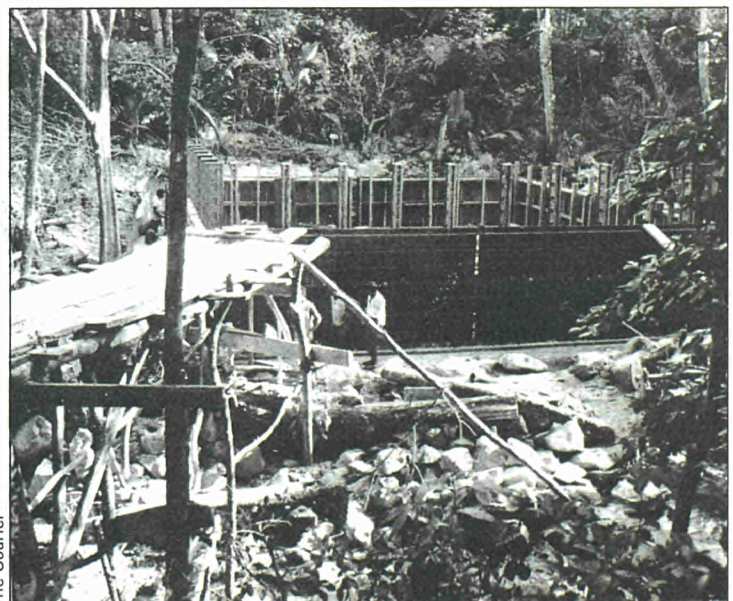


The Courier

Plenty of Community support goes to art and craft through CODEVAR, the craft development company



The Courier



The Courier

Praslin gets small water tanks



Drought hits Zimbabwe

by Chris McIVOR (*)

While the Earth Summit in Rio was debating the environmental effects of climatic change, southern Africa continued to suffer in the grip of an unusually severe drought. Agricultural output has fallen disastrously, with knock-on effects in all areas of the economy in the countries affected. In Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe, hunger and thirst are widespread, affecting an estimated 18 million people; malnutrition in some countries has already reached alarming levels, and the risk of cholera, typhoid and meningitis epidemics is rising.

At a special conference recently held in Geneva by the Southern Africa Development Conference (with observers

from South Africa, which has also suffered losses of harvest), industrial nations pledged US \$526 million in food and emergency aid to help cope with the crisis. The European Community, too, as reported in the Yellow Pages, has voted a special food aid programme for 1992 which includes 370 000 tonnes for drought-stricken countries in southern Africa. The total immediate requirement is for 4 000 000 t, and a major concern is how to transport the supplies quickly to where they are needed.

Zimbabwe is in the middle of the afflicted area. In the past it has been a maize exporter, but now it is suffering with the rest, and badly needs its EC allocation of 80 000 t of food. An experienced aid worker reports from the field on what the drought has done to a once rich farming country.

The road from Harare to Centenary in the north of Zimbabwe passes through some of the most fertile land in southern Africa. In April and May the fields along the side of the road are usually lush with vegetation, vast areas of maize and wheat, tobacco and cotton that have made the farmers in this area one of the richest sections of the population in the country. Today, however, the usual green fields and fat cattle are noticeably absent. Farmers are talking of 'the worst drought in living memory' and are predicting yields of maize, the staple food crop, as sufficient only for their own requirements rather than the lucrative crop it has been over the last decade. Claimed one farmer from Centenary, 'To date the rainfall in our area is 25% of normal. Even the dams we use to irrigate crops during the dry winter months are empty. It will take two to three years of good rainfall to recover from this disaster.'

Further south in the province of Masvingo the situation is even more critical. Here thousands of small-scale communal farmers are facing complete ruin after a season that has seen less than 10% of normal rainfall. In those parts of the province where maize has been planted farmers have now turned the crop over to cattle for fodder. An agricultural worker claimed that the absence of rain has meant that the maize has not ripened sufficiently to yield any produce. 'All that it is now good for is animal feed'.

The lack of rain has also meant that there is insufficient grazing land for the numbers of cattle in this area. Already

there are reports of thousands of cattle having died in the past few months. Because of the poor state of their animals farmers are reluctant to sell to the Cold Storage Commission, the main purchaser of beef in the country. 'No one will pay us a decent price for cattle in their present condition', lamented one farmer from this area. 'We are praying that the late rains may fall so that at least we can fatten them up for sale at a reasonable price'.

The difference between this year and other years of poor rainfall is the uniformity of the drought across the whole country. Previously some parts of Zimbabwe made up for the deficit of others, ensuring that there was enough to cover the country's agricultural needs as well as providing sufficient amounts for export. Zimbabwe has regularly sold maize to Botswana, Zambia, Mozambique and

Malawi and has played the pivotal role in SADCC's food security programme for the region. But 1992 has been a disaster for all agricultural areas. The Government is predicting a 90% reduction in supplies of maize to the Grain Marketing Board (GMB) for this season. Moves have already begun to cover this deficit by importing a total of 2 million tonnes of maize for the coming year.

The cost to the economy will be even more drastic because the drought has not spared South Africa, a previous supplier of grain to Zimbabwe when stocks were low. With most of its dams less than 40% full, South Africa predicts a shortfall of twenty million tons for its own needs. A GMB official stated that maize is now being purchased from the United States and Argentina at a much higher cost than if it was purchased regionally. At the



Chris McIVOR

A commercial farmer in central Zimbabwe prepares the ground for the next harvest. The rains this year have been among the worst on record

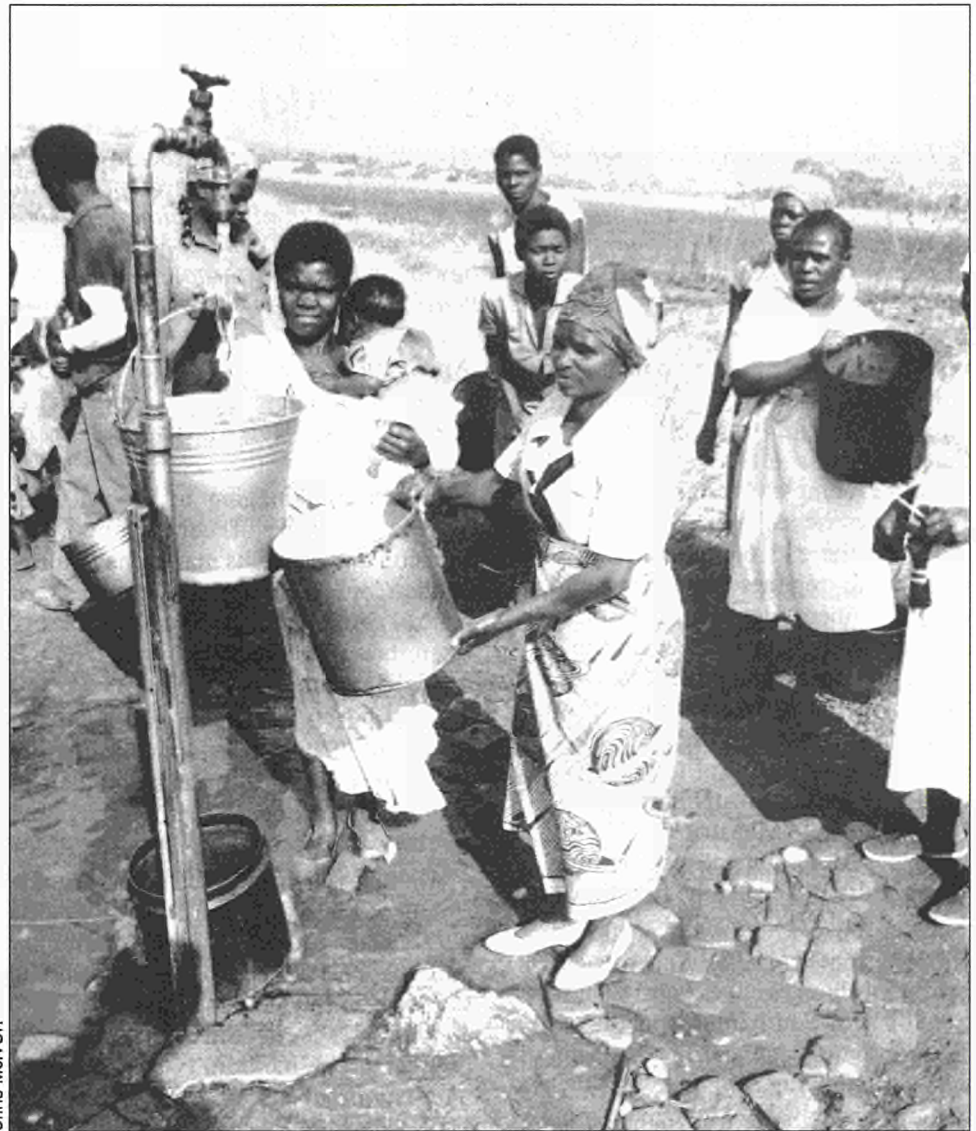
(*) Representative of a UK aid agency in Zimbabwe.

same time the maize deficit in South Africa itself will keep their own transport facilities busy for some time and Zimbabwe has been forced to explore options for shipment of imports through the less efficient transport routes of Mozambique and Tanzania. At a recent donor's conference in Paris a Government official indicated that the cost to the Zimbabwean economy of the present drought will be in the region of US \$500 million.

For the peasant farmers of Zimbabwe's communal farming areas the drought could not have come at a worse time. The implementation of the Economic Structural Adjustment Programme has already caused considerable hardship to the poorer sectors of the population. Government spending on social services such as health and education has been substantially reduced. Subsidies on staple foods such as flour, sugar, cooking oil and margarine have been withdrawn. With the abolition of Government controls on prices, the cost of other goods and services such as water, electricity and transport has almost trebled over the last 12 months. With the present drought and the resulting lack of money in the rural economy this year, the six million people who live in the communal areas will undoubtedly suffer, claimed one economist. 'Farmers will have no money to pay for school fees, books and uniforms for their children. They will be unable to send their pregnant wives to hospitals because of maternity charges now being introduced'. Already there are worrying signs of a deterioration in the health of the rural population. Increased levels of malnutrition have been reported in some areas as well as a rise in the incidence of communicable diseases because of lack of clean water and the drying up of boreholes and wells.

At the same time, Zimbabwe's urban population has also been affected by one of the driest seasons on record. With many of the major dams almost empty, supplies of water to towns and cities has been erratic. Mutare, situated in what is normally one of the wettest parts of the country, has had water rationing since September last year and this seems set to get worse as the season progresses. Health officials are worried that some of the town's high-density suburbs may experience severe epidemics of communicable diseases due to a lack of clean water for drinking and sanitation.

Worst hit of all is the city of Bulawayo, situated in Zimbabwe's dry southern



Chris McIVOR

Villagers in northern Zimbabwe queue up for scarce water

province of Matabeleland. The second largest city in the country, with a population of over half a million, it is facing a situation where only 6-8 weeks supply of water is left for the entire population. Although the taps have not yet been turned off, the city council has introduced strict quotas for householders, infringement of which has resulted in heavy fines. The reduced supply has not only affected the population's water usage. As one of the major industrial centres of the country, Bulawayo's factories are heavily dependent on large supplies of water in order to function at full capacity. Authorities have already requested the industrial sector to rationalise water use as much as possible but, as the situation becomes more drastic, it is expected that many companies may have to close their operations completely in order to ensure priority of supply to the city's inhabitants. 'The cost to the national economy

of a decline in industrial production will be disastrous', predicted one economist.

There is little doubt that the country is facing a major crisis. With the drought coming so soon after the austerities of the Structural Adjustment Programme, many are predicting a rise in social dissatisfaction and unrest as the hardships for the majority of the population continue. At the same time, the cost to the economy of a disastrous agricultural season with a loss of major revenues from exports could seriously undermine the planned investment in industry and manufacturing designed to alleviate the country's unemployment problem. 'For the Government, the drought could not have come at a worse time' concluded one observer. 'Although no one is to blame for the weather people will inevitably look for a scapegoat they can criticise'. ○

C. McI.



A development policy for the year 2000

This was the subject of a recent Commission communication to the Council and the European Parliament. The paper outlined Community development aid in the light of economic and monetary integration and political union in Europe and was presented by two members of the Commission — Manuel Marin, who is in charge of development, and Abel Matutes, in charge of external relations. Set out below is an extract of the main elements contained in the paper.

The last paper on development cooperation — the Pisani memorandum, named after the development commissioner of the time — was in 1982 and the world we live in has completely changed since then. Following the collapse of the Eastern bloc and the end of the cold war, new democratic régimes have emerged on every continent, determined to meet the aspirations of their peoples and make a better job of managing their economies in the process. In Europe, the move towards union has speeded up since the adoption of the Single Act and of the target dates fixed with the signing in February 1992 of the Treaty of Maastricht. The latter enshrines development cooperation in Community policy for the first time (title XVII of Title II).

Alongside all this political movement, profound changes have occurred in traditional North-South interdependence too. The South no longer has the strategic role it did in supplying the North, but the two are increasingly interdependent now in matters such as the environment, population and AIDS.

All this points to the need for a new European development cooperation policy, a particularly hard-felt want given the present unsatisfactory situation, with the efforts of Community and Member States dispersed and proper policy co-ordination up against three major handicaps — a lack of coordination between national and Community development cooperation policies, a lack of consistency between the cooperation policies and other Community policies and other aspects of the Community integration process and a lack of European expression and stimulus in international organisations and vis-à-vis other funders.

This is damaging to the developing countries, first of all, because they do not derive any benefit from the mass effect which a consistent Community-Member States policy could have and they are often tempted to play on internal rivalries for the sake of an immediate advantage.

And they cannot always count on the Community being firm and unanimous in its attitude to other international partners.

It is also damaging to the Member States. The lack of coordination, expression and stimulus maintains rivalries in the Community, which can be detrimental both to the Member States' interests and to their position vis-à-vis immediate competitors.

Lastly, it is damaging to the Community itself, as this lack of coordination and expression and stimulus is no help in getting the European identity recognised on the world scene.

All this is going to change with the Treaty of Maastricht, Article 130X (Title XVII) which provides for the Community and the Member States to coordinate their development cooperation policies and consult each other on their aid programmes, including in the international organisations. They may run joint schemes, it says, and the Member States should help run Community aid programmes if this proves necessary.

Aims of the new policy

The development cooperation policy will, as far as means allow, encourage the consolidation of democracy in the developing countries, within the framework of a return to political stability. It will also pursue the aims of Article 130 U (1) of the Treaty of Maastricht, which are to ensure that:

- the developing countries, particularly the least favoured of them, have lasting economic and social development;
- the developing countries gradually and harmoniously fit into the international economy;
- poverty in the developing countries is combated.

Consolidating democracy in the developing countries

— Although democratisation is the keynote, no political process will last without an equivalent move on the economic front. So a democratic econ-

omic set-up has to be ensured, with active support from all schemes which put responsibility on the shoulders of the recipient populations by directly involving them in aid management (this is participatory development).

— The revision of political structures has to go hand in hand with a far-reaching reform of the administrative structures and management systems of the State — a process which will be helped by such things as re-examining the duties of the State to focus on its essential functions, decentralising decision-making and management machinery, ensuring continuous civil service training, improving motivation and so on.

— Support for the private sector and decentralised cooperation alongside this will help make a democratic economic set-up stronger.

Lasting economic and social development

The main idea here is to restore the economic bases of growth, ensuring that this is compatible with environmental demands, by:

— striking the major macro-economic balances again via a stabilisation phase, the duration and (especially social) costs of which have often been underestimated;

— then organising a more comprehensive overhaul of the economic set-up, focusing on a consistent drive to liberalise domestic economic activity. The State of course has to withdraw as a direct investor here, but it must not be allowed to neglect its job of creating the material environment and regulations economic operators need if they are to invest;

— lastly, paying constant attention to the long-term conditions of lasting development — i.e. family planning and education policies to get demographic growth under control, economic development which takes into account the rational use of natural resources with proper regard for the major environmental balances and the development of human resources. There should be greater emphasis on long-term programming here.

Integrating the developing countries in the international economy

One of the prime aims of structural adjustment policies in the developing countries is to make these countries a proper part of the world economy, sharing in the growth of trade and activity and the economic and technical progress that goes with it. External trade is the main source of external financing in

most developing countries and it is crucial to their development, so they must have access to markets in the industrialised world.

Opening markets more widely in the developed world means:

— making exporters more competitive, otherwise better access to the markets will be of no use. So the appropriate institutional framework and regulations have to be provided, more technology has to be transferred and industrial cooperation has to be stepped up;

— the Community thinking about the sort of restructuring it will need if it is to ensure greater access to products from the developing countries;

— catering for the fact that the developing countries will benefit very unevenly from the opening up of the markets, because of their different levels of competitiveness, and that some of them could well lose out altogether if there is no back-up. For many developing countries, the first stage of enlargement of their economic scope could be a move from national to regional level. The European Community has a great deal of experience here and should pursue and expand ongoing initiatives in this sector.

Combating poverty

A return to growth, the creation of viable economic structures and an ironing out of inequality are the three essential components of any strategy which aims to reduce the poverty currently afflicting more than a third of the world population.

These vital reforms will only bear fruit in the long term, however, so the development cooperation policy must support targeted schemes to relieve some forms of poverty and make up for the social costs of economic reform and reorganisation policies. Priority here has to be on whatever helps human development, particularly basic health and education facilities.

Varied requirements

Every developing region has its own features warranting active support from the Community. However, the extent to which European policy can actually influence development varies widely from one region to another, depending on where the Community and the Member States stand in relation to all aid received (the relative mass of Community aid) and



One of the priorities of cooperation should be to help Africa cope with food security problems, environmental protection, population growth and the development of human resources and basic infrastructure.

on the importance of the aid in relation to the big macro-economic factors (GDP and the budget). It also depends on how far the recipient country can use the aid in accordance with appropriate policies.

Furthermore, for reasons of history, geographical proximity and political priority, the volumes of European aid to the developing world are unevenly spread over the different parts of the world and will probably remain so.

The developing countries' needs vary widely according to their level of development. There are various internationally recognised classifications, based mainly on economic criteria (per capita GDP, for example) and social indicators. A developing country typology of this kind could, bearing in mind the foregoing, help with the designing of a policy mix geared to each country and each region. Lastly, it would be wise to refer to performance criteria in the granting of aid, so that the assistance goes to those best able to use it.

Here, roughly, are the priorities of each part of the world.

Sub-Saharan Africa. Community priority support here should go on policies geared to economic restructuring and the democratic reform of the administration. This restructuring, however, will take time and demand a proper contract of solidarity between Africa and the Community.

Other cooperation measures will have to be run alongside the restructuring operation to cope with Africa's long-term problems — particularly food security, the protection of the natural environment, population growth and the development of human resources and basic infrastructure.

Integration into the international economy is a longer-term aim for the vast majority of African countries and the cooperation priorities for the immediate future are to ensure stable commodity markets and help the regional dimension to come into its own.

The Mediterranean. Political, environmental and social (i.e. emigration) problems dominate in this part of the world, so the idea is to increase aid and channel it into family planning programmes, technical assistance for institutions to back up reform, regional cooperation and economic cooperation.

Latin America. Emphasis here will be on political dialogue in all appropriate fora and on the promotion of investments and the private sector. More aid for the poorest developing countries will of course not be forgotten.

As things stand, commercial and financial support for the economic and political reforms under way in most Latin American countries is vital if discouragement and backsliding are to be avoided. Efforts already made to help these countries deal with the environmental side of their development strategies (such as the pilot programme for the Amazonian forest in Brazil) will need to be pursued.

Asia. Situations on this continent are very varied indeed. The general idea will be to boost the Community's economic presence (imports and investments) in what is the most dynamic region in the world, but to prevent its economic dynamism from wreaking any further damage to the environment. The means should be adapted to the countries or regions concerned. The least developed nations will go on receiving conventional development aid. ○

Towards a new world partnership

European Parliament holds major development debate

The European Community has been involved in development cooperation since the 1960s, and has sought from the outset to establish a new, fairer relationship between the developed and developing countries. The essential objectives of that quest have not yet been achieved. Today, however, the old ideological battle lines between East and West are fast disappearing and people's aspirations are making themselves heard in calls for greater democracy in

many parts of the developing world, so the concept of a new world order is taking on new life. As the democratically elected voice of the European Community's peoples, the European Parliament has a responsibility to reflect these changes and make proposals for the form that this new international relationship might take. This was the background to its recent full-day debate on a new world partnership.

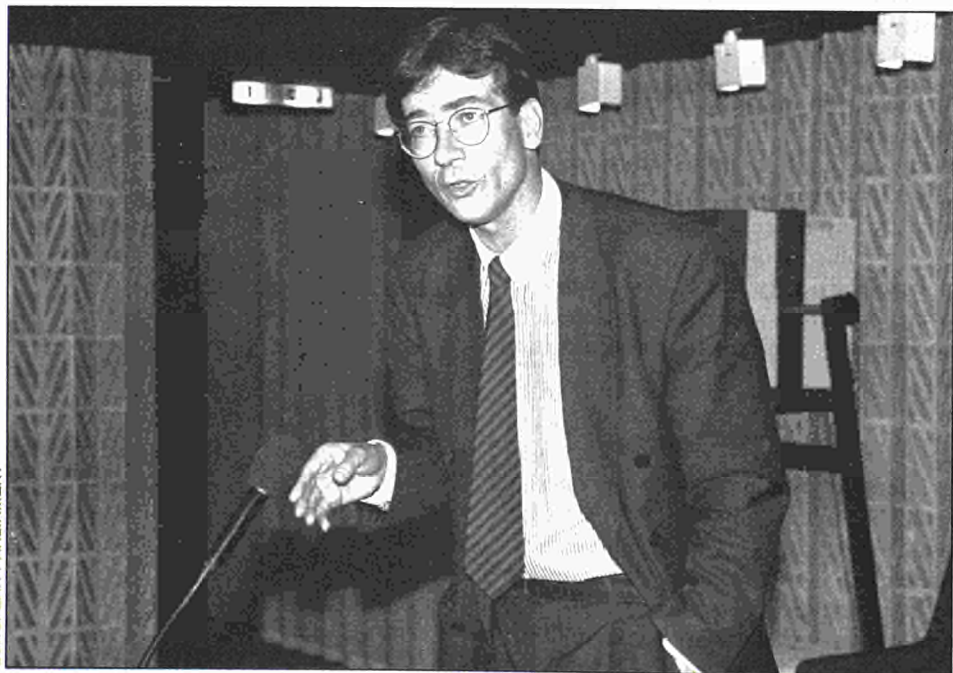
The European Parliament met in the French city of Strasbourg in May to consider a series of motions on development policy which, taken together, are a comprehensive resume of the Community's concerns in that area. As a sign of Parliament's determination to build on existing achievements but bring about a fundamental change in that policy, the 12 motions and their accompanying reports had been drawn up on Parliament's own initiative and hammered out in its specialist Committee on Development and Cooperation.

The day's proceedings began with a statement by the President-in-Office of the Council of the European Community, *José-Manuel Durão Barroso*, in which he stressed the priority the Council had given to food problems, particularly in Africa, and to the link between development matters on the one hand and democracy and human rights on the other. On the structural adjustment policy set out in Lomé IV, he said that the ACP countries must reconcile their economic development needs with the emerging democratic process, while the Community must coordinate its work with that of the IMF and the World Bank. The developing countries' fears about the effects of the European single market had to be dispelled.

The first report, on **the role of the EC and its Member States as regards the changes in East-West relations and the**

North-South relationship, was introduced by its rapporteur, *Rosaria Bindi*, of the European People's Party (EPP). The purpose of the day's debate, she said, was to get the Community and its Member States to renew their commitment to the developing countries. In the multipolar world system now emerging, the Community should not focus so closely on Eastern Europe, the Mediterranean and the Middle East that it left the United States and Japan to concern themselves

with the rest of the world; instead, it should take a global view of cooperation. Its development policy should be based on many factors: respect for human rights and democracy, peace, measures to reduce poverty, promoting a trade policy which would take the interests of the developing countries and Eastern Europe into account, concern for the environment, boosting regional cooperation and special priority for the least developed countries.



EUROPEAN PARLIAMENT

Maxime Verhagen of the European Peoples' Party presented reports on private investment and environmental policy in the developing countries

Mrs Bindi's report pointed out that dismantling protectionist trade arrangements and removing the restrictions on Third World exports to industrial countries would reduce immigration pressures on the Community. The object of a new world order, with a strengthened EC playing a key role alongside a revitalised United Nations, should be to eradicate poverty and encourage more democratic governments in developing countries; a human rights clause should be attached to specific aid programmes.

Replying on behalf of the Commission, *Abel Matutes*, the member responsible for North-South relations, said that events in Central and Eastern Europe were a challenge to the whole world. The Community had a vital part to play in defending the rule of law and civil rights, helping the developing countries conduct sound economic policies and putting environmental protection in the front rank of global concerns.

Parliament then turned its attention to three interlinked studies. Speaking on his report on **measures to support and promote private investment in developing countries**, *Maxime Verhagen* (EPP) said that private investors had been discouraged by corruption in Africa. Developing countries, his report maintained, must introduce economic policies which inspired confidence, though it should be up to the EC and national governments to provide the bulk of aid to the poorest countries, where risks were highest. Private investment could stimulate local business activity and agriculture by making small-scale loans available. The Community, he thought, might set up a protection scheme to guarantee investments.

The next rapporteur was a member of Parliament's Green group, *Eugenio Melandri*, who stressed that first-generation economic development plans begun in the 1970s had failed to bring about a new economic balance. **Structural adjustment in the developing countries** could only work if man, not accounting records, were the point of reference. The World Bank and the IMF should be made more democratic with a change in the weighting of votes. His report called for long-term development programmes based on sustainable growth and respect for the environment, achieved through dialogue with the recipients. Third World governments, the report said, should introduce



During the morning sitting, Abel Matutes, the EC Commissioner responsible for North-South relations, answered European MPs' points by outlining aspects of the Commission's development policies

democratic reforms and reduce their arms spending.

The last of the three reports in this group, on **the indebtedness of developing countries**, was introduced by *Nereo Laroni*, a Socialist, who said that the burden of debt and accumulating interest had been making the developing countries poorer and poorer: the \$900 billion owed by 140 countries monitored by the OECD in 1982 had risen to \$1450 billion only eight years later, and the servicing cost of \$162 billion now ate up 30% of the value of their exports.

The Laroni resolution called on the Community to set an example by acting on the Commission's proposal to cancel the debts of all ACP States (Stabex and Sysmin transfers, special EDF loans and risk capital), to be followed by negotiations with commercial banks on reducing private debt, especially that borne by the poorest countries, in return for a commitment to effective environmental protection. One per cent of the GNP of industrialised countries should be set aside for development aid and a special oil fund should be set up to help countries particularly dependent on oil imports.

In the ensuing debate, *Niall Andrews* (European Democratic Alliance) appealed for support for a credit union or

non-profit-making cooperatives: these, he said, would be of particular help to women. *Winnie Ewing*, of the Rainbow Group, said that monocultures should be discouraged and small projects supported through transfers of know-how; the Community should persuade Japan to give more help.

In his reply on the three reports, Mr Matutes of the Commission said that the Community should make its contribution to structural adjustment in the form of a specially tailored reform programme for each country. Whatever action it took should be coordinated with the Bretton Woods institutions and the Commission should be involved. He recognised that private investment was essential to further economic growth. On debt, the Commission could not submit any new proposal to the Council to cancel all ACP debt to the Community as long as not all Member States would agree to it.

Parliament then debated another set of three reports, looking at the effects of the completion of the European single market in 1992. Introducing his report on **the commercial impact of the single market on the developing countries**, Socialist MEP *Josep Pons Grau* said that it would mainly affect manufactured goods, where the Third World did not have a strong presence, but would divert investment

from developing countries to the Community. Higher EC standards and the restrictive effect of the common agricultural policy on food imports from the Third World caused the developing countries problems. Regional markets, he thought, should be encouraged to flourish. Parliament's resolution called for measures to promote increased trade between the developing countries and Central and Eastern Europe, and for financial instruments to compensate the least developed countries if the single market did them serious economic harm.

The report by *Margaret Daly* (EPP) on **the financial impact of completion of the single market** maintained that the process was having little effect on EC and other foreign investment in the developing countries. Private investment in those countries, she said, had risen since the mid-1980s — though admittedly that had been mostly in South-East Asia. It was up to the African and Latin-American countries themselves to create an environment favourable to foreign investment. Meanwhile, debt servicing and the terms of trade between North and South had reversed the flow of finance between them to the North's advantage; both must be reviewed.

Moving on to **the effects of the single market on migrant workers from the developing countries** (of whom, including their dependents, there are some four million living in the Community, plus 50 — 60000 students from ACP states), *José Mendes Bota* of the Liberal Democratic and Reformist Group said there must be no discrimination against such workers. Europe's ageing population was bound to depend on some immigration, but the best policy was still one of dissuasion based on removing the causes of emigration — human rights violations, hunger, poverty, illiteracy and population pressure. The Lomé Convention gave the Community scope to help in these areas.

Commissioner Matutes said the Community had already taken steps to encourage capital flows towards the South, but there was stiff competition worldwide. The Community, he said, was still, of all the world's markets, the one most open to the outside world, and its own development should have positive results for the developing countries. Mr Matutes endorsed a point from the floor

about the urgent need to encourage those countries to curb population growth.

Returning to the floor, Mr Verhagen presented his report on **the Community's environmental policy in relation to the developing countries**. He pointed to the South's environmental problems — deforestation, desertification, the damaging environmental affects of farming, climatic change and the erosion of the ozone layer, the export of hazardous waste to developing countries, and the environmental effects of growing urbanisation — and stressed that they were also the world's problems. If poor countries were to develop at all, they could not simply be told they had to become environment-friendly; it had to be accepted that for them economic growth was vital. The Rio Conference should come up with binding environmental agreements. Community producers with branches in the developing countries should observe the same standards there as at home. Programme cost-accounting must include an assessment of environmental costs. Population growth was a problem too, and should be addressed by improving education.

Mr Matutes admitted that, hitherto, development and the environment had been seen as contradictory, but the latest Lomé Convention now recognised the need for environmental impact assessment of all programmes. However, he said, the developing countries would also have to play their part in protecting the environment. As the Commission worked with them in a spirit of dialogue and respect for sovereignty, it could not take unilateral action. He agreed that the rise in world population, from 5 billion now to an expected 8.5 billion in 50 years' time, was the greatest threat the world had ever seen.

Parliament resumed its debate after the midday break with a report on **the situation of women and children in the developing countries** introduced by *Dacia Valent*, of the European Unitarian Left (EUL) group. She said 130 million children in the least developed countries had never been to school, while 150 million would die from disease, malnutrition or exploitation and 10 million were likely to be infected with the HIV virus before the end of the century. More and more women in developing countries were being forced into prostitution. Development plans for women should therefore give attention to education,

vocational training, family planning and agriculture. Resources obtained by the sexual exploitation of women and children should be confiscated by law. Mrs Valent called on developing countries' governments to draw up family planning programmes involving women in the decision-making.

Yves Fremion-Danet of the Green group said women in the Third World had no access to property, credit or training and he thought the Community had no real strategy on this issue. He argued for a ban on advertising for sexual tourism and on goods manufactured by children. Speaking for the Commission, its Vice-President *Manuel Marin* reminded Members that Lomé IV addressed the issue of women's participation in development. It was culturally difficult, he said, to make recipient countries aware of birth control needs and methods.

Moving on to **the role of the NGOs in development cooperation**, *Luciano Vecchi* (EUL), a former development worker, paid tribute to the vital part they play in distributing food aid and developing small-scale projects. *Michael McGowan*, a Socialist, said they were often the best informed as to developing countries' needs. Both called for more systematic commitment to NGOs' work from the European Community. *François Guillaume* (EDA) praised the altruism of many NGOs but warned that some were politically motivated or just money-making concerns. Socialist MEP *Marijke Van Hemeldonck* agreed that some NGOs had disguised political, cultural or military agendas which prevented local initiatives getting off the ground and so were counter-productive.

Mr Marin for the Commission agreed that NGO aid projects were usually very effective, though some organisations needed to become more professional. A way of cutting down on time-consuming bureaucracy would be to make EC support programmes multiannual, thus removing the need for repeated annual negotiations. The NGOs concerned could then work more flexibly. But they would have to fit in with the EC's new strategy that development must be linked to democracy and human rights.

Presenting his report on **ways to achieve food security**, Socialist Member *Terence Wynn* called for the Community's 1986 Regulation on food aid to be amended to

allow decisions to be taken much more quickly. Nor should developing countries be required to buy food from the Community's agricultural surpluses. Mr Marín promised action to make the food aid Regulation more flexible; the sad truth, he said, was that more and more developing countries now needed emergency aid. In the longer term, rural development was the key to food security.

A plea for a reshaping of the world economic order then came in the form of a report on the new global partnership. The rapporteur, Socialist Member *Henri Saby*, alluded with disappointment to the very small number of Members present in the House for a discussion vital to the future of the world. He described the transfer of resources from the poor to the rich countries as an 'absolute racket': at a time when 100 million people in the world were dying of hunger and more than a billion were below the poverty threshold, markets were fixed by the North to its own advantage, GATT prevented nations from producing and trading and terms of trade were constantly deteriorating. The Community must give new hope to the world.

Endorsing these points, Socialist MEP *Sotiris Kostopoulos* said that ruthless worldwide competition for resources had actually widened the North-South gap, and developing countries could not afford to send powerful lobbyists into capitalism's corridors of power to try to redress the balance.

The co-president of the ACP-EEC Joint Assembly, *Maria Luisa Cassanmagnago Cerretti* (EPP), said that people, not money, must be at the centre of the EC's development policy. The Third World's plight was a human and cultural tragedy, not just an economic disaster. Stock exchanges in London and New York, she believed, could not go on fixing raw material prices without regard to the effects on the people in the developing countries who had to bear the burden of unstable prices and market distortion. She had just asked Japan to attend the next Joint Assembly, as solidarity with the Third World was a matter for the whole world, not just for Europe.

Other MEPs made a variety of points from the floor. The North's pattern of economic growth could not serve as a model of sustainable development else-

where, as the industrial countries' prosperity was based on other's poverty; the developing countries must therefore not be sold the mirage of the consumer society as their own future. As for the rich countries, they had to accept that there was only one world, and that everyone would sink or swim together.

Replying once again for the Commission, Manuel Marín said the only answer he could give to Parliament's ideas was 'Amen'. A new world partnership must reflect the growing interdependence of the world's nations and the emerging consensus on the need to cope with the proliferation of drug abuse and crime,



Socialist MEP Henri Saby introduced the keynote report on the new global partnership. The Community, he said, must give new hope to the world

environmental threats and new epidemics. Development policies in the post-colonial period had perhaps been based on guilt, Mr Marín thought, but there was still a place for the noble aspects of a concern among the powerful for the weak, as exemplified in a phrase attributed to the Roman Emperor Hadrian in a novel by the French writer Marguerite Yourcenar: you cannot live a decent life next to people living in abject poverty.

Parliament's far-reaching resolution on the Saby report contained a series of proposals which, if the Council of Minis-

ters were to adopt them, would help to radically reshape the world's North-South relationship. The text asked for the EC, the USA and Japan to call an international conference under UN auspices to find ways of ensuring that developing countries were guaranteed a sufficiently high and stable level of revenue from their commodity exports. GATT, the resolution said, should be replaced by a multilateral trade organisation within the UN which would promote sustainable development and environmental protection and show a proper regard for the needs of the developing countries' economies. It favoured further debt cancellations, including cancellation of the debt of the least developed countries; such countries' needs, not geopolitical considerations, should be taken into account. The rules of the World Bank and the IMF should be changed to make it impossible for a single country to block decisions and thus impose criteria for eligibility for loans.

The resolution said thought should be given to the role which the ECU could play as a reserve currency and a force for stability in a new international monetary system, and advocated the setting up of a single UN agency for sustainable development and a court of appeal to act as the conscience of the world's peoples in cases of serious violations of international agreements. As for the EC, Parliament said a purely sectoral development policy which often conflicted with other Community policies was no longer sufficient; there must be a fully coherent overall action programme.

After discussing the 12 development reports, Parliament adopted a proposal from its Committee on Foreign Affairs and Security for a **European Democracy Initiative**. The rapporteur, *Edward McMillan-Scott* (EPP), suggested that such a fund could provide financial aid to non-governmental organisations and non-profit groups, through the EC budget, to stabilise and reinforce democratic principles in non-EC countries. The aid, to be provided on a non-party basis and primarily through parliamentary institutions, should also serve to assist the development of human rights in such countries and develop the concept of civil society in countries where human rights, multiparty systems, the rule of law and economic freedoms had been lacking. ○

Robert ROWE

Parliamentarians meet developing countries' representatives

The day after the European Parliament's debate on development, its Committee on Development and Cooperation met to exchange views with representatives of the Member States' national parliaments and the developing countries' ambassadors to the EC.

Aid to the developing and the Eastern European countries, speakers noted, was complementary, not in competition. The Dutch Parliament took the view that priority should go to the developing countries, as their development was of vital importance to the whole world. There was a need for better coordination between the Member States, the EC and UN agencies. *Anne-Marie Lizin*, of the Belgian Parliament's Foreign Relations Committee, suggested that national parliaments might set up a mechanism for taking concerted action.

From the chair, *Henri Saby* reiterated a point made in the plenary sitting, that EC development policy was inseparable from its foreign and security policy. He welcomed the closer cooperation now taking place between Commission delegates and Member States' ambassadors in the developing countries.

Another speaker from the previous day, *Michael McGowan*, said that some Member States were using the democracy string attached to development aid as a pretext for not pulling their weight. As to the type of democracy to be set up, that should be up to the EC's developing partners themselves to decide: it need not be a multi-party system, as more parties did not always mean more food, more houses or better prices for primary products.

The Portuguese Parliament's representative thought that devising rules to strengthen market economies in the developing countries, so that entrepreneurs could flourish, was more important than distributing a percentage of the rich countries' GNP through heavy-handed state bureaucracies. *Janey Buchan* retorted that one had only to look at Poland and Czechoslovakia to

see that the market economy was no solution to developing countries' problems.

Maxime Verhagen said that it was easier for a neutral EC than for certain Member States with a colonial history to insist on a link between human rights and development cooperation, so perhaps such cooperation should be left entirely to the EC — certainly the whole debt issue should be a matter only for the EC.

The Chilean Ambassador announced that Latin-American countries had put a proposal to the EC for triangular trade, asking it to help developing countries trade with Eastern Europe in the interests of all.

The Ambassador of Rwanda said that democratisation in developing countries was very precarious unless it went hand in hand with social and economic development. Aid should not be scattered among too many NGOs at the expense of large-scale national plans. Nigeria's Ambassador felt there should be no linkage between human rights and development aid — whatever system of government it had, a country that could not feed itself would face a revolution, and that would be the end of all human rights. African countries had had their own forms of democracy before the Europeans came, he said, so it was not

up to outsiders to prescribe political pluralism.

The Congolese Ambassador said that blanket economic prescriptions of the type handed down by the World Bank and the IMF were unsuitable for many countries; development programmes must be specially tailored for each country. The business sector in the Congo, for example, had been destroyed; it needed seed capital for local entrepreneurs, not a reappearance of the multinationals with interests and targets opposed to those of the country.

The Ambassador of Cameroon agreed that local populations must be consulted on the type of aid they needed. In her country, for example, NGO's played a precious role, but in isolated rural areas they were perceived as charities and local people were discouraged from making their own efforts. Perhaps local NGO's should be encouraged to emerge. On encouraging birth control, the Ambassador said that in many developing countries, because of the high infant mortality rate, children were seen as a blessing and parents wanted as many as possible. Instead of stressing contraception, aid donors should help women feed and raise all the children they had, whereupon they would themselves think of limiting their families.



EUROPEAN PARLIAMENT

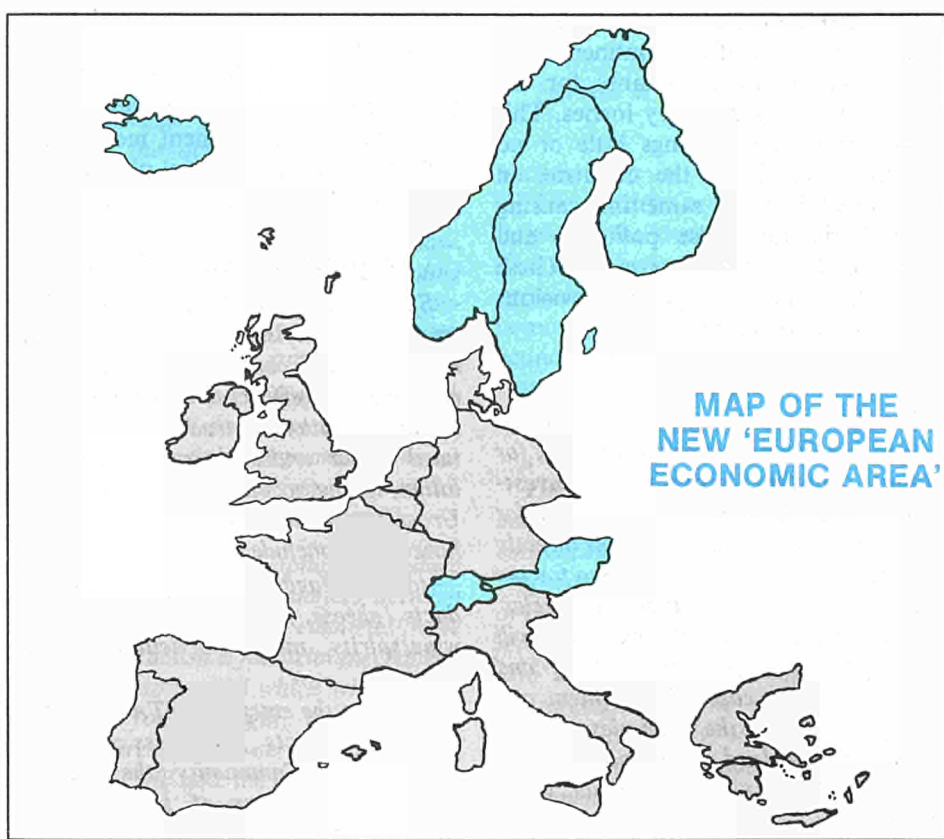
Diplomats from the developing countries listened with interest to European and national MPs' views on development policy

The European Economic Area

At a formal ceremony held in Oporto, Portugal, on 2 May 1992, the European Community and its Member States, and the EFTA countries (Austria, Finland, Iceland, Liechtenstein, Norway, Sweden and Switzerland) signed the Agreement on the European Economic Area (EEA). It now goes to the various Parliaments (EC and EFTA) for ratification, and it is hoped that this process will be completed by the beginning of 1993.

The aim of the Agreement, according to the official press communiqué issued after the ceremony, 'is to establish a dynamic and homogenous integrated structure based on common rules and equal conditions of competition and equipped with the means, including the judicial means, necessary for its implementation'.

In this article, we reproduce the main features of the agreement, as set out in the communiqué, and offer a commentary on this latest step in the European integration process.



The Agreement will make it possible to realise within the EEA the free movement of goods, persons, services and capital (the 'four freedoms') on the basis of the European Community's existing legislation as it has evolved over the past thirty years, subject to a few exceptions and transitional periods.

These four freedoms were foundation stones of the European Economic Community. Assuming the Treaty on European Union (signed in Maastricht) comes into force, the initials 'EEC' will pass into history, to be replaced by 'EC' (although

'European Community' has already been in *de facto* use for some time). Thus, as the present Community seeks to cross a new threshold, with closer political integration, the geographical boundaries of European economic integration are also expanding.

Goods

In addition to the total elimination of customs duties already achieved in 1972, the Agreement removes virtually all re-

maintaining obstacles to trade in goods. Particularly worthy of mention are the following:

- the prohibition of any quantitative restrictions and measures having equivalent effect;
- the improvement of rules of origin with a view to introducing 'EEA origin';
- the prevention of any kind of discriminatory practice by commercial state monopolies as between nationals belonging to the EEA as regards the conditions under which goods are procured and marketed;
- the non-applicability — subject to certain conditions — of anti-dumping measures in intra-EEA relations;
- the removal of technical barriers to trade in goods;
- the creation of a common market in public procurement;
- simplified procedures for trade in processed agricultural products.

It is now widely recognised that the abolition of customs duties is not sufficient in itself to guarantee genuinely free trade. Quantitative restrictions (quotas), varying technical and bureaucratic requirements and procurement rules which give preference to national products or enterprises all hinder the free flow of goods. The removal of these impediments should boost trade within the EEA, allowing both EC and EFTA producers to benefit from greater economies of scale. It should also increase competition and thus provide benefits for European consumers.

Persons

The EEA will provide new opportunities for workers and the self-employed. There will be no discrimination on grounds of nationality as regards employment, remuneration or other working conditions. Citizens of EEA countries will be free to move and to seek and hold employment anywhere in the Economic Area. As regards social security, the same rules for coordination of the various national systems will enable all workers, regardless of their EEA country of origin, to enjoy non-discriminatory and uninterrupted social protection. Freedom of establishment is expressly recognised in the Agreement. This means that nationals of any EEA country will have the right to set up businesses, agencies, branches etc. and to pursue activities as self-employed persons anywhere in the EEA. Diplomas and other qualifications will be equally valid throughout the Economic Area, and students will

be encouraged to study, train and carry out research outside of their home country.

These provisions have a political as well as an economic significance in that they relate directly to the citizens of EEA countries. They provide an opportunity for workers and students to widen their horizons and help to reinforce a sense of 'European' identity. They also form an important element in economic integration since labour is one of the principal factors of production. Any programme which sought to achieve economic integration without opening up the vital labour market would be flawed and incomplete.

Services

The Agreement guarantees freedom to provide services on a non-discriminatory basis, since the signatories have committed themselves to treating all EEA nationals in the same manner as their own citizens.

Concerning financial services in particular, the principle of 'single licensing' will apply to credit institutions in the whole of the EEA and the principle of 'home country control' will make the home country responsible for supervising the activities of domestic credit institutions wherever they carry out their activities in the EEA.

The Agreement also contains provisions on the following areas:

- securities trading (to protect the interests of investors, including strict rules on minimum capital and disclosure of information by publicly listed companies);*
- insurance (including life, non-life and motor insurance);*
- telecommunications and audiovisual/information services.*

As regards transport, the provisions of the Agreement are based on the principles of reciprocal and mutual access to the market for contracting parties, more liberalisation of transport services on a multilateral basis, and harmonised technical provisions and working conditions. They cover all modes of transport.

Separate bilateral agreements have been concluded with Austria and Switzerland on road transit. The purpose of these agreements is to strengthen cooperation between the parties and to promote conventional rail transport as well as combined road-rail transport in order to protect the environment and public health, while improving access to the market. In this context, the

parties have defined the number of transits authorised.

The European Economic Community took some time to liberalise the markets in services and indeed, the process is still under way in a number of sectors. Services are a major component in the economies of all EC and EFTA States and the new Agreement means that banks, other financial institutions, the liberal professions etc. can make full use of the European Economic Area.

The transport issue is an important one but it also raises thorny problems. Clearly, freedom of movement for goods and people within the EEA would be undermined if there were restrictions on transport. However, two EFTA countries (Austria and Switzerland) suffer from a certain geographical disadvantage. Located in the heart of the continent, they are transit countries, notably for the passage of goods in heavy lorries. This transit traffic often brings little or no economic benefit to the countries in question while at the same time causing atmospheric and noise pollution and added road infrastructure costs. These factors lie behind the special provisions negotiated in this area.

Capital

The Agreement provides a comprehensive and non-discriminatory framework for capital transfers, cross-border investments, loans etc. It provides not only for the abolition of exchange controls directly affecting capital transfers but also for the abolition of other indirect obstacles. National rules on capital movements will apply equally to foreign residents and nationals. In the case of investment and establishment in the fisheries sector, Norway and Iceland will be permitted to maintain their existing national legislation.

The establishment of free capital movement is fundamental to the successful operation of a single economic area. It is necessary if one wishes to make full use of the other three freedoms. (For example, the right to establish a branch in another country will be meaningless if one is legally prevented from transferring funds to acquire premises).

Competition

The establishment of equal conditions of competition within the Area is a priority objective. This will be attained through inclusion in the Agreement of rules ap-

plicable in the Community and through the introduction of an effective surveillance system under which the EFTA countries will establish a structure similar to that of the Community. In practice, this means the establishment of an EFTA Surveillance Authority, which will be responsible for surveying application of the EEA rules in the EFTA countries, and an EFTA Court which will be responsible for judicial control.

The European Community already has tough competition rules which are designed to prevent anti-competitive agreements among companies, abuses of dominant position by powerful enterprises and state aids which distort the operation of the market. There is also legislation to monitor and, if necessary, vary or prevent large-scale mergers which could reduce competition within the EC. The implementation of similar rules by the EFTA countries, with appropriate surveillance and enforcement mechanisms, will help to ensure a 'level playing field' within the European Economic Area.

Agriculture and fisheries

Specific solutions have been found for agriculture and fisheries. A future developments clause commits the parties to continue their efforts to achieve progressive liberalisation of trade in the agricultural sector under their national legislation, taking account of the results of the Uruguay Round. Bilateral agreements have been concluded;

- to encourage trade in particular products (cheese, fruit and vegetable juices, wine/spirits, meat, horticultural products);*
- to boost the entry to EFTA markets of various products from less developed regions of the Community (the 'cohesion' objective in favour of Mediterranean countries and Ireland).*

The Agreement also contains provisions intended to reduce as much as possible, technical barriers to agricultural trade arising from differing technical regulations on animal and plant health.

Trade in fisheries products will be liberalised, with the immediate abolition or progressive reduction of customs duties on most species by both sides. The issue of access to fisheries resources is the subject of bilateral agreements. Norway and Sweden have granted the Community additional catch possibilities or have consolidated existing ones. The agreement

with Iceland also includes an exchange of quotas.

The special nature of the agriculture and fishing sectors is reflected in the fact that these areas are the subject of specific bilateral agreements. The 'liberal' philosophy which characterises the new relationship as a whole is less evident here but the parties are nevertheless committed to a reduction in trade barriers over a longer timescale. Fishing is a particularly sensitive area, notably for Iceland whose economy largely depends on it, and for Norway and Sweden, and this is why bilateral agreements have been concluded between the Community and these countries.

Other areas

The EEA Agreement provides for cooperation in areas which, at least in part, have an impact on the competitive position of undertakings and which are directly linked to the achievement of the four freedoms. It refers, in this context, to social policy, consumer protection, the environment, statistics and company law. There may also be cooperation regarding the so-called 'flanking' Community policies, which may, for example, take the form of participation by EFTA countries in EC programmes pertaining to research and technological development, education and training, social policy and consumer protection, SMEs, tourism, the audiovisual sector and civil protection.

With the aim of helping to reduce economic and social imbalances between the regions, the EFTA countries have agreed to establish a financial mechanism for a five-year period which will provide assistance for Portugal, the island of Ireland, Greece and certain regions of Spain. This will take the form of soft loans totalling ECU 1500 million and direct grants amounting to ECU 500m. This is in addition to the arrangements already mentioned in the agriculture and fisheries sectors.

The opportunity afforded to EFTA countries to have an input into EC programmes and policies which are less directly related to the 'market', is highly significant. The objective of economic integration in Europe is one which nowadays finds few dissenters. There is, however, some debate — even within the Twelve — about the scale of integration which is desirable. Some would argue that, by keeping the door open to



The EEA Agreement — 'an important element in the new architecture of Europe'

participation in 'flanking' policies, the EFTA countries are signalling a desire to be part of the 'deepening' process as well. This is backed up by the special financial provisions under which the EFTA States commit themselves to help in achieving economic and social cohesion within the Community.

Procedures and institutions

The Agreement establishes a continuous and permanent process of information and consultation during all the stages of the preparation of Community acts. The aim of this is to facilitate the adoption, at EEA level, of new Community legislation. It also lays down rules aimed at the uniform interpretation of the provisions of the Agreement. Finally, it includes rules for surveillance and enforcement, and the settlement of disputes (notably the establishment of the independent EFTA authority and an EFTA Court).

The institutional framework of the EEA Agreement comprises a Council, a Joint Committee, a Joint Parliamentary Committee and a Consultative Committee.

The EEA Council will be the highest political body and will consist of members of the Council of the Community, members of the Commission and one member of the government of each EFTA State. Its role will be to provide political impetus in the implementation of the Agreement and to lay down general guidelines for the Joint Committee.

The Joint Committee, consisting of representatives of the Contracting Parties, will have four principal functions. It will:

- serve as a forum for the exchange of views and information;

- take decisions (in particular concerning the adoption or otherwise of any new Community legislation) and administer the agreement;

- endeavour to ensure the most homogeneous interpretation possible of the Agreement;

- examine and seek solutions to any dispute between Contracting Parties concerning the interpretation or application of the Agreement.

The Joint Parliamentary Committee will have 66 members, 33 from the European Parliament and 33 from the Parliaments of the EFTA countries. Its role will be to contribute to a better understanding between the Community and the EFTA countries and it will be able to express its views in reports or resolutions.

The Consultative Committee will be the forum for contacts between representatives of the social partners.

Those who are knowledgeable about the Lomé Conventions will recognise certain similarities in the institutional structure set up for the EEA. The Community itself has institutional arrangements which are unique in their 'supranational' character and elements of these are now finding their way into the EC's multilateral relationships, particularly with its closest partners.

Looked at more critically, the new structures might be regarded as bureaucratically burdensome — particularly insofar as they supplement existing Community procedures in those areas where the EFTA countries must be consulted. An interesting speculation is whether the Agreement is viewed by the parties as a long-term compact or rather as a bridging mechanism leading to the Community's enlargement. For those EFTA States that have already made formal applications to join the Community, the latter interpretation is presumably correct but there are some EFTA countries whose putative membership is less certain.

Despite this, what is clear is that the Agreement ushers in a new phase in relations between the Community and EFTA and represents, as Jacques Delors put it, an important element in the 'new architecture of Europe'. ○ S.H.

A fresh look at Africa?

Here we go beyond the crisis in African development and society to shed new light on a continent where two thirds of the population were born after decolonisation and have only ever known their countries led by Africans. The under-30s are, overall, better educated than their elders, more urbanised and more knowledgeable about the international scene.

The confidence crisis has been heightened by the poor image put about by the world media — and indeed sometimes projected by Africa itself. All that has been said about the lost decade is surely demotivating. Harping on about catastrophe may well get people moving, but it may also have the opposite effect.

However, some Africans seem to be regaining their self-confidence, thinking of their continent as the prime mover rather than the object of its own development and preferring to take an internalised view rather than copy other people — just one reason why most of the articles in this dossier are by Africans, with Axelle Kabou, for example, wondering what happens when Africans criticise Africa and D. Etounga-Manguelle discussing how Africa can change.

It is dangerous to treat the continent as all of a piece, for there are many different Africas. It is clearly not a famine-stricken continent, for example. Some phenomena, unpleasant though they be, are, mercifully, unequally distributed and not structural.

The reality of Africa is more complex than that and there is often room for hope. Marginalism may be a means of taking up the challenge by triggering initiative.

The economic record is more varied than is often imagined and fortunately does not always reflect decline and drift. The laws of the market are part of the practices of a new generation of leaders now associated with political and economic recovery.

Enterprise is a popular tradition in Africa, as is the market economy. All it needs is a move 'from private survival to collective take-off'. (1) With proper policies and financial support from abroad, any country can take its own

future in hand, provided it does not expect the outside world to do it all. As Issa B.Y. Diallo says, Africans have to wake up to the fact that Africa has to develop itself and not just survive thanks to the outside world.

Signs of recovery are there. The priorities have at last been revised and economic reform is under way. Lastly, it would be wrong to underestimate the potential role of post-apartheid South Africa in the medium term, something which Colin Stoneman and Carol Thompson cover in their 'SADCC: the realistic hope for Southern Africa'.

Bloc-to-bloc ideologies make political reform possible. Diane Senghor discusses one of the consequences of this in her 'Press pluralism in Africa', while Sven Kühn von Burgsdorff looks at 'Consociational democracy — a new concept for Africa?' and Fr Ives Chituba Bantungwa investigates the role of the Church in the democratic process, with particular reference to what has happened in Zambia. The reforms in question here should make for a period of transition for the restructuring of African economies — a subject dealt with in 'Promoting regional cooperation and integration in sud-Saharan Africa'.

The external context may be propitious to trends of this sort, while, on the domestic front, market democracy may halt the spread of predatory practices and the quest for profit with nothing given in return. (2)

Afropessimism is destructive and our African partners' current drive for economic and political reform is to be encouraged, not greeted with polite expectation and resignation or, worse, derision, fear or exclusion. This is the backdrop to Augustine Oyowe's article on 'Africa's population and development, and immigration into Europe'.

M. Kouroum's picture of European civilisation through African eyes and an article on 'Mimicry and self-awareness — politics in Africa as a self-determining phenomenon' round off the dossier. ◯

Dominique DAVID

(1) François Constantin, 'L'Afrique: ajustement et conditionnalité', in L'ordre mondial relâché, sous la Direction de Zaki Laïdi, Presses de la Fondation Nationale des Sciences Politiques, Paris, 1992.

(2) François Constantin, op. cit.

An ECA point of view

— Africans are waking up to the fact that Africa has to develop, not just survive with outside help —

This is a summary of what Issa B.Y. Diallo, UN deputy secretary-general and interim executive secretary of the Economic Commission for Africa, told the 18th meeting of the Conference of African Development and Economic Planning Ministers in Addis Ababa on 20-24 April earlier this year.

Change and challenge

'The world is changing and Africa particularly is changing with it. The most obvious signs of change there at the moment are, basically, that many conflicts in and between States are being settled, notwithstanding the resurgence of others, that a move is being made towards democratic systems of government, largely thanks to the will of the people themselves, and that there is increasing awareness that better inter-African cooperation will speed up economic integration — witness the signing of the charter setting up the African Economic Community at Abuja (Nigeria) on 3 June 1991.

But alas, alongside these changes for the better, Africa as a whole still has a range of (in many cases more acute) internal and external economic problems, which have prevented this region of ours from making any substantial progress. ECA members' GDP only improved by 2.3% overall in 1991, although their populations grew by about 3%. Poor domestic savings combined with dwindling export revenue, the stagnation or decline of net flows of external resources and the burden of debt servicing left very little over to finance development.'

The big challenge for the 1990s, Diallo maintained, is in encouraging economic and social change and promoting regional cooperation in a political, economic and social situation which is constantly changing — and already having noticeable effects in the countries of Africa.

'First of all, these countries are now going to find it much more difficult to get the financial help they need. For a start, the end of the cold war means that economic aid will be granted less in the

light of political or ideological affinity than of sound economic management, including the implementation of political and economic reform. And the attention of Africa's main development partners is being drawn increasingly to other parts of the world, especially Eastern Europe since the Warsaw Pact was dismantled and the countries there began moving towards a market economy.

Secondly, the African countries, rightly, are increasingly aware that sub-regional and regional economic integration is the safest, if not the only way of speeding up the growth and transformation of their economies and, not least, of saving the regions from long-term marginalisation by the trading blocs emerging in other parts of the world.

Thirdly, after three decades during which the UN adopted international development strategies, Africa has looked at its disappointing economic results and realised that it has itself to do most of the work required to meet its growth targets.

The settling of the various political conflicts is an opportunity to channel financial resources away from the military and into development and the recovery and transformation of the socio-economic system.'

A more pertinent framework

The ECA suggests concentrating on:

- helping promote the economic cooperation and integration which are essential if Africa is to make its way in a world economy with powerful economic blocs in other regions;
- making the public sector more efficient at promoting economic development. This is vital, particularly when it comes to economic and social programmes, which are very much the responsibility of the public sector in many countries;
- promoting private initiative and enterprise;
- ensuring the growth and dissemination of science and technology and seeing that they are applied to development;



If the proper policies had been pursued, there could have been surplus agricultural production in Africa



VIVANT UNIVERS

One of things the ECA is concentrating on is promoting women's contribution to development

pointment of poor economic results in the 1980s have combined with military conflict to plunge our region into uncertainty. Can anything in fact be hoped for Africa? It is as well to ask. Take the fighting first of all. Although things are calming down, refugees, drought and the continent's enormous debt suggest the situation is desperate, although it may in fact well not be, given the vast potential of all the human and natural resources, the African Governments' increasingly firm commitment to economic and political reform and the resolute determination of business and people in general to play their part in development to the full.

We are careful not to indulge in what is often called Afropessimism. Our hopes are founded on the whole range of positive changes — and I mentioned them earlier — which Africa has made in its promotion of development policies which ensure growth and equity. Our hopes are founded on the dynamic work of the local NGOs which are doing more and more in the economic, social and political fields. They are founded on the fact that the countries of Africa now realise that democratic policy and rational economic management have to go hand in hand. And they are founded on the Africans' new-found awareness that their continent has to make a success of development and not just survive on hand-outs from the rest of the world. Some of these trends are still in their infancy, obviously, and have to be given time to develop. The responsibility for ensuring that the positive developments fulfil all their promise lies first and foremost with the African people and their leaders, although the international community wants to see things in Africa change and has to do its bit towards that end.

There is an increasing tendency for Africa's development partners to tie their economic assistance to the existence of proper administration — good governance, as they sometimes call it. But the force of the wind of political change is such that the people have turned their hands to it far faster than any donor ever imagined. There is unanimous agreement on the need for democratic systems of government in many African countries. But success, in fact, means that reforms, be they economic or political, have to last, and ensuring that they do means setting up, maintaining and providing proper financing for national institutions.'○

— striking a balance between food production, demographic growth, human establishments and the environment — an essential contribution to handling the critical economic situation which has been Africa's lot since the early 1980s;
 — continuing development focused on man, not just to contribute to the development of human resources in the various sectors, but to meet the essential requirements of the African populations as well;

— transforming and diversifying the socio-economic structures — by definition the key to economic development;
 — promoting the role of women in development.

Keep hoping and encourage cooperation

'The speed of what has often been positive change in Africa and the disap-

Consociational Democracy: a new concept for Africa

by Sven KÜHN VON BURGSDORFF

Models of democratic government based on 'good governance' and 'multi-party systems' do not necessarily provide an appropriate conceptual framework for sub-Saharan African societies. This is the thesis put forward by the author of the following article. From an analysis of the present international environment, prevailing socio-cultural values, the traditional socio-political set-up and the respective colonial histories of African societies, he goes on to suggest an alternative model based on 'consociational democracy'.

The end of the East-West conflict and the sudden breakdown of the socialist experiment in Eastern Europe came as a complete surprise to most foreign policy experts, including those involved in development politics. The wind of change has since been felt in Africa as well, with the legitimacy of autocratic rule and the effectiveness of state-controlled national economies being brought into question.

Most observers agree that in a competitive international economic system, and given the existence of global communications networks which require a high degree of mobility and adaptive capacity, authoritarian rule does not offer an appropriate political solution to the problem of economic underdevelopment. Authoritarian and highly centralised political power structures are not able to cope with sophisticated economic production systems which demand an ability to respond to market trends. Indeed, imagination, flexibility and private initiative, which are the keys to success in a competitive international economy, can hardly thrive in a repressive atmosphere and one must have a supportive legal, administrative and political framework to stimulate dynamic private entrepreneurship at the domestic level.

The question as to which version of political democracy is appropriate to a particular country clearly depends on a number of factors, both exogenous and endogenous. Yet this is something which seems to have been neglected in the current debate on democracy in Africa. The topics currently under discussion seem to centre on two areas, namely 'good governance' and 'a multi-party system'. While the demand for good

governance is essentially concerned with respect for civil rights, political accountability and public transparency, advocates of multi-party systems also point out the comparative advantages of so called 'open societies' in which independent political parties compete for national government.

Both aspects are biased, however, in that they refer to concepts which were of vital importance in making democracy work in Western Europe and North America. As such, they do not necessarily provide an appropriate conceptual framework for the particular situation of sub-Saharan societies. Too much emphasis, for example, is placed on the notion of a functioning 'state' or 'nation-state' and very little consideration is given to concepts of community development.

Recent trends in international development cooperation

International support to Third World governments opting for an authoritarian and non-participatory approach to development is subject to increasingly overt criticism in industrialised societies. A general disbelief in the 'development mindedness' of ruling classes in developing countries and the call for the stimulation of private-sector initiatives are but the most prominent arguments indicating a certain shift in international development politics. The fiction of a strong state and firm government, which has been promoted by its supporters in the industrialised world to guarantee both external and internal stability, is increasingly being questioned.

In the first instance, a number of the ruling elites in developing countries are

— rightly or wrongly — accused of being corrupt and inefficient. This allows some to conclude that the main responsibility for the apparent failure of world-wide development assistance efforts to alleviate poverty rests with developing country governments themselves.

Secondly, countries in the Southern hemisphere, and especially in Africa, are becoming less and less important to the industrialised world. This trend not only holds true for international trade, where the speed of technological change enables industrialised societies to find substitutes for many raw materials and products coming from developing countries, but also for international politics. In an era where the East-West conflict no longer has a central role in structuring international relations and in defining geopolitical spheres of interest, the international significance of developing country governments is inevitably diminished.

The changing international environment contains promising potential for the elaboration of a new set of strategies governing the relationship between donor and recipient countries. As commercial and geopolitical considerations become less important, development-oriented donor governments are likely to be more flexible. Consequently, the role of the government of the recipient country needs to be redefined. In the short run, the focus will still be on poverty relief and the satisfaction of basic needs, but in the longer term it will be centred on institution-building, strengthening of private sector operators, decentralisation of the public sector and promotion of self-help activities.

Socio-political complexity of African societies

Research on the various factors underlying economic development indicates that, as regards such matters as class structure and political organisation, most sub-Saharan societies were traditionally characterised by a relatively low level of socio-cultural complexity. Consequently, the processes leading to political centralisation and the establishment of social hierarchies were very slow-moving in pre-colonial times, as compared, for example, to East Asian societies.

With independence in the 1950s and 1960s, the socio-political complexity of most African societies did not correspond to the size of the states which had been



F. Botts FA

Africa's agrarian tradition has influenced its political evolution

established, in terms either of space or of population. In other words, most African states were and still are 'too big' in relation to the traditional socio-political development level of their respective dominant ethnic groups.

This conclusion can be explained by reference to two principal factors. The first is Africa's agrarian tradition. Nomadic cattle-rearing and shifting cultivation, which were the two essential elements of agricultural production, suggest that in the pre-colonial period the African continent provided sufficient space for its people. The political evolution of the continent appears to have been influenced by this circumstance. The sophisticated administrative systems and strongly hierarchical political structures which are characteristic of state organisations barely evolved, since the struggle for economic resources or geo-strategic locations did not usually end with one ethnic group dominating the others. Africa was quite simply big enough to permit the 'losers' to go somewhere else. As a result, most African groups were not compelled to live together in clearly defined territorial zones, which would have facilitated, if not necessitated, the emergence of more complex systems akin to states.

Colonialism and ethnicity

The second reason can be traced back to colonial rule, during the course of which national boundaries were drawn without taking into account historical local spheres of influence and existing regional and ethnic relationships. The majority of the state structures which emerged under colonial rule had no traditional roots. When independence was granted, most of these artificially built African nations became subject to authoritarian rule. Given the fact that no conflict-solving mechanisms existed at national level, the struggle for dominance by regional or community-based ethnic group leaders could only finally be resolved by the use of force.

The pattern which usually emerged was that of a powerful, ethnically homogenous interest group dominating the national government and controlling the vital productive and financial sectors of the national economy.

Once the issue was decided in favour of one interest group, the regimes in question adhered to strict authoritarian rule. This was regarded by the national elite as the most effective way of ensuring the accumulation of wealth and the mainten-

ance of social status. In recent years, as one commentator puts it, 'intensified insecurity and conflict over dwindling resources have heightened the need to band together with people one can trust. State resources thus became fair game for ethnic groups and extended families to build their own basis of support, through patronage and, sometimes, through outright graft'.⁽¹⁾

Clearly, the interests of local and ethnic communities took precedence over whatever the government might declare as national goals. Consequently, it would not be inaccurate to state that neither colonial rule nor the national governments which followed succeeded in developing a new national identity that could transcend ethnicity and the traditional decision-making system. This means that concepts advocating, for instance, Western-style multi-party systems based on the assumption of effective national governments and functioning nation-states are likely to fail in African societies.

⁽¹⁾ M. Dia: Development and Cultural Values in Sub-Saharan Africa; Finance and Development, December 1991, page 11.

Consociational democracy

What conclusions can be drawn from this analysis in the search for an African path to democracy? In the first place, it is not the illusion of the nation state which deserves foremost attention. The new focus needs to be placed on the region or the community — in other words, the geographic zone populated by a distinct group of people sharing the same socio-cultural values, similar types of economic production and subsistence and adherence to a traditionally embedded system of political self-organisation.

The challenge, therefore, is to promote traditional community structures, private-sector operators and self-help organisations while at the same time strengthening the state in terms of its vital functions such as lawmaking, macroeconomic policy and coordination of sub-systems (such as traffic systems).

As an alternative to the dogmatic proclamation of a multi-party system, there is a different path to democracy available for sub-Saharan Africa which is based on what Canadian political scientists *Almond* and *Verba* called the 'consociational democracy' concept. This term applies to a constitutional structure which is canton-based, as in present-day Switzerland. Although it is a concept which has not yet been tried in an African context, this federalist, 'grassroots' approach seems to correspond well to societies characterised by distinct ethnic cleavages and a fragmented socio-economic structure (ie modern versus traditional values, or the formal sector versus the informal one).

The consociational democracy model is based on two important principles. First, a specific ethnic group enjoys maximum autonomy with respect to its day-to-day affairs — administration, management of core services etc. The direct political responsibility of the people living in one distinct region is confined to that particular area. Secondly, as regards representation at the federal (ie national) level, each ethnic group elects its own delegates or representatives. Matters of nationwide concern are decided at the federal level by the community delegates who make up, so to speak, the national government. However, it is important to emphasise that the community representatives depend directly on and are specifically answerable to their respective electorates. It is

this type of direct representation which is needed to ensure political accountability and transparency vis-à-vis the grassroots.

This model not only enhances the communities' ability to run their own affairs; it also minimises the risk of inter-ethnic conflicts as each group is in charge of its own political, cultural and economic spheres. Put differently, there is very little horizontal communication between different ethnic groups at the grassroots level, while much emphasis is placed on smooth and effective communication along vertical lines — between the people and their political appointees.

At the federal level, a relationship of trust and mutual understanding and a cooperative working atmosphere are essential if consensus is to be achieved on questions of national significance. Ethnological studies show that in traditional African societies people tend to seek unanimity in legal as well as in political matters and to maintain social harmony and mutual understanding. If this precondition proves to be an unrealistic assumption — in other words, if the political leaders of the country are unwilling to cooperate — then not only will consociational democracy fail, but so too will any other system which might be devised.

To sum up, it can be said that, given the characteristics of most sub-Saharan societies, a consociational democracy model would seem to provide an appropriate framework for democratic development. It is a concept which is more likely to exploit the traditional socio-cultural potential of African communities.

Unlike previous attempts to introduce democratic systems in Africa, whether of the 'Westminster' variety or the highly centralised French system, consociational democracy does not need to be forced on existing socio-cultural structures. It is not a matter of 'modernisation' or 'acculturation' but rather of revitalisation and the mobilisation of long-neglected traditional community life, adjusted in the context of today's demands for political stability and accountability.

Lessons for donors

As far as African societies are concerned, accountability of public 'actors'

and transparency of public deeds could be more effectively achieved through a consociational set-up since more emphasis is placed on the notion of the community as the focal point of political, economic and social development.

What could the donor countries do to support a process of democratisation based on this model? First of all, they need to understand the politics of reform in African societies. Since the current political arrangements generally suit those in power, the remedy lies in balancing the existing political pressures, the overall goal being to include both the poor and the disfavoured in political and economic activities. In this context, a number of important aspects need to be taken into account if the policy dialogue and concrete project assistance are to succeed. Support for political reforms needs to be secured by making people aware of their common interests. This can be done by using alliances between the rich and the poor, by recruiting the support of influential interest groups and by encouraging public information.

Secondly, donors could provide technical assistance in key areas, especially institution building at the community level, thereby directing support to both local governmental and non-governmental organisations. There should be a particular focus on the promotion of self-help activities.

Furthermore, technical assistance is needed, among other things, to help establish decentralised political and administrative structures, to introduce an independent public information system (free press etc), to set up a system of public auditing and control and to provide legal advice on the creation of independent judicial bodies.

Looking at these tasks, the conclusion for donors who support the concept of consociational democracy is that they should be engaged in more decentralised cooperation. This type of cooperation, which figures prominently in Lomé IV, has yet to be properly elaborated and introduced into the relationships between donor and recipient countries. Thus, the future of democratisation in Africa is inextricably linked to a transformation in the prevailing structure of international development cooperation ○ S. Kvb

When Africans criticise Africa

by Axelle KABOU (*)

French-speaking sub-Saharan Africa is on the move. Since 1990, vast social movements have emerged through people from in and around the cities who have been hit by the economic crisis going on the march.

Everywhere angry crowds are trying to head off yet another lost decade and set up national conferences, where the problems of talking about the future are heightened by the problem of the past, so scarred with gloom and resentment is the time since independence.

These exercises in catharsis may sometimes be thought to be pointlessly costly, but they are necessary nonetheless. Africa today needs to grasp what has happened to it over the past 30 years. It knows it is condemned to discuss the future and talk about creative plans for a society, civilisation even, in which innovation is bound to be more important than the mirage of catching up with the industrialised nations of today.

But what the people in the streets of Africa want is first and foremost a change in political leadership and structures. They want the right to elect governments and to dislodge them, without violence, if the majority deems them incompetent. They want the right to a means of making an effective contribution to building a genuine democracy. They want, in fact, to see an end to the arbitrariness and authoritarianism which are the stamp of everyday life in most States in post-colonial Africa today.

The African and non-African media have, fortunately, done a lot to spread the image of a rebellious Africa thirsting for freedom. But recent developments on the French-speaking literary scene, although they offer immense hope, are still unfamiliar to the public at large. Yet in this field, possibly more than others, ideas and above all outlooks are on the move.

(*) Writer, sociologist and author of 'Et si l'Afrique refusait le développement?', Editions l'Harmattan, Paris, 1992.

This article deals only with the French-speaking parts of sub-Saharan Africa.

This article describes trends in African thought, outlining the contributions and limitations, without losing sight of the general ideological context in which they occur.

From cultural rehabilitation to a critique of post-colonial ideology

Back in the 1930s, African intellectuals living in Paris took up the ideology of Negritude which the black American and Caribbean school, reacting against colour prejudice, had devised in the 1920s to assert the rich and original black African culture then denied by the white establishment. On the eve of independence, just a few years after the African Culture Society was formed, African intellectuals met successively in Paris and Rome to lay the foundations of a militant African movement taking in things as diverse as political and cultural ideology, sociology, history, education, economics and more.

It was directly aimed at rehabilitating African cultures which the French colonialists declined to recognise and it was to be the basis for a post-colonial ideology dominated by the 'colonial yoke model'.⁽¹⁾ Africa was projected as a

(1) Jean-François Bayart — 'L'Etat en Afrique: la politique du ventre', Paris, Fayard, 1989.



Aftermath of a violent demonstration in Abidjan. 'Everywhere angry crowds are trying to head off yet another lost decade'

victim of history, which was a coherent whole before the slave trade and colonisation brought European intrusion to upset its balance and trigger decline. The fact that the choices made on its territory for the previous four centuries had been those of foreigners, not Africans, made it even less accountable for its history — hence the refusal to shoulder the responsibilities of that period. Hence too the idea that the past entitled Africa to a special place in international society.

In 1960-70, the colonial yoke mode was only rarely held up to question — witness the vast supply of black-consciousness and rehabilitationist literature produced over that period — but from 1970 onwards, a jarring note crept in. The post-colonial African State was ten years old. The euphoria of independence had worn off and there was increasing evidence of the contradictions of single-party systems. The targets were often the critical intellectual élites whose only choice was between being coopted to the single party or going into exile — in the former colonials' country. Writing at this stage, typically, criticised African heads of State. Condemnation of the neo-colonial understanding began even before independence, but it became an everyday exercise in the 1970s, in an intellectual universe dominated by theories of dependence and extroversion and the blame for Africa's not very brilliant situation was put on the 'imperialist lackeys' and their Western accomplices. Then the theory that Africa and the coloniser were jointly responsible came flowing from African pens — a remarkable development in comparison with the previous decade, when every ill was deemed to have sprung from the former coloniser. The record of the first ten years of independence is a mixed one. The élites in power were pilloried, while African societies, the people themselves, were deemed to have the seeds of dynamic societies within them. Rural society especially was seen as housing efficient traditional knowledge which would come into its own in development if it were not generally gagged by authoritarian and predatory policies — a cosmology in which the heart of Africa was beautiful and the heart of Africa was good and only the leaders were bad and corrupted by the West. African societies, as African intellectuals of the period saw them, were made up of watertight social classes with no communication between them.

Effects of the commodity boom

In the 1970s, the African intellectual classes began to interiorise the concept of responsibility, in contrast with the previous decade, but the trend was stifled by the commodity boom — Zaire had its copper boom, Nigeria its oil boom, Côte d'Ivoire its coffee and cocoa boom, Senegal its groundnut boom (despite years of drought) and so on. What this in fact meant was that the post-colonial State had, possibly more than ever before, the means of strengthening its evolutionist strategies and ensuring political longevity by financing the rotation of its 'modern' élites through expanding the civil service, setting up so-called inter-African cooperation organisations, opening State companies and mixed companies and so on.

Everywhere the idea of Africanising the cadres gained ground again, but nationalisation was to the detriment of other Africans this time, and Gabonisation, Cameroonisation, Zairisation and so on were the order of the day. The cultural rehabilitation model swept the economic board from Mali to Zaire, through Gabon and Côte d'Ivoire, to become the watchword of a vast operation in which modern élites took over national wealth. The frontiers left over from the colonial era fulfilled their promise at last and supplied a territorial framework for stockpiling. Cadres were Africanised, as indeed were school syllabuses, and subsequently an attempt was made to produce a black African management theory too.

The modern Africa of the 1970s was happy to consume and spend and waste and run up debts

In the 1970s, African States were convinced that they could manage, probably more so than in the previous decade, despite the already visible cracks in what was only a facade of economic prosperity. The Economic Community of West African States was set up in 1976, but there was no urgency about either integration or democracy. The most fervent supporters of the single parties were mainly recruited from the intellectual classes which had not gone into exile. Authenticity and a return to the past and to the ancestors were even more popular

in Africa now that the West, in the throes of flower power, was praising the idea of going back to nature and proclaiming the death of a consumer society responsible for pollution and environmental destruction. The intellectual élites of Africa reacted by digging up the old back-to-the-village myth of black consciousness, without giving up the advantages of modern society themselves. The fact that the consumer society was first and foremost one of investment and production did not bother anybody. The modern

Faced with what has to be called an all-round disaster, generations which had no experience of colonisation but had borne the brunt of the economic failure of the post-colonial State reacted in two ways. Those, essentially young citizens, who went on the march in Algiers, Bamako, Niamey, Port Gentil, Abidjan and Dakar in October 1988 clearly blamed their leaders and the so-called modern élites for their deteriorating situation. In other words, they interiorised the concept of responsibility, thereby breaking with the



The Courier

'The heart of Africa was beautiful and the heart of Africa was good. Only the leaders were bad and corrupted by the West'

Africa of the 1970s was happy to consume and spend and waste and run up debts.

In complete contrast to the previous decade, 1980-90 were years during which structural adjustment policies sounded the knell of post-colonial States and single-party systems. The record was poor, but there was plenty to learn from it. The African States had applied a whole range of political and economic ideologies, but, after 30 years of independence, they were all, rich and poor alike, the same, with minimally processed commodities dominating exports, stagnating and uncompetitive industries, unproductive small businesses, an overgrown informal sector, production systems persistently ill-adapted to population growth, bad agricultural policies, no tie-up between scientific capital and financial capital, a brain drain, extensive rural depopulation, shanty towns burgeoning on the outskirts of cities, declining middle classes, polarisation and growing antagonism between poor and rich classes, turmoil in the universities, a breakdown of the school system, increasing illiteracy, marginalisation of women and young people and so on.

deep-seated tradition of systematically blaming the colonisers.

This was echoed later in the 1990s in the crisis literature developed by that handful of African intellectuals who not only elected to hold country or, indeed, continent up to question from within, but to do so from top to bottom. Gone was the idea of corrupt leaders on the one hand and innocent masses on the other. Instead, there was a united mass whose social reflexes, habits, behaviour and outlook combined to create and perpetuate a specific state of civilisation, a rationale of obligation.

The dangers of cultural rehabilitation

Contrary to what this might suggest, there has not always been unanimous agreement about rehabilitating African identity or culture. At a fairly early stage, many intellectuals pointed out the dangers of insisting on a special identity and stood apart from Negritude and its various philosophical manifestations.

But it took the decade of structural adjustment and urban riots to produce

hard-hitting African thinking about African attitudes, the false values of Africanity and the dangers of blaming the outside world for everything.

The self-awareness school — Africa seen from within

In 1986, Tudiiane Diakite published a pamphlet holding our everyday inconsistencies up to the light. (2) That same year, Edem Kodjo warned Africans of the danger of rejecting development, although restricting the phenomenon to one or two tiny, marginal groups. (3) Two years later, Alain Hazoume and Edgard Hazoume condemned the 'extraordinary obliviousness' of a 'spineless' Africa disinclined to take clear-cut decisions and take a salutary look at its own roots'. (4) In 1991, the concept of rejecting development spread to the whole of African society. The ideology of the marginalisation of Africa as devised by the post-colonial élites was analysed. At a time when everyone was still in agreement as to the relevance of structural adjustment, Daniel Etounga Manguelle claimed that what Africa in fact needed most was a cultural adjustment programme. As he saw it, the continent's poor economic record was a reflexion of serious cultural shortcomings indicative of anti-evolutionary attitudes unwilling to take on board the notion of permanent change which would make for ongoing adaptation to the demands of the contemporary world. Lastly, Kā Mana, the

(2) Tidiiane Diakite — 'L'Afrique malade d'elle-même', Karthala, Paris, 1986.

(3) Edem Kodjo, 'L'Afrique malade d'elle-même', Stock, Paris, 1986.

(4) Alain Hazoume et Edgard Hazoume, 'Afrique, un avenir en sursis', Editions l'Harmattan, Paris, 1988.

theologian and philosopher, wrote an essay in 1991 wondering whether Africa would die of its inability to tackle its problems lucidly and scientifically. (5) He blamed the myth of the black African identity, frozen, eternal and omnipotent. He suggested:

- sometimes doing away with the West without doing away with Africa;
- sometimes doing away with Africa without doing away with the West;
- sometimes doing away with both;
- sometimes doing away with neither.

He thus reminded African minds petrified in the unbending post-colonial identity that the past alone had never been basis enough for settling the problems of a civilisation and insisted on the inevitable part played by borrowing from other civilisations and on inventiveness in the development of cultures.

There is a generation of Africans in French-speaking Africa today who not only intend to set up a tradition of self-criticism and critical analysis, but to strive to get Africans to take back to themselves the full history of Africa, so as to identify and repair the structural and conceptual shortcomings — which are probably centuries old. The reform of education, and especially the spirit in which education is provided in our countries, is very much to the fore here. Another major concern of these writers is that the fantasy of catching up with the West should give way to projects which take account of Africa's place in the world today and its actual abilities. In other words, Africans must be made to realise that they are condemned either to change or to disappear from the map of a

(5) Kā Mana — 'L'Afrique va-t-elle mourir?', Paris, Editions du Cerf, 1991.

creative, inventive humanity. This sort of argument does not appeal to everyone, of course; in fact it is already getting negative reactions which could well nullify the writers' efforts at righting the situation from within.

The self-awareness school — where will it lead?

If revolution is to be judged by the amount of upheaval it causes, then the efforts of these Africans militating for a change in African outlook will have fallen like bombs on an ideological landscape which is almost pathological in accusing the outside world and complaining of the yoke of colonialism and a Western conspiracy against Africa. This occurs in an intellectual context in which there is no encouragement whatever for introspection and even less for the idea that, in the first and the final analysis, every nation is in charge of its own destiny.

The Africa of emerging democracy, including that now demonstrating against our political tyrants in the streets, still sees itself as a victim of history who will never thrive unless the debts left by the colonial period are paid off. In an atmosphere where the notion of national conferences, sovereign or not, prevails, social criticism rarely goes further than criticism of political leaders. Society, perceived as a group of individuals who interact to create a state of civilisation, is not a concept which is well-received in an intellectual environment in which the prime causes of failure are still almost invariably seen as being abroad.

But the self-awareness school could be a great help with the time-consuming job of regaining our lost historical dignity, neither more nor less.

However, if the writers of this school are to gain credibility once the stage of hard-line diagnosis is past, they must get down to the job of defusing the facile but dangerous criticism (accusations of self-flagellation, anti-black racism by self-oppressed Africans, culturalism, globalism and an attempt to bail out the former coloniser) levelled at them by their detractors, come up with communication strategies, suggest ways of changing the conceptual models used for solving problems in Africa, be familiar with forward-looking studies of the future of Africa, attend serious discussions of the future of Africa as often as possible and — most important of all — carry on writing and bearing witness. ○

A.B.



Young Africans are keen to learn. They must be taught the right things

How can Africa change?

An interview with Daniel Etounga-Manguelle (*)

Of all the continents, Africa has been subject to more outside influences than any other. Certainly, the consequences of such influences have sometimes been irreversible elsewhere. Africa seems to have a destiny which is not of its own choosing, but gives the impression of bowing to it nonetheless.

Development has been the leit-motif of policies implemented in the name of the people for more than three decades now. But the people are disenchanted and the developed countries with them, for the results are neither up to expectations nor a proper reflexion of the sacrifices made to achieve them. Methods are being held up to question and revision and doubt are the order of the day — starting with economic structures and the States themselves. There is no development nowadays without 'structural adjustment', 'democracy' and 'human rights'. Is this a new discovery? Not for everyone.

Consider the starting point and Africa has done well. But consider the potential and the means provided and its development policy looks very much like a failure.



D. Etounga-Manguelle

There are many reasons, some external and some internal, for this conspicuous lack of success. The external causes are of course the ones which the African leaders highlight in their attempts at explaining the crisis, and they are important. But they are not the whole story.

There are also internal causes which seem to be more clearly perceived by the people.

And then there are deeper-seated causes, with material effects, for the policies pursued over the years and they tend to be cultural. If the level of industrialisation is taken, rightly or wrongly, as determining the level of development, is it right to assume that geographical location and mastery of the industrial economy define

the cultural contours of this type of development? This is the subject of a major debate launched by Cameroonian economist Daniel Etounga-Manguelle in a recent book entitled: 'Does Africa need a cultural adjustment programme?' (1) The Courier talked to the author in Abidjan (Côte d'Ivoire), where he heads an engineering consultancy, in February and asked him to explain his ideas.

The starting point must be a simple observation — that the African countries are all in the same economic boat. Whether or not they have resources, real or potential, in oil, farming, finance or anything else, and whether or not they are landlocked or coastal or arid or wet, their development is similar. It is not a question of money, because those countries which contrived to pile up large financial resources at one time or another have

faired no better. So we should look elsewhere, at African culture, and try to understand the non-economic causes of underdevelopment. How does culture affect industrial progress and does Africa have a handicap in comparison to other continents here?

The answer is twofold. First of all, there is indeed a culture barrier in Africa and it is to blame for some of the continent's industrial setbacks because technical development involves having a concept, a way of seeing the world, and having the will to master and transform it. If you accept the world as it is, you sit idle and submit to the divine order of

things. Both these approaches are shaped by culture. The development of technology is tied up with how you see the world and, if it never occurs to you to change things, you will not develop the means or the outlook to bring about change. African farm tools, for example, have changed very little, because it has always been possible to live off traditional agriculture. We Africans are not conquerors at heart and we do not therefore want to develop the means of conquering the world.

However — and this is the second part of the answer — cultural handicap is not an intellectual obstacle. Those who

(*) Mr Etounga-Manguelle, an economist, is President of SADEG-Ingénieurs-Conseils — 01 BP, 1204, Abidjan 01, Côte d'Ivoire.

(1) Editions Nouvelles du Sud, 46, rue Barbès, 94200 Ivry-sur-Seine, France — 1991 — Winner of the European Community's Prix Rencontre.

claimed or still claim that it is, do more for the defence of their own culture than for an objective analysis of the African situation. And they are unaware of the industrial history of other parts of the world as culturally different from the West as Africa is. African society is also more conservative than other societies at different stages in their development, but it is not the conservative, conformist essence of society which is in question here. Look at Japan, for example, and you will see a country which is culturally and religiously highly conservative and which has contrived to achieve powerful industrial development without damage to the essence of its society or culture.

It all points to cultural adaptation and change

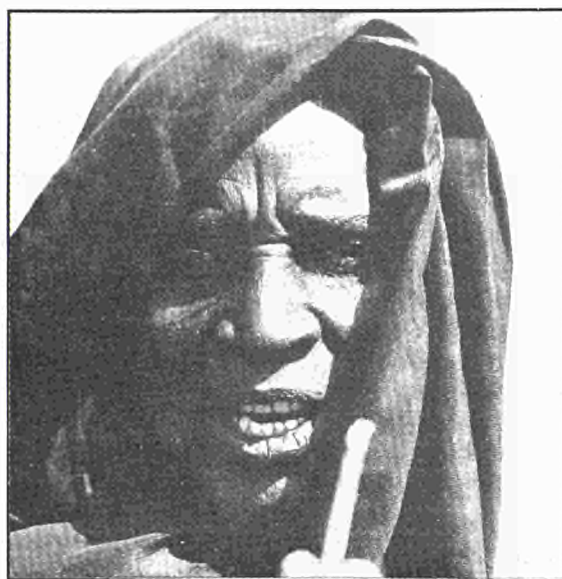
Our problem here in Africa is that this cultural conservatism is working to the detriment of the development of African society in an international context in which both the nature of expansionism and its means of action have changed. Japan would never have been able to take over the world with its culture, but, thanks to industrial and technological power, it can now export its industrial products as easily as its religions and its martial arts, its whole way of life if you like. People are not frightened of the yellow peril any more.

So Africa needs to change its perception of itself and the world and adapt its culture to the contemporary scene, otherwise it will do more to destroy its culture than preserve it. It has not taken on its proper identity, so it cannot develop a blueprint for society whereby it could do as Europe, the USA and Japan have done and start working towards a higher goal. It contains so many contradictory currents that the unity it boasts of is nothing more than a facade. Culture is adjusting to time and to work and Africa has to learn to project itself in time and make a proper job of managing the resources at its disposal.

Obviously, the basic movement which should lead to cultural adjustment has to be encouraged and the encouragement should come from the people responsible for running affairs of State and leading the peoples of Africa. But, since it is a long-term thing, it should, more importantly, come from civil society.

Daniel Etounga Manguelle

L'Afrique a-t-elle besoin d'un programme d'ajustement culturel ?



Editions Nouvelles du Sud

Africa has what it needs to make a success of the change. One of the main assets which the Africans have when it comes to bringing about the cultural revolution which they must undergo is their 'extraordinary plasticity of spirit' (Alassane Ndaw) whereby Africa can cope with anything, be it Islam, Christianity, Marxism, Leninism or even, I suggest, Beninism. It is no longer a case of importing ready-made expressions and serving them up with a tropical sauce to the rhythm of folk dancing and singing. Quite the opposite. We must get to the roots of our usages and customs and cut out the dead wood preventing our societies from moving into the modern

era. This change in outlook is essential to the transfer of technology and we have to make it on our own.

Only if we can get this right will Africa be able both to ensure internal change and to avoid being saddled with an external cultural adjustment programme which, if implemented, would complete the depletion of our mental resources and reduce the extent to which people living on the Black Continent can take themselves in hand. What kind of fresh look should we be taking at Africa? It all depends on how far the Africans' faith in certain ideas can be shaken. ○

L. PAGNI

The role of the Church in the democratisation process in Africa: the Zambian experience

by Fr Ives Chituba BANTUNGWA (*)

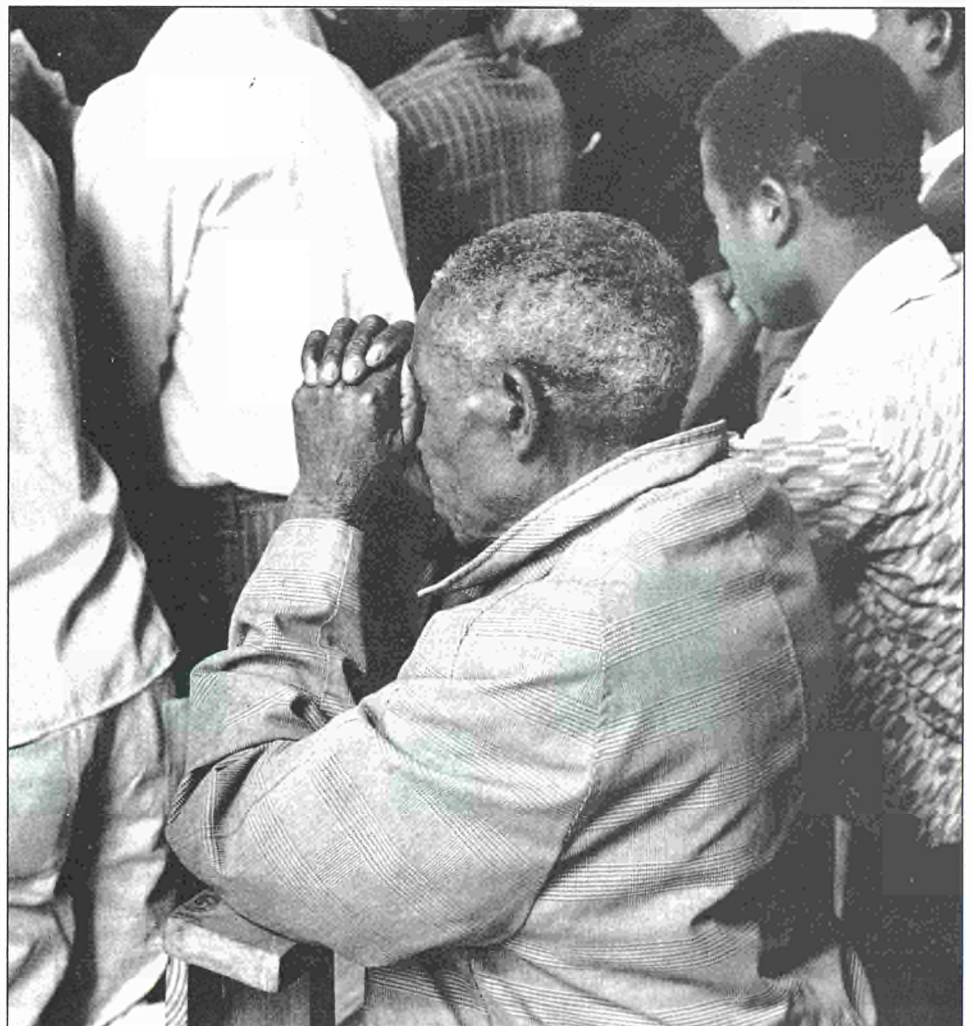
In the words of the Christian Gospel, Jesus Christ said to his followers: 'Render unto Caesar the things that are Caesar's and unto God the things that are God's'. This is interpreted as an injunction to Christians to obey the civil authority under which they live. But if a government oversteps the moral bounds set by the spiritual authority, what attitude are Christ's present-day followers to take? As democratisation gains momentum in developing countries, that question is becoming more and more pressing. In some African countries high-ranking church members have felt it their duty to take a leading role in guiding or organising the

movement for greater democracy, and some have even been detained or expelled for their involvement. In Zambia, where the people recently achieved a peaceful handover of power in free elections, there was firm support for political change from the leaders of the various Christian denominations in that country. They had, of course, to ask themselves what role, if any, the Church should play in the country's political affairs. A leading Zambian churchman discusses that question, describes what action religious leaders took and looks to the future.

The Christian Church is not divorced from the society in which it operates. On the contrary, it is part and parcel of that society. In Zambia the Church has shared and, hopefully, will continue to share the joys and hopes, the sufferings and anxieties of the people of this country and the world at large. As to what role the Church should play in politics, divergent views have been and continue to be expressed.

I see the role of the Church in society basically as expressed by our Lord Jesus Christ in the Gospel of Luke, where He says: 'The Spirit of the Lord has been given to me, for he has anointed me. He has sent me to bring the Good News to the poor, to proclaim liberty to captives, and to the blind new sight, to set the down-trodden free, to proclaim the Lord's year of favour' (Luke 4:18-19). This essentially means that the duty of the Church is to preach Christ in both word and deed, and to foster peace and justice as well as to promote the common good.

While refraining from partisan politics because she has a pastoral ministry to all regardless of political affiliations the Church, I believe, should avoid passivity



*'Lord, Thou art our shelter from age to age.' (Psalm 90)
Worshippers pray in Mzuzu cathedral, Malawi*

(*) Secretary-General of the Catholic Bishops Conference, Zambia, and National Secretary of FODEP (the Foundation for Democratic Process)

DOSSIER

or indifference on the pretext of maintaining neutrality. In the case of political, social or economic oppression she should unhesitatingly exercise her responsibility to 'set the down-trodden free'. God has revealed Himself as the protector and defender of the poor, the powerless and the oppressed. In the Book of Exodus God took a clear and decisive stand: 'I have heard the cry of my people in Egypt... I mean to deliver them' (Exodus 3:7). In matters of this nature the Church has simply no choice but to make a fundamental option for the poor and the oppressed.

From the foregoing it is clear that the prime role of the Church is not to make decisions concerning the type of political system to be adopted in a given country. Yet the Church does have the right to

pass moral judgements even on matters touching political order, especially when basic human rights are at stake.

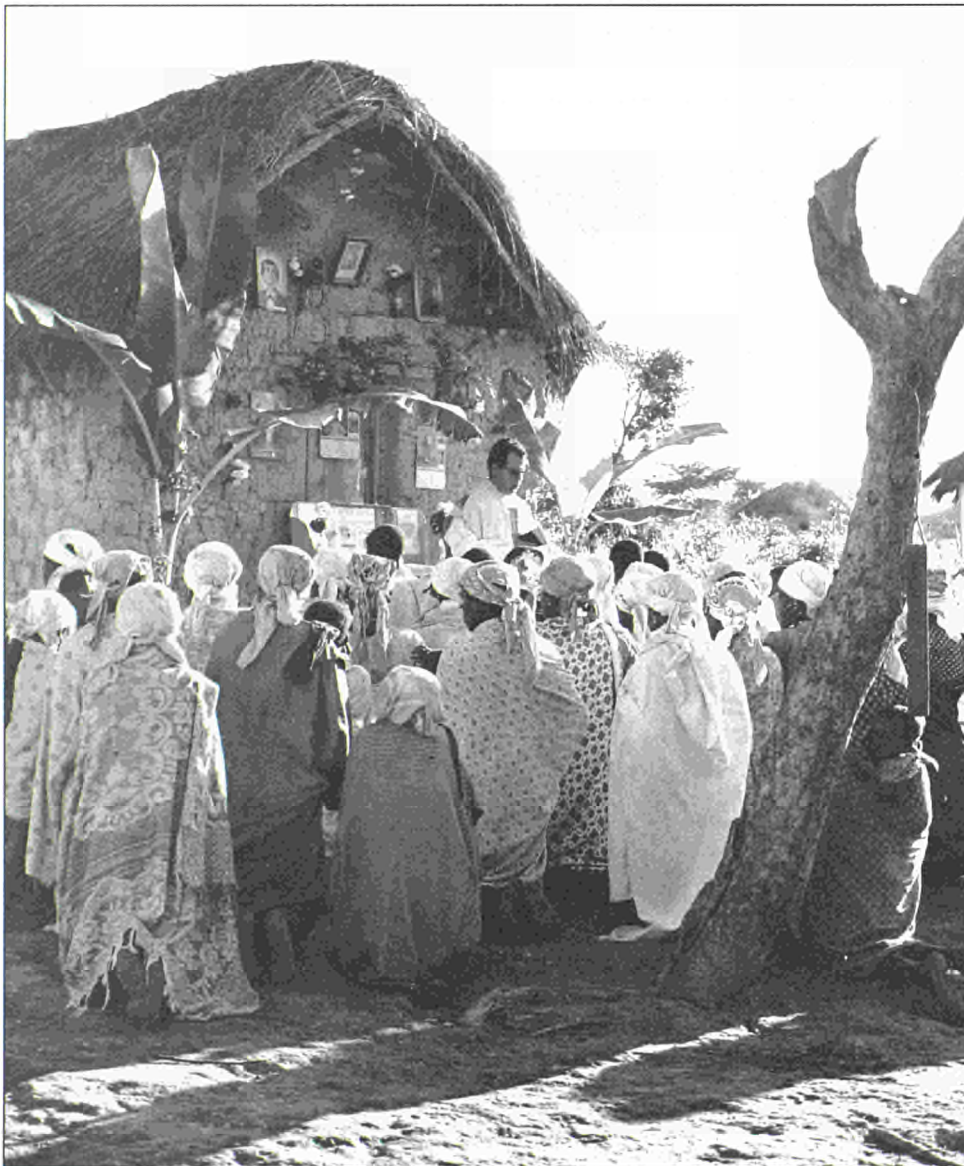
The Christian Church in Zambia has always played a positive and constructive role in local politics. When for example in 1979 the then government of Dr Kenneth Kaunda attempted to impose atheistic 'Scientific Socialism' on the country, Christian Churches strongly opposed the move and the Government had to abandon the idea.

In July 1991 a serious political impasse occurred over the controversial Mvunga Constitution. President Chiluba's Movement for Multi-Party Democracy had serious objections to certain articles in the Constitution perceived as having been tailored to concentrate power in the hands of the then President Kaunda and

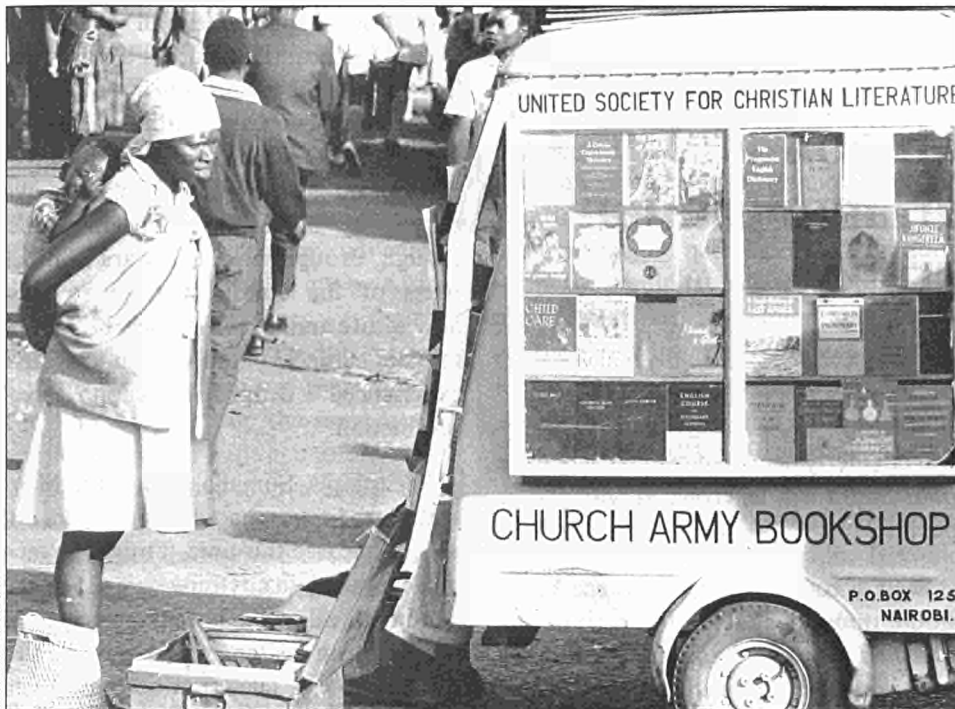
perpetuate his rule. A frightening scenario had been set; the nation was gradually drifting towards civil strife. It was the Christian Churches spearheaded by the Catholic Church which saved the day. Following a flurry of behind-the-scenes diplomacy, reconciliation was achieved between the UNIP government and the MMD at the Cathedral of the Holy Cross in Lusaka on 24th July 1991.

Sensing the tense atmosphere during the period leading to the October presidential and general elections, the three mother bodies, viz the Christian Council of Zambia, the Zambia Episcopal Conference and the Evangelical Fellowship of Zambia, formed the Christian Churches Monitoring Group (CCMG) to ensure that elections were free, fair and honourable. On being joined by other bodies like the Law Association of Zambia, the Press Association of Zambia, the Women's Lobby and UNZASU (University Students Union), the organisation became the Zambia Elections Monitoring Co-ordinating Committee. ZEMCC was non-partisan and intended to objectively observe the campaign environment and the entire process during and after elections. The organisation kept its ears to the ground and had an eagle's eye for such malpractices as intimidation, acts of violence, bribery and vote-rigging.

The Church-dominated ZEMCC quickly swung into action. It called on the citizens of Zambia to pray for peace and God's guidance. A vigorous civic education campaign was mounted. Registered voters were urged to show political maturity by voting responsibly and in accordance with the dictates of their conscience. The organisation made effective use of the national media in urging people to put national interest and the common good before personal gain, power and prestige. The message that multi-party politics, as opposed to one-party rule, meant living in peace with people of different political views and affiliations was beamed over and over again. On polling day (31 October 1991) ZEMCC was able to field 3000 monitors throughout the country. Thanks to this effective mobilisation of monitors and the presence of foreign observers the elections turned out to be one of the cleanest and fairest Zambia and Africa as a whole have experienced. ZEMCC's motto: 'Setting a standard for Africa' had become a reality.



'God has revealed Himself as the protector and defender of the poor, the powerless and the oppressed'
A Catholic church in an African village



A mobile bookshop run by a Christian missionary society in Kenya. The churches in many African countries see educating the people as part of their duty; in Zambia this has included civic education

It has been said in some quarters that, given the fragile nature of national unity in many African countries, a multi-party system of government may encourage destabilisation. There is some truth in the assertion but the situation in Zambia is different. The country boasts several favourable factors. Over the past 27 years of Kaunda rule the country achieved a degree of unity, peace and stability which is unique in Africa and respected throughout the world. The people of Zambia should take credit for their open and frank approach to social and political issues, and especially for their apparent resolve never to betray their national motto of: 'One Zambia One Nation'. Some history is also behind this happy development. Some 60 years ago people from various tribes within the country and from neighbouring countries started trekking to the Copperbelt in search of employment in the developing mines. The cross-cultural contact that ensued and still continues today has helped to build a culture of mutual acceptance. The Copperbelt is the home of some 2 million people, and its influence on the rest of the country is immense.

The former UNIP government of Dr Kaunda must have learned the hard way that the Church just like the Labour Movement are potentially formidable enemies of dictatorial regimes. From July

1990, when the Catholic Bishops issued a pastoral statement entitled 'Economics, Politics and Justice', a number of top UNIP leaders became hostile. They issued threats against the Church accusing it of preaching hate. The former President should have listened to the advice of the Church instead of pitting himself against it.

It is to be hoped that the new MMD government of President Chiluba has taken a leaf from that situation. The Church and the State are neither rivals nor enemies but partners in development. The new government is doing the right thing in consulting the Church on national issues. What still remains to be done, however, is to establish a Church/State Consultative Committee. This will put in place a reliable communication channel between the two institutions, which need to be in contact at all times and not only in times of crisis. It is in this vein that most Christian Churches regretted the lack of consultation and lack of preparation of the nation when on 29 December 1991 President Chiluba suddenly declared Zambia a Christian nation. The unnecessary misinterpretation of the President's intentions that followed could have been avoided had consultations with the Church taken place.

The Christian Church played the midwife at the birth of democracy in this country. Having helped to build an enabling atmosphere that yielded free and fair results reasonably accepted by all, the Church has not folded its arms.

It still feels duty-bound to work for the strengthening of the institutions and operations of democracy. Because of this conviction, the Christian Council of Zambia and the Zambia Episcopal Conference — two powerful Christian bodies in the land — have joined hands with other civic groups and NGOs to form FODEP (Foundation for Democratic Process). By promoting a new political culture of civic responsibility through education about the rights and responsibilities of both leaders and citizens, FODEP hopes to achieve its objectives. The Foundation is keenly interested in monitoring human rights abuses and corruption. It will generally speak out also on issues that may jeopardise the democratic process.

FODEP did just that on 7 March this year following the much publicised and politicised search on 5 March of former President Kaunda's personal belongings. Disturbed by the hostility the event stirred, the Foundation issued a Statement calling for calm. The Organisation was to speak out again on 19 May. Two MMD Cabinet ministers had been manhandled at the funeral of the former MP Shart Banda in Chadiza four days earlier. The flurry of accusations, counter-accusations and irresponsible statements from some MMD and UNIP leaders prompted the statement. The UNIP Party Secretary General, Mr Kebby Musokotwane, was reported to have talked of a 'recipe for bloodshed', while the Minister for Local Government and Housing, Mr Michael Sata, had called for the 'kicking out of UNIP from markets'. As the vanguard of democracy FODEP reminded all political parties to respect elected leaders. Elected leaders were in turn also reminded of their duty to serve all Zambians regardless of political affiliations.

The Church in Zambia has truly tried to be a channel of peace; bringing hope where there was despair, love and understanding where conflict reigned, to paraphrase the prayer of St Francis. I believe it will continue to work for the strengthening of institutions and operations of democracy so that our nation may prosper in peace○ I.C.B.

Africa's population and development, and immigration into Europe

The alarm bell on Africa's population growth rate has been sounding for over twenty years. The Lagos Plan of Action, various reports of the United Nations, seminars and conferences of all sorts have all focused on it as a serious constraint on the continent's economic development. Usually seen as a long-term handicap, the immediacy of the problem is no longer in doubt. If the mega-explosion is yet to come, micro ones are occurring with devastating consequences, sending shockwaves across to Western Europe and other industrialised countries in the form of increased immigration from the continent.

This serves as a warning that, although demographic growth is a worldwide phenomenon, the extremely high rates being registered in sub-Saharan Africa threaten not just the continent's economic survival but also the peace and tranquility of the rich nations.

According to the latest figures issued by the United Nations Fund for Population Activities (UNFPA), Africa's population, which currently stands at 647.5 million, is projected to rise to 1581 million by 2025. With an annual growth rate of 3% (10 million new souls annually as at now for the next twenty years and 15 million thereafter, says the report), the continent's population growth is the fastest 'in human history for an entire region'. By comparison, the populations of Latin America and Asia are growing at 1.4% and 1.8% respectively, while those of Europe and North America are as low as 0.2% and 0.7% respectively. The report estimates that, by 2025, a good proportion, probably one-quarter, of the populations of the industrialised North

will be elderly people of over 60, while the poor South will be crowded with young people.

Seen of course in terms of area, Africa would appear capable of absorbing the expected increases. In reality it is already bursting at the seams under demographic pressure, with tremendous strains on land and water resources.

Only 30% of Africa is arable land. One-quarter of this is under cultivation. If the UNFPA estimates are anything to go by, arable land per rural person currently stands at only 0.4 hectare. This will drop further to 0.29 ha per person by 2025. Indeed 'six African countries — Rwanda, Somalia, Kenya, Burundi, Lesotho and Malawi — will be able to feed less than half of their ultimate populations from their own lands, even using high levels of farm inputs'.

Serious shortfall in food production

The effects of the population pressures are clearly visible: deforestation, overgrazing on marginal lands, desertification, a serious lag in food production (2% annual increase against 3% rate of population growth) and increased migrations, which have resulted in urban populations doubling in two decades — from 14% per annum in 1965 to 28% in 1989. This has brought in its wake serious environmental problems and health hazards, not to mention the rise in crimes.

It must, however, be admitted that this gloomy picture masks some positive developments in recent years in food

production, particularly in West and Central Africa. These areas account for the bulk of the significant improvement in the continent's agricultural output — in the 1991-92 season, for example, cereal production rose by 13.5% and cassava output by 3.3%. At the same time, though, drought and civil wars in other parts of the continent have ravaged agriculture and, in some cases, brought it to a standstill. 25 out of 43 countries have experienced a drop in per capita cereal production.

In Ethiopia, Somalia, Sudan and Mozambique, famine has again broken out and, it is feared this time, it might be on a bigger scale than anything seen yet on the continent. Already, haunting images of people dying of hunger are beginning to reach Western television screens. Even South Africa and Zimbabwe, traditional food exporters, which have been in the throes of drought for some time, are now hit by famine. As aid agencies and international organisations prepare to mount emergency relief operations and begging-bowls go out for public donations in the industrialised world, the question of Africa's development and self-sufficiency in food will again come to the fore. But will the conscience of rich nations be sufficiently pricked to make it a priority?

Africa has traditionally made up its shortfall in food production with imports. Financially broke as a result mainly of the tremendous deterioration in the terms of trade in recent years and with severe drought and civil wars compounding the situation, Africa's dependence on food aid is growing. Feeding rapidly expanding urban populations has become almost impossible.

Poverty

There is of course a correlation between population increase and decline in income per capita. Africa's rapid population growth has resulted in a dramatic fall in the standard of living in recent years. Income per capita fell, on average, by 0.7% per annum between 1986 and 1990 and by 0.9% in 1991. Thus, despite

the overall increase in GNP by 2.3% in 1991, the numbers of people living below the poverty line in the continent have risen significantly — 300m, according to the UNFPA, a very high proportion of the total population. Worse still, unemployment has risen astronomically in the wake of the structural adjustment programmes being carried out by African governments. We are a long way from the assessment made by the International Labour Organisation five years ago that for Africa to keep up the same level of employment as it had then until the year 2000, it would have to create 40 000 new jobs every day. Far fewer than that are being created and more and more young people are expected to join the labour market in the coming years.

On the individual level, the growing number of children per family is clearly placing severe strains on family budgets as inflation, resulting mainly from devaluation of currencies, puts several basic commodities out of reach. There is, as a result, widespread malnutrition, but, beyond that, the negative effects of the impoverishment of the African family on the education of children cannot be underestimated. And this at a time of structural adjustment, when African governments are unable to provide basic amenities in housing, health and education.

Emigration to greener pastures

Because of poverty, civil wars, drought and famine, mass migrations are taking place across the continent and beyond. For large numbers of unemployed and underfed young men and women, Africa has become a living hell, and going elsewhere is the only option, whatever that elsewhere is, so long as the conditions of living are better. It is not surprising that, for historical reasons, proximity and ease of access, the European Community is the most favoured destination with France, the United Kingdom and Germany being the most attractive. What was seen as a trickle a few years ago is turning into a flood. Africans are of course not alone. Immigration from other parts of world, especially from Eastern Europe, is also on the increase.

Although the European Community's frontiers are closing due to the multifarious problems linked to immigration (for example, racial tensions and political extremism, particularly of the right), Africa's deepening economic crisis and continuing demographic growth will ensure that the problem of immigration from the continent will not go away. For every illegal African immigrant sent back at the frontiers, it is estimated that ten more are preparing to make the attempt. Indeed the scenario in a BBC television film a few years ago of an invasion of the European Community by hungry and desperate Africans may not belong entirely to the realm of fiction. It could happen. The film was specifically made to draw attention to Africa's underdevelopment and demographic growth. Frontiers may close, but they can be breached, indeed, can be forced wide open under great pressure.

Apart from the search for minimum conditions of living, the salary obtainable in Europe is a powerful incentive to emigrate. This is sometimes five times what is available at home, a major consideration, particularly for the well educated. An article in *Le Monde*, quoting an OECD report, states that the organisation has calculated that emigrants from around the Senegal Valley living in France, together, earn 'more than twice the budget of Mali, more than five times that of Mauritania, and between 61% and 81% that of Senegal'. The funds emigrants remit home are not only vital to their relatives, they are also important stimuli to the national economy and an important source of foreign exchange.

Emigration thus has its positive side for Africa, but its resultant manpower and 'brain' drain entails serious losses to the continent's development. Often the ablest and brightest, as implied earlier, are among the emigrants.

Inequality in development

Inequality in development no doubt encourages immigration all over the world as has been demonstrated here. Experts have been trumpeting the idea for years that, in order to stem the flow of

migrants, Africa needs to be realistically assisted to develop. It needs to be relieved of its immense debt burden. It needs an equitable world trading system that would guarantee the continent reasonable earnings from its exports. In this regard, the outcome of the GATT negotiations would be crucial. It needs, in the short term, massive injections of funds to carry out effective population control policies, to manage its lands and water resources better (protect the environment and bring marginal lands under productive use) and to educate the growing numbers of young people entering the labour force in skills that would enable them to be self-employed, should it be necessary, in the absence of dynamic private manufacturing sectors. If half the funds being put into Eastern Europe by the Group of Seven is invested in Africa, the continent would be sure to recover.

Urgent need for outside assistance

The factors responsible for Africa's population growth rates are too well known to warrant enumeration here. Suffice to indicate that, among solutions advanced, women's education needs to be emphasised; education not only in literacy but also in teenage pregnancy and birth control practices. The positive, though patchy, results in birth control obtained so far on the continent are attributable directly to women becoming more conscious of the need to have fewer children through contraceptive measures. A mere 14% of fertile women in Africa use contraceptives as against 34% in South Asia, 56% in Latin America and 74% in East Asia. Unless measures are taken to accelerate their use, only 27% of African women will be doing so in the year 2000. It is no use emphasising that improvement in living standards contributes to significant reduction in population growth as has been proved in east and south-east Asia. This is a chicken and egg question for Africa. What is, however, very significant is the acceptance on the political level of the need for effective population control policy. All that is left is for that crucial outside help to arrive. ○

Augustine OYOWE

SADCC — the realistic hope for Southern Africa

by Colin STONEMAN (*) and Carol THOMPSON (**)

With the imminent demise of white minority rule in South Africa, apartheid will be dismantled, and the 'power house' of the region will once again be able to play its natural role in Southern African development. Under the leadership of the 'New South Africa', the other countries will abandon the corrupt, statist, one-party policies which have destroyed most of their economies. Free-market capitalism will replace failed socialist experiments along with the 'Afrikaner socialism' of apartheid, and foreign capital and aid will flow in, as Southern Africa is reintegrated into the world market.

Or at any rate, this is broadly the view of a powerful coalition of interests centred on the US and UK Governments and the international financial institutions (IFI), in particular the World Bank and the IMF.

A less optimistic view foresees the danger of marginalisation of Southern Africa along with the rest of Africa and much of the Third World, when, following the failure of the Uruguay Round of GATT, the world retreats into three large trading blocs — North America, Europe and East Asia. Southern Africa will be forced into its own defensive and protectionist bloc, grateful for what crumbs it can still get from the vestiges of once hopeful (but with hindsight merely cold-war inspired) initiatives like the Lomé accords with the EC.

We will argue that *neither* of these scenarios — which we will refer to as the 'world market' and 'world bloc' models — is desirable; and neither need occur, if development-oriented people at both European and Southern African ends can build a mutually beneficial strategy based on the model that SADCC has been developing, partly with European support, over the last 12 years.

The inheritance

Both the 'world market' and the 'world bloc' models are flawed by ignorance of the history of Southern Africa. The former in particular downplays the role of South African destabilisation in the region's current problems. This programme of brutal intervention was made possible by the US policy of 'constructive engagement' with the death throes of the apartheid regime. Who can now doubt

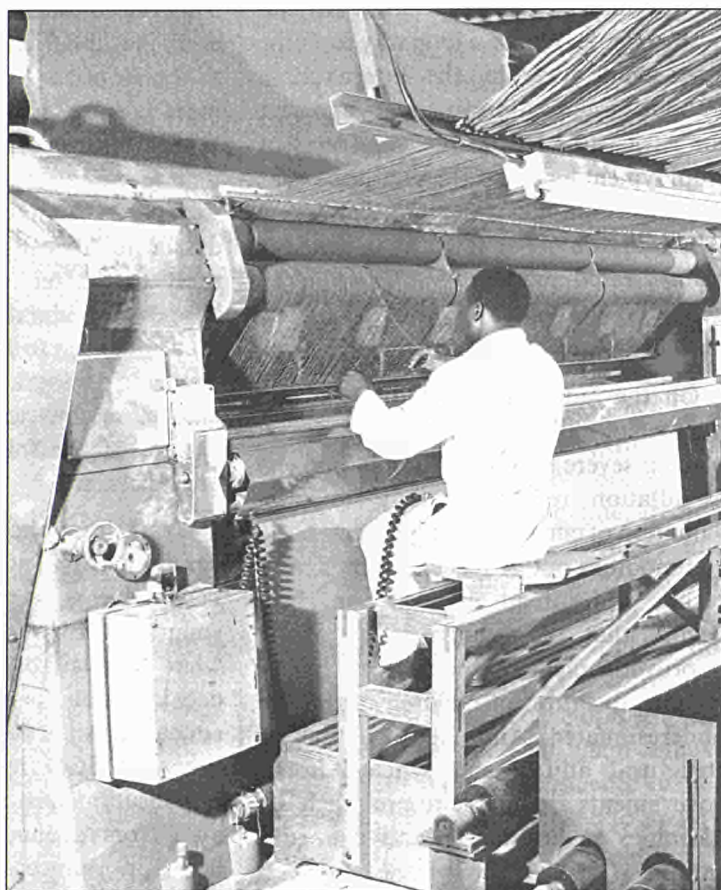
that stronger sanctions, coupled with resolute political opposition from the Western powers, would have forced the regime down its present path years (if not decades) earlier, saving more than a million lives in Angola and Mozambique and avoiding the destruction of two economies and the decimation of several others.

Both models also ignore the real successes achieved by SADCC and some countries of the region *despite* destabilisation. The most spectacular success, that of Botswana's sustained 10% annual growth, depends too much on the abundant diamond resource to provide general lessons, beyond perhaps the importance of sensible planning, including the role of

the state in ensuring Botswana a fair share in the proceeds through the Debswana joint venture with De Beers. More significant, and systematically misrepresented for that reason, is the modest success of Zimbabwe in the 1980s after it withdrew from an IMF programme in 1984 and instituted its own partially planned adjustment to very difficult circumstances.

The lesson from Zimbabwe

Zimbabwe experienced one of the highest economic growth rates in Africa in the 1980s; about 4.2% annually, rising to about 5% after the drought of 1987. This was achieved despite destabilisation, droughts, world recession and breaking



Textile manufacturing in Zimbabwe, which experienced one of the highest economic growth rates in Africa during the 1980s

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(**) University of Southern California, USA.

with both the IMF in 1984 and its main bilateral aid donor, the USA, in 1987. It has nevertheless met all its debt servicing obligations without rescheduling, entailing an annual capital outflow equal to about 5% of GDP.

Although in some respects Zimbabwe has always had 'reformed policy', in that the exchange rate remained realistic and markets continued to operate, it nevertheless retained tight foreign exchange and trade controls, and industry continued to develop behind high protective barriers. Not only did the volume of output of manufacturing industry rise some 35% in the 1980s (it now contributes nearly 30% to GDP), but output diversified and under government incentives became significantly oriented to export markets. Industry earns about 20% of foreign exchange, or 40% including ferro-alloys, steel and cotton-lint. Zimbabwe thus exhibited another example, albeit in a much less favourable environment, of the successful 'NIC' strategy of state-sponsored export promotion in the context of a protected home market.

The colonial model

Zimbabwe's success was only modest, for two reasons: a very unfavourable regional environment and rather poor policy conception and implementation. But the motivation for the policy and its main characteristics derived from a sound analysis, which is applicable also to South Africa, and is even more relevant to other ex-colonies in the region. This analysis departs from the observation that the typical colony was tightly integrated with its imperial power. In other words, a backward, primary commodity producer in a free-trade zone with a more advanced, usually industrial power which exported manufactures to it. Where industry existed (as in India) the outcome was deindustrialisation; where it did not, little if any arose. Only in colonies with local political power was it possible for the state to play a role and introduce policies in the interests of the country rather than the metropole. South Africa clearly had this power and, beginning in the 1920s, developed an industry based on protection and import substitution. The only other regional example is colonial Zimbabwe, where, in 1923, the settlers gained economic power and eventually followed South Africa's example. State initiatives resulted in steel and cotton textile industries, both of

which were successful, and in the UDI period (the unilateral declaration of independence by the settlers in 1965 which caused international sanctions), import substitution reached new levels.

On independence, the new government saw no reason to abandon the successful aspects of an economic policy which had made Zimbabwe the third industrial power in sub-Saharan Africa, with the best balanced economy of all and, despite World Bank expectations, quite efficient industries. Since then, it has been forced into line with the new orthodoxy which sees success as arising from integration into the world market and a minimal role for the state. Our contention is that this recipe represents little more than a 'multilateralisation' (one neo-colony/several metropolises, instead of one colony/one metropole) of the former colonial relationship which prevented development. But even if this argument is rejected, the recipe is nevertheless still only an experiment, with no track record of success. By contrast, the common ingredient in all successful industrialisations, from mid-19th century Germany to late 20th century South Korea, has been an active state role, associated with the protection and nurturing of infant industry. This has usually implied a willingness to ignore contemporary market signals (dictating static comparative advantage) in the face of good evidence of what future markets could become with good planning and the development of local capacity.

In the 1970s and 1980s, many African countries failed in a similar strategy. Most of them were probably too small to provide a realistic hope that such policies would work, many implemented their plans poorly, allowing inefficiency and corruption to eat away the benefits, and all fell victim to the debt crisis caused by the oil price rise and the monetarist remedies imposed by the West, which reduced other primary commodity prices. Such failures (but not the more significant successes) were blamed on state-led infant industry policies as such, so justifying the imposition of the current free-market orthodoxy, which we see as a reversion to the type of policies imperial powers imposed on their colonies.

SADCC

The founding members of SADCC saw their countries' problems in the light of an

analysis similar to the above. Market forces were explicitly seen as inadequate to solve the problems, or as actually harmful. Interventions in the market — by colonial powers and by South Africa, both economically and through destabilisation — had produced inappropriate levels of dependence, which could only be reversed through opposite interventions. This is because markets work through whatever wealth and income distributions — and the resulting patterns of effective demand — they are given (and so ignore people and economies on the fringes of the market).

From its inception, the philosophy of SADCC has contained several ingredients of which three are particularly significant:

- the avoidance of over-ambitious plans dependent on regional bureaucracies;
- the reduction of dependence 'particularly, but not only, on the Republic of South Africa' and;
- the need for coordination rather than competition.

As SADCC Executive Secretary, Dr Simba Makoni stated at a business conference in Harare in February 1988: 'Our approach to increased trade in the region is not based on the orthodox trade liberalisation strategies... we have observed that reduction or even elimination of tariffs and other barriers to trade does not always yield increased trade... for how can tariffs inhibit trade when there is nothing to trade?... the greatest single barrier to trade is lack of production. Hence our motto: *Let production push trade rather than trade pull production*'.

Destabilisation nullified many of SADCC's efforts, but significant progress was nevertheless made in integrating the region's transport and communications networks, with some progress evident in power and water planning, and there was growth of cooperation in other areas such as agricultural research and training, animal disease control and education. Very little progress was made, however, in the coordination of industrial investment, partly because of the lack of external support in this area.

Contrary to many other international organisations and some of its own national governments, the EC has supported SADCC from the start, providing \$192 m over the period 1980-87 (11% of

the total for this period). This support has been through the regional funds of the Lomé Convention, of which all SADCC countries are members.

Other regional organisations

By contrast, the Preferential Trade Area for Eastern and Southern Africa (PTA), despite wider long-term aims, has concentrated on trade promotion through tariff reductions.

The main distinction between the PTA and SADCC, therefore, is that the former is primarily trade-driven while the latter aims first at coordinating production. The PTA has had some success in that its Clearing House is said to be handling about 70% of intra-PTA, and the proportion settled in hard currency has decreased from 87% in 1985 to 47% in 1989. However, despite some successes, intra-PTA trade remains stuck at about 6% of the member countries' total trade and one member country recently cancelled tariff reductions in protest at the growth of non-tariff barriers.

The Southern Africa Customs Union (SACU) has integrated the economies of Botswana, Lesotho and Swaziland with South Africa for over 80 years and Namibia has been a *de facto* member for 60 years (and *de iure* since just after independence). The almost total lack of industry in these countries, and their treatment as little more than suppliers of raw materials and as markets for South African industry, stand in marked contrast to the growth of industry in Zimbabwe.

Scenarios

The market model: Regional integration, with market forces dominant in determining trade and investment flows throughout Southern Africa, including South Africa, is now the outcome favoured by the IFIs and the leading industrial powers. 'Integration' is to be understood to apply internally in this market sense, but it is primarily seen as just a step in the process of integration with the world economy.

Regional trade integration in Southern Africa as a whole would primarily benefit South Africa and leave little room for SADCC's type of development coordination or for national industrialisation strategies. It can by no means be taken for granted that South Africa could become a member of the PTA, but, if it did, it is possible that the whole area's develop-

ment towards a free trade area (let alone a customs union) would actually be slowed, as national governments were driven to defend their economies against its impact. What is more likely is that the weight of EC and IFI aid and the associated conditionality would push in the direction of a narrower, purely Southern African region, integrated around a South African core. This would probably require Europe to grant South Africa at least associate status, although not full Lomé membership. Such a scenario would be opposed by Zimbabwe and other members of SADCC which have realistic hopes of some degree of autonomous development, for the benefits of participation in a wider market would, at best, trickle down in the long run, whilst the consequences of competition causing deindustrialisation would be felt in the short run. There can be little doubt that the present extreme bias and fragility of the Namibian economy, with less than 5% of GDP arising in industry, is a warning of the consequences for small economies of integration with a larger one in the absence of a regional policy or significant compensatory flows (such as through the EC's regional funds).

The SADCC regional coordination model: The SADCC Council of Ministers meeting in February 1991, attended by representatives of the two main South African liberation movements, issued a joint communiqué stating 'Council and the representatives of the liberation movements reaffirmed the position that the current dominance of South Africa over the rest of the region would be both undesirable and unacceptable even with a democratic South Africa as a member of the organisation'. Nelson Mandela and Walter Sisulu of the ANC have supported this view. The latter referred at the SADCC annual meeting in Maputo in January to 'a historic obligation to cooperate with our neighbours... we must reject the... hegemonic principles... of P.W. Botha's Consas, and terms like "regional power", "power house of the region"...'

In fact, after South Africa is free, its economic weight will provide even stronger arguments for the SADCC development coordination approach to the region as a whole. A SADCC with South Africa as a member would have a mechanism for balancing development throughout the region through consensual agreements on priority invest-

ments, first in infrastructure (where national self-interests often coincide), and then in agriculture and industry.

Europe could help to promote such a coordinated development through granting South Africa Lomé membership if it becomes a signatory to the proposed new treaty for a Southern African Development Community. Lomé membership for South Africa would actually benefit other countries in the region as well, for, although the Convention guarantees duty- and levy-free access to ACP countries' manufactured exports, these are in fact seriously restricted at present by the 'rules of origin'. Thus many Zimbabwean and Botswanan manufactures now fail to qualify as they contain too much value added that was added in South Africa before local processing, an exclusion which would fall away once South Africa was also a member. Similar considerations apply to procurement of goods and services within any ACP country for EC-funded projects or programmes.

A wider SADCC model should be beneficial not only to existing SADCC countries but also to South Africa itself, as the regional market would be enlarged by successful industry in a number of areas. Likewise Europe would eventually benefit from the larger market of a successful wider SADCC, linked through a region-to-region agreement, avoiding the stagnation implicit in either a neocolonial relationship or mutually exclusive protectionist markets.

Conclusion

Whichever model or compromise emerges, it remains clear that the message to a free South Africa of the SADCC experience, and especially the Zimbabwe experience inside SADCC, is that sustained development, not simply short-term profit maximisation, is only assured through regional cooperation which addresses the historical inequities of the region. It is furthermore a message close to what the anti-apartheid movement is saying inside South Africa: a century of legislated white privilege and black deprivation must be directly addressed and transformed; they will not disappear with one person-one vote. As SADCC moves towards formalisation of its procedures, its particular relevance to South Africa is that it can draw on twelve years of practice at addressing regional questions, much of it in cooperation with Europe. ○

C.S. & C.T.

Promoting regional cooperation and integration in sub-Saharan Africa

It is now widely recognised that regional cooperation and integration will have a crucial role to play in efforts to improve the economic outlook in Africa. At the Africa Conference held in Maastricht in July 1990, the EC Commission offered to coordinate reflection on an action programme to promote regional cooperation and integration in sub-Saharan Africa.

Regional integration and cooperation are broad subjects, with many ramifications. In recent years considerable work has been done at various levels. Following the signature of the Treaty establishing the Pan-African Economic Community in June 1991, the UN Economic Commission for Africa, the Organisation of African Unity, the African Development Bank and the UN Development Programme have all been preparing the ground for its implementation. In 1990, the World Bank initiated a broad exchange of views on regional cooperation and integration while UNCTAD has also devoted more attention to the subject. In the franc zone countries, detailed work is in progress with a view to reinforcing economic integration, while in Southern and Eastern Africa new possibilities of cooperation with post-apartheid South Africa are being explored. It is noteworthy that the Canadian International Development Agency has recently prepared a policy statement in which regional integration is made the 'lens' through which

Canada views its programming. Recent workshops in Florence and Abidjan have also been devoted to the issue.

It is not by chance that the EC Commission offered to play a coordinating role in this area. The European Community has always attached considerable importance to support for the regional efforts of developing countries. In the case of sub-Saharan Africa, this is reflected in the Lomé Conventions, which have, for more than 15 years, given special emphasis and significant allocations of resources to regional cooperation.

In the following series of articles, prepared by officials of the Development Directorate-General of the EC Commission, the issues of regional cooperation and integration are considered in greater detail. The main article summarises the progress made towards implementing the Africa Conference recommendations and looks at the principal questions which need to be tackled. It draws heavily on the background material of the Florence and Abidjan workshops. In three further texts, we look at specific elements which are significant to a successful regional strategy — non-governmental or private sector involvement, monetary cooperation, and improving trade. Finally, we provide an overview of existing regional organisations operating in sub-Saharan Africa.

The African experience: what went wrong (*)

Ever since the independence era, African countries and leaders have attached great importance to regional cooperation and integration. This led to the creation of numerous regional organisations and bodies. Several have a broad mandate focusing on trade and economic cooperation while others have a narrower remit dealing with a specific sector or theme. Despite some successes, the many regional bodies have made little real progress. Before an action programme to revitalise integration in sub-Saharan Africa can be conceived and launched, it is important to know why past efforts have not produced the desired result. On such a complex subject, one should not

expect to identify a single explanation or cause. Several factors are at work and their interrelations are not fully understood. However, there is broad agreement that the following are some of the main factors:

- economic and trade policies have, by and large, been inward-looking; there has been limited political commitment towards implementation of economic policies that help to expand intra-regional trade;

- while there has been some progress on the reduction of tariffs within regional groupings in sub-Saharan Africa, the situation regarding non-tariff barriers, which place a heavy burden on traders, has not changed much;

- weak monetary management (with the exception of the franc zone countries) and inadequate banking systems, as well as

overvalued exchange rates impose constraints and risks on payments;

- integration has been dominated by governments and government-based institutions; the private sector has not been involved (although private sector elements have engaged in *de facto* integration, outside official channels);

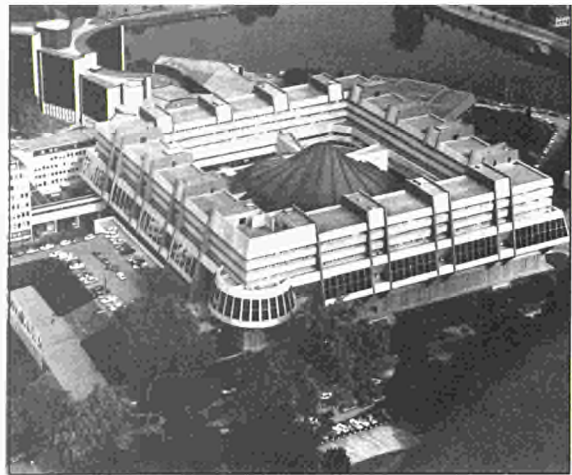
- governments have not shown enough political commitment with respect to the implementation of measures agreed upon;

- the colonial heritage in terms of infrastructure and industry location has not been conducive to intra-regional trade;

- physical conditions (distance etc.) and the weakness of trade support services place a heavy burden on intra-regional trade;

- the organisations set up to foster integration in sub-Saharan Africa are very weak in human and financial resources and there has been a lack of clarity in their mandate; they have had limited capacity to design and implement

(*) This is an abridged version of a paper prepared by the EC Commission which was presented to and discussed by the Second Advisory Committee of the Global Coalition for Africa, meeting in Kampala on 8-9 May 1992.



The European Parliament in Strasbourg. 'Today, the European experience is widely referred to as one of the few examples of sustained integration'

regional policies; in addition disputes between organisations as regards their perceived competence have gradually increased, further undermining their effectiveness.

Emerging consensus

In recent years a global consensus has emerged on the idea that despite all the difficulties encountered, regional cooperation and integration are essential for Africa. In a world with an increasing tendency towards trading blocs and with the declining importance of primary commodities in international trade, the continent has no alternative but to persevere in its long-standing ambition for closer cooperation and integration.

Views differ as to what form this regionalism should take. It is generally admitted that a number of conditions necessary for market integration to yield significant benefits are simply not fulfilled in present-day sub-Saharan Africa. Thus it is often pointed out that the total market size of the area in question is only equivalent to that of Mexico or Belgium, that the region's trade is North/South oriented, that there is a lack of complementarity in production structures or that the initial income levels are too low.

If market integration is considered solely in these terms, the case for supporting regional economic integration may appear weak. But it is clearly inappropriate to judge the utility of cooperation and integration on so narrow a basis. In social, political and, indeed, economic terms, the effects of cooperation and integration extend far beyond static trade gains. Using a more dynamic analysis, one could highlight gains in productivity resulting from increased competition, improved flows of information and therefore of technological know-how, and savings on transaction costs.

Moreover, recent studies undertaken by the International Trade Centre on sub-regional trade promotion in Africa indicate that the potential for intra-African trade expansion is much larger than it appears at first sight. It is estimated that \$4-5 billion worth of sub-Saharan African imports from other regions could be obtained from other countries in the sub-continent which export similar products.

The political arguments are well-known: regional bargaining power is stronger than national bargaining power in international negotiations; regional cooperation can help build confidence among neighbouring countries and prevent the development of animosities. There is little doubt that political stability is one of the most important factors for foreign private investors wishing to invest in sub-Saharan Africa. It has also been said that regional integration, if its benefits are clearly perceived by the populations, can be helpful in allowing the introduction of necessary, but unpopular, policy reforms.

The integration of Europe, which began in the decade after the Second World War, was motivated by both economic and political considerations. On a political level, solidarity was needed to avoid the threat of new conflicts, by incorporating West Germany into a stable framework. On the economic side, Europe had to be reconstructed after the devastation of the war. Today, the European experience is widely referred to as one of the few examples of successful and sustained integration. Even though conditions in Africa do not compare with those which preceded the move towards integration in Europe, the latter's experience illustrates a number of principles which are relevant for any process leading to closer collaboration and interaction among countries.

Peace, stability and growth: Experience has shown that political stability and regional security contribute substantially to the success of economic integration. Likewise, growth and sound national policies are prerequisites for a successful integration process.

Outward-orientation: Regional cooperation and integration should be seen as a step forward towards more production and trade rather than as a defensive mechanism. Experience has

shown that outward-orientation of regional groupings towards third parties fosters competition within the grouping and exposes it as a whole to foreign competition. Past initiatives on integration among developing countries have often emphasised high regional protective barriers in order to promote industrial development. It is now recognised that a more open approach, with only selective protection, is much more promising.

Coordination of macro-economic policies: Special attention needs to be paid to the regional dimension of adjustment and to monetary policy. In coordinating policies, it should be recognised that integration has many facets. An important consideration in this regard is the complementarity between trade promotion and production. Trade promotion alone cannot guarantee sustained expansion of trade over a long period and it should be accompanied by sustained measures to improve productivity and production.

Broad participation: Integration can only be successful if it is based on broad support within the private sector and more generally within society.

Regional policies to ensure equitable distribution of benefits: The benefits of integration or other policy measures are not automatically shared equally among all the partners involved. Typically, partners with more flexibility or immediate potential obtain a larger share of the benefits, at least in the short term. Progress towards integration therefore depends on setting up realistic compensation mechanisms.

Strong and independent institutions: Integration and cooperation policies need to be promoted by an institutional system that can take initiatives with regard to the specific tasks that are allocated to them. This implies security as to resources as well as appropriate mechanisms to ensure accountability, monitoring and transparency.

The principle of subsidiarity: Successful integration and cooperation require a definition of the responsibilities of the different bodies involved. It must be clear what needs to be done at the level of the countries and at the regional level. The principle means that a matter is referred to a higher level only when it can be handled more effectively there. An ex-

The non-governmental force — the motor of integration

A striking feature of regional integration and cooperation initiatives in sub-Saharan Africa is the almost total lack of formal involvement of both foreign and local private social and economic operators. Yet one of the most frequently cited advantages of regional integration is that by widening the market available to producers, it allows them to achieve economies of scale and increase their productivity. This neglect of the role of private initiatives in regional activities is all the more surprising given the importance attached to the issue of stimulating private capital flows to Africa in development circles. In spite of numerous efforts, private investment flows to Africa have all but dried up. Many private investors have pulled out and those that have remained have been highly reluctant to increase their exposure in the region. Although it is recognised that many other matters have to be addressed before this situation can be rectified, regional integration could very well contribute to re-establishing the confidence of offshore investors.

In order to establish more clearly the correlation between regional integration and foreign private investment, an interesting survey was carried out earlier this year⁽¹⁾. The questionnaire was sent to a cross-section of private-sector companies across Europe with interests in the region and 225 companies responded.

The initial analysis of the data provided by the survey leads to a number of interesting conclusions. Firstly, as might be expected, the subject of regional integration and cooperation in sub-Saharan Africa is of great interest to the private sector, particularly larger companies and those in France, Portugal and the United Kingdom. It seems that those companies with strong historical trading links with SSA attach more importance to regional cooperation and integration than those from countries with fewer links. It is noteworthy that the average company in the sample is already operating in no fewer than 10 countries of sub-Saharan Africa.

The results of the survey show that the private sector considers that it would benefit from improved regional cooperation and integration since this would, among other things, lead to freer movement of labour, closer monetary cooperation/improved currency convertibility and greater

⁽¹⁾ The survey was conducted by Gerald Blakey of the West Africa Committee and its results were presented and discussed at the workshop on regional cooperation and integration held in Florence in February, 1992.

regional stability. A large majority of companies stated that a stable, convertible currency would benefit their companies. Good governance and political stability were seen as crucial elements in the decision to invest; over half of the respondents rated political instability as the greatest single disincentive to investment out of ten possible disincentives. Although 65% of the companies considered that the lowering of tariff barriers would only slightly affect their business, or not at all, non-tariff barriers (administrative procedures including import licensing procedures, quantitative restrictions, etc.) raised considerably more concern and appear to be a source of great frustration. The survey confirmed market expansion as a key expected advantage of regionalisation.

In considering the role of non-governmental forces in regional cooperation and integration, it is important to note the dual nature of the private sector in Africa. In parallel with disinvestment in the formal private sector, there has been a noticeable expansion in informal-sector activities, which often transcend boundaries — so much so that the issue of whether, and how, to integrate informal activities into the mainstream regularly features in discussions on regional cooperation and integration.

For some, informal trade is not welfare-enhancing, but a symptom of market distortions which is bound to disappear as the individual countries achieve the objectives of the structural adjustment programmes that they are undergoing. For others, the informal sector is based on the traditional division of labour and specialisation and constitutes a training ground for future formal entrepreneurs which should be actively supported. The true situation lies somewhere in between, and involves trading activities which are the continuation of traditional trading patterns that have existed for centuries. The difficulty is distinguishing between the 'good' informal-sector activities and the 'bad' ones, in order to ensure that dynamic elements of the sector can contribute to collective welfare.

Cooperation between the Chambers of Commerce operating in the different countries of a region could be an effective way of increasing the involvement of the private business community in cross-border activities. The involvement of non-governmental forces should not stop there. Trade unions, farmers' organisations, research institutes, NGOs, consumers' and employers' groups: all these will have a crucial role to play in ensuring that the integration process gathers momentum on a practical level. ○

ample of this might be cross-border environmental issues. Conversely, the actual implementation of regional common policies may be better handled at local or country level.

Variable geometry: All reforms do not interest participating states to the same extent. It is therefore unrealistic to expect them to move at the same pace. Economic

integration should proceed on the basis of progressive steps with self-selection allowing progress among those which have the potential to move more rapidly towards integration. Other members can then join the core group when they are ready. Such 'variable geometry' also helps to avoid a situation where the pace of integration is determined by the slowest member.

Why should the 'new' regionalism succeed?

Once it is admitted that closer regional cooperation is a condition for the development of sub-Saharan Africa in the 1990s, a question which arises is why new regional initiatives should be any more successful than previous ones. To answer this, one should be aware of the fact that

the new regionalism has several advantages which previous attempts did not enjoy.

There is now a more supportive international environment for regional endeavours. The first wave basically went against the prevailing mood and was generally considered to be inimical to the GATT philosophy. Today, even the United States, which is a major advocate of non-discrimination and multilateral liberalisation, is making moves towards regionalism. In addition, the general level of protection in the world economy is considerably lower than in the 1960s and 1970s. Most regional groupings have moved from being defensive and inward-looking to a more outward-looking approach. This reinforces the argument that regionalism can be a complement to, or even a catalyst for, multilateral liberalisation.

Furthermore, most African economies are themselves undergoing an unprecedented transformation, with populations increasingly taking their destiny into their own hands. Another decisive element stems from the intensification of regional links in other parts of the world. This has reinforced the conviction of African leaders that they must unite in order to enable the continent to participate more fully in the new international order.

Above all, this second wave has the advantage of being able to draw lessons from the past, in Africa and elsewhere. Identification of past difficulties is a step towards avoiding them in the future.

Bridging the gap between words and deeds

It has been noted that there is a wide gap between the theory and the practice of regionalism. Since integration is multifaceted, it needs to be approached from a wide variety of angles. The ideas set out below identify three different 'actors', upon whom the success of regional initiatives will depend. Regional cooperation and integration must, of necessity, be the coordinated effort of African governments, African regional institutions and the international donor community. Together, they must create the enabling environment required for the private sector and civil society to participate effectively.

African Governments: The most crucial factor in regional integration and cooperation is a strong and sustained political

Monetary cooperation in Africa

Monetary institutions play a vital role in regional trade and investment. Non-convertible and often overvalued currencies put a heavy burden on commercial transactions between African countries. In some cases, transactions can take place using parallel exchange rates, but there are always additional risks and complications. Use of the official exchange rate often results in delays and involves costly administrative procedures linked to exchange controls. Weak monetary management (with the exception of the franc zone) and inadequate banking systems contribute to maintaining North|South rather than stimulating South|South trade.

Regional payments arrangements and clearing facilities in Africa were intended essentially to circumvent the problems of currency nonconvertibility and foreign exchange shortages. The basic idea of a clearing facility is that, for a group of countries, bilateral transactions should not all be immediately carried out in foreign exchange, but should instead be accumulated over a period. Balances are then worked out and cleared, with only the net amounts being settled in foreign exchange.

The European Payments Union, created in 1950, is considered to have facilitated a quick restoration of convertibility of the European currencies. Although it was wound up in 1959, the Union had lasting effects in the form of continuing close collaboration among central banks. In the ECOWAS region, the West African Clearing House has been operational since 1976. For Eastern and

Southern Africa and the Indian Ocean, the Preferential Trade Area Clearing House was established in 1984. Experience so far with these arrangements has been mixed. In West Africa, the volume of transactions has gone down. At the same time, there has been an increase in delayed payments. Conversely, the PTA Clearing House has functioned well and transactions have increased substantially. But both arrangements face a number of problems such as:

— *the small size of intra-regional trade as against total trade;*

— *the unbalanced nature of intra-regional trade (ie some countries export consistently more within the region than others), which limits the foreign exchange saving;*

— *the complexity of the procedures, which results in long delays and discourages private-sector operators from using the facilities.*

A regional payments arrangement is a step in the direction of monetary harmonisation and, eventually, in the direction of monetary union. There are presently 14 African countries that belong to the French franc zone and a few others that are part of the Rand zone in Southern Africa. Cooperation between countries belonging to a monetary zone with advanced payments arrangements and countries with weak and unstable currencies poses some specific problems. However, both those countries which belong to such a zone and others could benefit from a strengthening of banking and financial institutions.○

commitment in keeping to the agreed regional agenda. This makes African political leaders key figures in cooperation and integration. It is their decisions which will determine the role of regional organisations and institutions, as well as that of the private sector. Likewise, it is their decisions and commitment to succeed which will determine the response of the international community.

Many decisions which could have spurred on the cooperation and integration movement have been taken in the past, but have not been implemented. At the present juncture, when there is in-

tensified interest in promoting regional cooperation and integration, it would be useful to take stock of these decisions and to seek to implement, in order of priority, those measures which could advance the integration process.

Political commitment to cooperation and integration also means taking the necessary steps to establish means for implementing regional policies. Such operational focal points for regional matters could also be charged with ensuring consistency and mutual reinforcement between national development plans and regional objectives. States

should also provide viable regional institutions with the necessary resources and autonomy to undertake the functions assigned to them.

Policy-making at regional level is nearly always a matter of compromising between the perceived needs of different countries. Implementation of policies which are for the good of the whole may involve short-term costs for individual member states. Governments should focus on long-term benefits and objectives and be ready to bear some short-term discomfort. The importance of a workable and realistic mechanism to redistribute the benefits of integration cannot be overemphasised — especially in the case of Africa, which has wide disparities in *per capita* incomes, levels of industrialisation and physical/geographical situations (eg landlocked or island states).

Integration and cooperation should not remain an official affair. The aim should be to improve the standard of living of the largest possible section of the population. Measures taken in this area will inevitably affect the people of Africa, whether or not they are involved in the debate and today, the wind of democratic change which is blowing through the continent is placing production increasingly in the hands of those same people. It should be borne in mind that the reactions of ordinary people to particular measures can be a barometer of their effects, and can therefore have an effect on the level of political commitment.

African leaders are convinced of the crucial role that cooperation and integration will have to play in overcoming development obstacles in the coming years. Are the people, who are the main actors in economic development, convinced? It is surely essential to inform the public regularly on the progress made as well as on major developments concerning regional cooperation and integration.

In order to extend regionalism beyond official circles and to move into a more operational phase, it is also essential to improve the climate for private-sector cross-border activities. Recent studies have shown that non-tariff barriers place constraints on the movement of goods, capital and labour which are far from negligible. Governments must formulate and implement action programmes to dismantle non-tariff barriers whose existence can only be detrimental to re-

gional cooperation and integration efforts.

A particularly severe constraint is the prevailing monetary and financial situation. Although in some areas of Africa, fairly advanced forms of monetary cooperation are already in existence (the franc and rand zones), much remains to be done to improve monetary coordination and ensure efficient ways of settling regional transactions, through the strengthening of the role of commercial banks and clearing mechanisms.

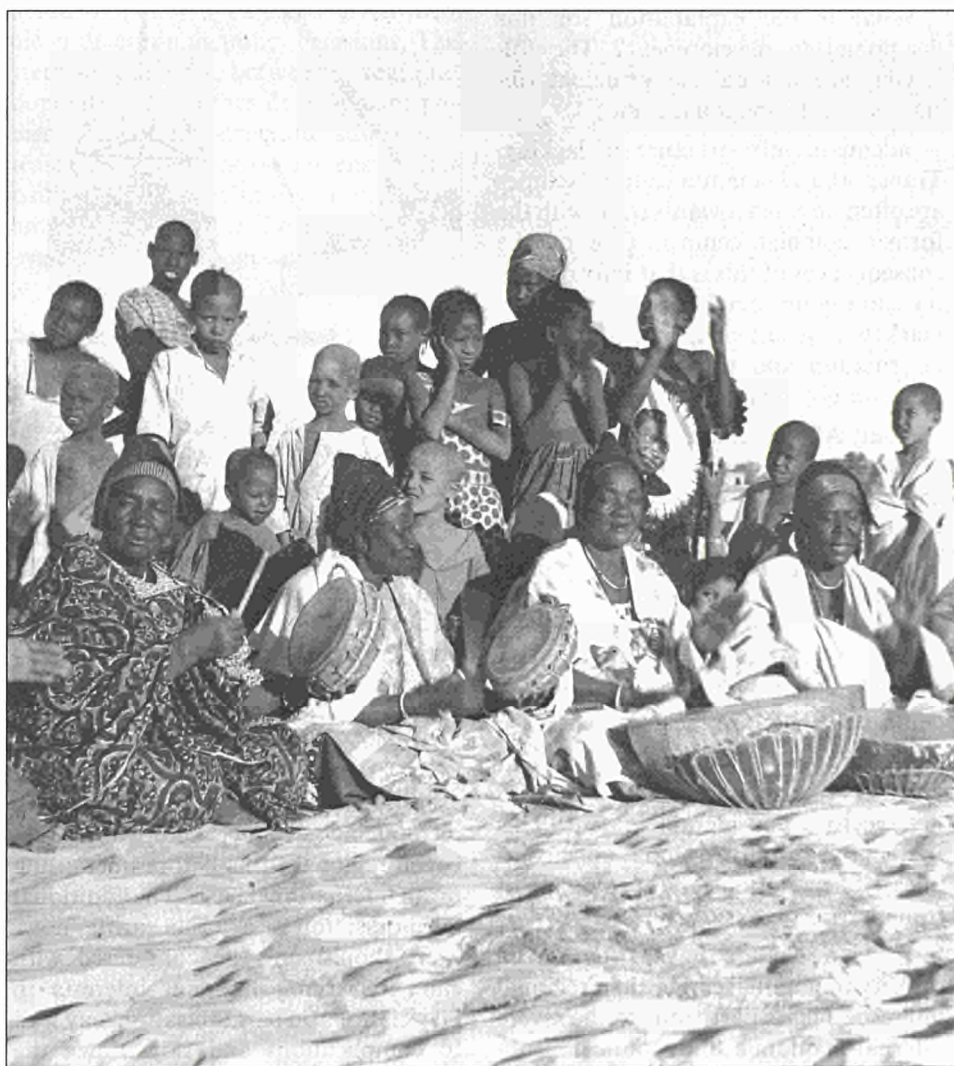
Regional organisations and institutions: There can be no doubt that strong, autonomous institutions play a crucial role in regional cooperation and integration. It is the capacity of such bodies to perceive the interests of the whole, rather than simply those of individual member states which has helped Europe find consensus on some of the most thorny

issues. The first step in strengthening regional institutions and organisations appears to lie in the genuine rationalisation of the present institutional framework with a view to harmonising the activities of the different sub-regional groups.

The 200 regional bodies and entities in sub-Saharan Africa could surely benefit from streamlining in order to ensure that the mandate of each is clear and does not overlap with those of others. Where mandates are similar, all efforts should be made to ensure value-added through coordination, cooperation and/or merging, rather than rivalry and competition for scarce resources.

In clarifying the mandates of the institutions and organisations two aspects should be given particular attention. One is the division of labour between different institutions, the other is

(Cont'd).



'African leaders are convinced of the crucial role of cooperation and integration. Are the people, who are the main actors in economic development, convinced?'

Improving trade between African States

Trade plays a central role in the more advanced stages of economic integration. Many of the regional integration groupings created in Africa in the last 30 years aimed ultimately at creating a free trade area if not a common market. However, development of intra-regional trade flows has been rather disappointing. Intra-African trade as a share of total African trade declined from an average of about 6% in the 1970s to about 4.5% in the 1980s. Intra-regional trade in most of the regional groupings tended not to perform any better, with perhaps the exception of ECOWAS, which displayed more stable internal trade development. The internal trade of the largest regional grouping, the PTA, diminished from 5.6% at the beginning of the 1980s to 4.6% at the end of the decade.

What is the explanation for this disappointing development? The following are among the principal obstacles to intra-regional trade:

- adequate infrastructure is lacking. Transport and communication facilities are often oriented towards trade with the former colonial centres. One of the consequences of this is that information on supplying neighbouring country markets is insufficient and the cost of information and transactions is commensurately high;

- many African countries are exporters of primary commodities and are thus in competition with each other on the world market;

- as a result of these first two points, the most important markets for African products are not to be found in the region. An intra-trade creating effect similar to that experienced in Europe could not, therefore, be expected;

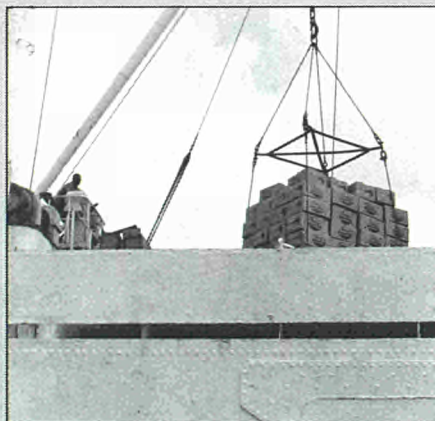
- the national interests of the different members of regional groupings tend to diverge to a considerable extent. This frequently results in long and complicated negotiations on the lowering of trade barriers;

- African leaders have often given priority to national rather than regional interests. This is partly due to the severe internal economic and political problems which these countries have had to address in recent times. This problem

can only partly be overcome by political will, but to a large extent, national economic development and wealth are preconditions for successful regional integration;

- in many African countries, government revenue consists mainly of tariff receipts, as these are the income source which it is easiest to collect. Thus, in order to compensate for state revenues which would be reduced by liberalisation measures, a restructuring of the tax system becomes necessary. This, of course, complicates the liberalisation process and makes governments reluctant to agree;

- the tying of aid, both project and adjustment support, to supplies from donor countries/regions also tends to reduce possibilities for intra-regional trade.



'Obstacles to intra-regional trade'. This cargo, being loaded in an African port, is destined for Europe

This long list of obstacles should not lead to the conclusion that regional trade integration is a hopeless undertaking. However, strategies and expectations need to be adapted better to existing realities.

Preferential trade areas or free trade areas can be a useful first step to introducing stronger competition between regional firms before liberalising on an international basis. The additional harmonisation of external tariffs, however, should only be considered with care. Diverging national interests in negotiations on harmonisation may lead to complications and slow down the whole liberalisation process. In cases where the bulk of external trade is taking

place with third countries rather than within the region, the creation of a customs union may lead to welfare losses because the trade diversion effects exceed the trade creation effects of the union.

The dismantling of tariff and non-tariff barriers to regional trade and factor movements should cover as many goods and services as possible so as to spread the potential gains among the countries concerned and thus reduce the need for compensation. Looking at services in particular, it should be noted that these do not have an important role in existing regional groupings. In the past, this was also true of the European Community. The rapid increase in the 'tradeability' of services seems, in fact, to be a recent phenomenon, facilitated by technological developments and greater mobility of both consumers and producers.

The international discussion on the liberalisation of trade in services, which is taking place in the GATT Uruguay Round, is, in a certain sense, forcing governments to devote some attention to this issue, having hitherto shown little interest in it. African countries cannot afford to be left behind in an era of increasing international cooperation and competition in this sector. Regional integration could, as in the case of goods, represent an intermediate step in facilitating the opening of the sector to international competition.

Integration through liberalisation can best be achieved in the framework of a generally coherent internal economic policy. As has been mentioned above, tax reform might be necessary to establish the precondition for liberalisation. Attention should also be paid to measures to improve trade support services (export credit, the banking system in general, insurance etc.).

Recent approaches designed to relaunch initiatives on regional integration seek to take account of most of the issues mentioned above. An important additional consideration is that conditions in the ACP are different and much more difficult than in Europe. It would therefore be a mistake to try to draw a direct comparison between progress in sub-Saharan Africa and the European Community's own integration process.

ensuring that the institutions have the necessary executive powers. A principle which could help in the division of labour is that of 'subsidiarity', which was referred to previously.

A second crucial step is to ensure that the institutions have enough autonomy and own resources to undertake the tasks assigned to them. Independence implies reduced politicisation in staff recruitment. This will also enhance the credibility of the institutions as arbiters of the 'regional good'. In addition, attention should be given to ensuring the accountability of the institutions.

Regular exchanges of staff and information between the regional and national levels should be encouraged and formalised with a view to making the best possible use of existing expertise on various subjects.

The emphasis placed on strong autonomous institutions should not, however, obscure the fact that institutions and treaties are only means to an end. In the final analysis, cooperation and integration are about practical projects and programmes.

Regional organisations should also look into ways and means of enhancing the political will for regional cooperation and integration. Factors affecting this include the perceived capacity of the regional effort to cater for individual interests, the associated costs, the efficiency of compensation mechanisms, pre-existing relations between participating countries and previous successes (or failures). The institutions can influence several of these factors and in particular the perception by the states of the advantages of integration and of policies to reduce its costs.

Finally, the success of a particular scheme is a function of its ambitions. This basic fact points to a need to formulate realistic, flexible and pragmatic objectives.

The International Community: Even though the success of regional initiatives ultimately hinges on the will of sub-Saharan Africa itself, external support is bound to play an important role. Consistent with the recognition of the power of regionalism as a tool for the sub-continent's economic development, more and more donors are adapting their aid mechanisms to cater for this re-emerging priority. Some are actively exploring new

possibilities for supporting regional activities (eg the World Bank and the ADB). Others already have firmly established procedures (eg the UNDP with its multicountry programmes, the EC through the Lomé Conventions, France, Canada and the Scandinavian countries) and the IMF has acknowledged that there may be room for regionalism. But much more still needs to be done. Most donors are still far better equipped for cooperation with individual states than with groups of countries.

For those donors who have not yet established clearcut procedures it is now imperative to take account of the priority given by Africa itself to regional integration and cooperation in order to ensure effectiveness of the resources deployed. Others need to simplify access to regional resources and examine the consistency of their action at national and regional level.

Action by development partners can help significantly to reduce constraints caused by policy divergence, given their role in determining policy decisions. The interrelationship between regional cooperation and other development policies — especially structural adjustment measures — should be used to ensure that positive measures reinforce, rather than contradict, each other. Current efforts to devise and implement regional adjustment in sub-Saharan Africa should be continued and extended.

Serious consideration should also be given to the budgetary implications of regional integration and cooperation measures. Revenue and expenditure effects should be assessed in order to draw up an implementable strategy.

Donors should, as a matter of principle, avoid supporting projects at national level which hinder the achievement of the objectives of regional projects and programmes. Where efficient producers exist in the region, donors should promote untied aid (eg balance of payments support) and thus avoid diverting demand from the region.

Another important issue which needs more attention is the matter of the high number of regional bodies on the African continent. The survival of a number of regional institutions and organisations is a result of the willingness of donors to finance them. Few of them are self-sustaining. This implies that the rationalisation of the institutional framework is as much a donor coordination problem as

it is a problem of internal coordination on an African level. The donor community should, therefore, seek a coordinated response to Africa's own efforts to rationalise the system.

Other ways of helping the process include the following:

- development and maintenance of regional transport and communications networks;
- enhancing manpower resources through the transfer of know-how (exchange programmes between institutions) and research networking;
- supporting programmes which improve public awareness of regional integration and cooperation (publicity campaigns, information on the benefits of regionalism, compensatory policies to be implemented, etc.);
- removal of barriers to trade;
- support for measures to increase cooperation in monetary and financial services.

The international community should also work towards ensuring that the international trading environment is conducive to the integration and cooperation efforts of African countries. Donors and donor agencies could show their commitment by practising self-denial in requesting or imposing trade regimes which they do not or will not implement in their own countries or regions. In this respect, keeping the requirements of regional cooperation or integration high on the international agenda of trade and financial institutions, in line with the objectives of the Global Coalition for Africa, will be a *sine qua non* of success.

Conclusion

The observations and recommendations outlined above could be expanded and developed in order to move towards a more operational programme of action for the promotion of integration and cooperation, to be placed on the agenda of African and international community leaders, within the framework of the Global Coalition for Africa. In-depth research is already being undertaken on some of the proposals.

Integration is not a panacea. It must be complemented by other elements such as effective human resource development strategies, sound national development policies and more emphasis on international environmental issues and good governance. ○

Overview of organisations for promoting cooperation and integration in sub-Saharan Africa

Pan-African initiatives

The Charter of the *Organisation of African Unity* (OAU) of 1963 was, as the name implies, designed to promote African unity. In 1980, the Lagos Plan of Action was approved, with a view to forming a Pan-African customs union by 1990. The plan was based on ideas developed under the aegis of the United Nations *Economic Commission for Africa* (ECA), which has been one of the most prominent advocates of integration in Africa. More recently, in June 1991, the OAU Heads of State signed a treaty in Abuja (Nigeria) which provides for the creation of a *Pan-African Economic Community* over the next three decades. These initiatives demonstrate, to a certain extent, the recognition by African States that regional integration is an important instrument of development strategy.

Recently, the *African Development Bank* (ADB), which plays an important role in financing and mobilising resources for development in sub-Saharan Africa, has also emerged as a key player in the promotion of regional cooperation and integration

Regional groupings

The largest regional grouping in sub-Saharan Africa is the *Economic Community of West African States* (ECOWAS). This has 16 members, a total population of 179 million and a GDP of \$78 billion (1988). It has a very diverse membership ranging from Nigeria, which accounts for 55% of the population and 60% of GDP, to some of the smallest African countries and economies. In terms of production, some states (notably Côte d'Ivoire), are highly industrialised while others are overwhelmingly dependent on agriculture for their income.

ECOWAS has achieved very modest results despite the fact that this group of countries had one of the best growth performances of all regional groupings before the creation of the union. In fact, ECOWAS was virtually the only grouping for which market size was sufficient for the exploitation of economies of scale and yet, since 1980, GDP has declined considerably. One of the major problems for regional trade has been the interaction between the members of the CFA franc zone and the states which have nonconvertible currencies.

The *Preferential Trade Area* (PTA) for Eastern and Southern African States was established in 1981 and now comprises 16 countries with a total population of 146 million and a GDP of \$33 billion. The PTA includes four of the five most industrialised sub-Saharan African economies, but has a market size which is insufficient for exploitation of economies of scale. Although it is too early to pass a clear judgement on its achievements, there are promising signs in the area of trade liberalisation and facilitation as well as trade financing.

The *Economic Community of Central African States* (ECCAS) comprises ten members and has only existed since 1983. It includes countries which are also members of UDEAC (Union Douanière et Economique de l'Afrique Centrale) and CEPGL (Communauté Economique des Pays des Grands Lacs). Like ECOWAS and PTA, ECCAS has members with widely divergent situations ranging from relatively rich oil-producing countries to least developed ones. The future of ECCAS depends on its capacity to implement compensation mechanisms and on its ability to integrate Zaïre into a system which is basically 'French'.

Sub-regional groupings

The convertibility of the CFA franc seems to have contributed significantly to regional efforts in the *Communauté Economique de l'Afrique de l'Ouest* (CEAO) which was created in 1974 as a reaction to the difficulties surrounding the negotiations for the creation of ECOWAS. The CEAO also has certain other advantages over the other unions which include:

— the long tradition of regional cooperation among its members;

- significant labour and capital mobility;
- a fairly effective compensation mechanism (Fonds de Solidarité).

The economies of scale argument would not be justified for the CEAO, but it does have considerable scope for economic specialisation. In any event, the CEAO has achieved a relatively high degree of integration and is considered to be the most successful grouping in sub-Saharan Africa.

Although the *Union Douanière et Economique de l'Afrique Centrale* (UDEAC) enjoys the same currency convertibility as CEAO, it has had one of the worst performances in terms of intra-regional trade. This is probably due to limited mobility of labour and capital in the area. In addition, UDEAC appears to have an acute problem with sharing out the costs and benefits of integration.

The *Southern African Development Coordination Conference* (SADCC) was set up in 1980 to facilitate coordination of measures that would help the member countries to reduce their dependence on South Africa. Economic cooperation was thus a continuation of successful political cooperation in foreign policy. This may explain the remarkable progress made by SADCC in regional transport and communications. Joint food security efforts have also yielded significant results.

The *Southern Africa Customs Union* (SACU), set-up in 1910, created a free trade area between South Africa, Botswana, Lesotho and Swaziland. The agreement gives South Africa the responsibility for managing tariff receipts. The system is a source of conflict because, although it reduces the administrative burden on the other three countries, it confers powers on Pretoria to redistribute the receipts. In addition, while South African products freely enter the markets of Botswana, Lesotho and Swaziland, access in the other direction is more limited. SACU is, nevertheless, one of the more operational customs unions in sub-Saharan Africa.

The *Indian Ocean Commission* (IOC) comprises five Member States, including France (Réunion) and was founded in 1982. The membership of an industrialised country affects the scope and objectives of the organisation, but it is too early yet to assess its performance as a body for facilitating regional exchange.

The *Communauté Economique des Pays des Grands Lacs* (CEPGL) comprises Zaïre, Rwanda and Burundi. It was founded in 1976 but has had limited results in stimulating intra-union activities.

Sectoral or thematic groupings

The sectoral or thematic approach to regional cooperation has had some success and it is one which is increasingly favoured in sub-Saharan Africa.

The *Comité Permanent Inter-Etats de Lutte contre la Sécheresse dans le Sahel* (CILSS), which is seeking to tackle the problems of drought/desertification in the Sahel, has made remarkable progress in the exchange of information and in collaborating in certain other areas. The concrete and realistic nature of its mandate facilitates its functioning and its capacity to achieve objectives.

The *Intergovernmental Authority on Drought and Development* (IGADD), which was created in 1985, is also receiving increasing recognition due to its capacity to address directly an issue which is of real concern to its members. Its activities are, however, severely constrained owing to war and civil strife in a number of the member countries.

As pointed out earlier, regional cooperation can also be undertaken within groupings which have no permanent institutional form. A case in point is the extension of transport corridors in Eastern Africa. Other examples include cooperation in the area of fisheries, locust control and the control of livestock diseases. ○

MEDIA PLURALISM IN AFRICA

A pledge and an agent of democracy

by Diane SENGHOR (*)

Barely three years ago, the press in French-speaking Africa was a sorry spectacle, a media desert from coast to coast and only one or two oases.

The average was just one daily paper per country, occasionally with a companion weekly, and in some places (Chad and Guinea Bissau) none at all. Print runs, at 5 000-20 000 copies, were pathetic. Things were slightly better in the Maghreb and the English-speaking parts of the continent largely because of higher population densities. Indeed, English-speaking Africa has 78 dailies and 165 periodicals, with Nigeria's 'Daily Times', for example, running to 400 000 copies. But the most important thing in almost every case was that newspapers were State organs and usually run like a government department, sometimes with the Minister of Information as editor and civil servants as journalists. It comes as no surprise that the readers lost interest — even when distribution was free with in the administration — for these papers did no more than reflect the Governments' views and policies. They chronicled their words and deeds.

Sudden explosion

Since the early 1980s, an independent press has mushroomed. It began in Senegal and Benin, it spread and now there are independent newspapers in almost every country. In the Maghreb, for example, Algeria has 14 dailies and 52 weeklies and Tunisia 14 dailies and five weeklies.

But the biggest change is in French-speaking Africa — although of course it had the most ground to make up. Mauritius may pride itself on having the oldest French newspaper in the world, but the former French colonies' tradition of a free press has ended since they became independent. This is in contrast with what happened in the English-

speaking countries where leaders, in Ghana and Nigeria for example, like Gandhi in India, founded their nationalist struggles on a free press, even if they did let it slide afterwards.

In French-speaking Africa, there are many examples of the press having recently burst into life, arousing an unexpected number of readers. By 1990, Senegal had more than a dozen independent newspapers and Benin 20. Mali's 'Les Echos', founded in 1989, had increased its print-run tenfold, from 2000 to 20 000, by the end of 1990, despite the advent of two more independent papers, 'Cauris' and 'Aurore' (which has trebled its sales). And the same goes for Niger's 'Haské', which started up in 1990.

These papers are a vital contribution to the move towards democracy in so many of the countries of Africa today, where, despite harassment, intimidation and even occasional persecution, they have helped set the process up. Benin's 'Gazette du Golfe', followed by other papers, is a fine example. In almost all the French-speaking countries, institutional changes have been preceded by the emergence of a free press. In Mali, 'Les Echos' and 'Aurore' heralded the national conferences. In Togo and Cameroon, 'Le Courrier du Golfe' and 'Le Messager' are still the only vehicles of critical, pluralist expression.

There are partisan papers, of course, but they have so few readers that the people who run them pass on their messages through other people's columns. Most private papers are independent, yet they involve themselves in political discussion, triggering and broadening the debate. First of all — and this is one major reason for their success — they question and investigate the everyday running of national affairs, which can sometimes be a two-edged sword. In December 1990, for example, Babacar Touré, the head of 'Sud-Hebdo' in Senegal, was charged when he pub-

lished an enquiry into corruption in the Supreme Court. His case was dropped and the affair was swept under the carpet, but top officials in Gambia and Zimbabwe have been taken to court.

But government decisions and even development strategies are areas where the independent press is now beginning to have influence. In October 1990, the Malian Government threatened to prevent non-tax-paying parents from enrolling their children in school — and this was shortly before UNICEF held its Children's Summit in New York with Moussa Traoré as one of the vice-presidents — but 'Les Echos' alerted national and international opinion and the decree was not applied. Slowly but surely, the independent press is also shaping and expressing public opinion on social issues and taking a stand on social behaviour, discussing such things as the environment, demography and AIDS — to which 'Les Echos', for example, devoted an article explaining how to use condoms.

These newspapers are the place for political and social ideas long kept hidden. But they are also — and above all — an opportunity to broadcast the opinions of social groups whose concerns even the opposition parties fail to consider. So they maintain a form of pluralism which means far more than even a multiparty system and can thus be a genuine counter-balancing power for society.

Witches round the cradle

But they are already under threat. In Benin, fewer than half a dozen of the original 20 are still coming out on time. Senegal's 'Sud-Hebdo' has had to slim down from 12 pages to eight and 'Wal Fadjri' has gone from magazine to tabloid. Who is threatening them?

Most of the States now proclaim their devotion to pluralism. When their constitutions were adopted, they recognised freedom of opinion and expression (though not always freedom of the press

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Cameroonian censorship hit Douala's 'Le Messenger' and other papers last year, 'suspending' publication for several months

as such), rights enshrined in the African Human Rights Charter to which most of the African nations subscribe.

Some countries (Senegal, Benin and Cape Verde) already have higher communications councils, independent bodies responsible for such things as monitoring the pluralism of the press, be it State or private, and sometimes for settling disputes.

But laws and policy, and the hard facts, can sometimes be worlds apart. It is not so long since the editor of a Nigerian magazine was killed by a parcel bomb. In Kenya, Mr Imanyara, editor of the 'Nairobi Law Monthly', is still in prison

without trial. In Cameroon, 'Messenger' boss Pius N'Jawe only had his passport returned in April 1991 after pressure was brought to bear by the United Nations and he is still under surveillance.

Economic strangulation

The economic threat is more insidious than the threat to the journalists. Papers in the English-speaking parts of Africa are often financed by businessmen from home or abroad (the Aga Khan and Robert Maxwell in Kenya, for example), but the free press in the French-speaking parts tends to be set up by journalists or

cooperatives whose financial problems are worsened by their inability to get any of the dwindling number of bank loans. For neither State nor banks see information as a priority.

One of the biggest items independent papers have to underwrite is production, particularly printing. Few of them have their own print shops and State printers can sometimes be tempted to exert pressure by, say, failing to stick to deadlines, while local private printers may ask too high prices. Niger's 'Haské', for example, finds it cheaper and more reliable to have its printing done in Benin, despite the transport costs.

Also, paper may be rationed. Even when it is available, it is heavily taxed and costs small publications large amounts.

A UNESCO study run in January 1991 at the Institut Panos' request suggests that the alternative would be to set up a purchasing centre for paper and other printing products. And printing could best be done if several independent publications bought and ran a print shop between them. In Senegal, for example, the big four independent newspapers have bought up the Grande Imprimerie Africaine (although it needs to be rehabilitated).

The expense and difficulty of distribution

Distribution by authorised delivery services adds a lot to the costs — ADP in Senegal and Edipress in Côte d'Ivoire, both subsidiaries of NMPP (Nouvelles Messageries de la Presse Parisienne, itself a subsidiary of Hachette), take 35-40% of the cover-price of a paper.

Independent papers sometimes (when not forced to do otherwise) run their own distribution, thus providing earnings for young paper-sellers, who get 10% of the price.

Little advertising revenue

Advertising accounts for as much as 90% of a paper's income in the North, but usually barely 10% in French-speaking Africa. This is because there are not many advertisers (manufacturers of beer, washing powder and cigarettes, plus State companies and private establishments are almost the only ones) and product promotion strategies still make little use of publicity in the press, because economic operators are afraid of compromising themselves if they use what the authorities consider to be critical publications.

Limited income, usually no more than sales receipts, combines with expensive production and distribution costs to make the economic health of the independent paper a problem. Although various States encourage (or tolerate) the free press, they rarely offer the economic incentives that are a feature of some countries in the North. France and Sweden, for example, provide postal concessions and tax exemption and have a loan fund to help with the modernisation of small papers. This is vital to the development of information, but none of

the African countries, other than Senegal and Algeria, have equivalent arrangements.

In Algeria, journalists working for the State press who want to move to a private paper have their salaries paid for two years. The State also helps these private publications buy paper and gives them access to the national printing works.

Senegal set up a press aid fund in 1990 and the country's four biggest independent papers have received CFAF 30 million. ⁽¹⁾

Would it not be wise to start by looking after the national press and protecting local press firms? Senegal does not seem to think so, for it sold the country's big printing works to the Hersant (France) group for a symbolic one franc and then authorised the founding of an evening daily paper. Are independent papers and even the national daily able to withstand competition of this sort?

Training for managers and retraining for journalists

Professional editors of private papers have no experience of business management, be it finance or staff. Their administration often falls short and they know it — and grumble about it. Their journalists have had the wrong sort of university training and, the biggest drawback, worked for State papers which did nothing to prepare them for a new style of reporting and as a result they tend to prefer editorial writing to investigation.

Essential support from abroad

External support is still needed to allow the independent press to consolidate and develop.

International cooperation, be it bilateral or multilateral or non-governmental, has been miserly about support for communication and information so far. UNESCO itself, albeit supposedly a specialist, channels less than 5% of its budget into the sector.

Most international aid from the different funders has gone into State media, primarily for technical infrastructure (printing works and transmitters) and for (not always the right sort of) training. The first decisive support for the in-

dependent press came from NGOs and associations (the Ford Foundation, the Friederich Ebert Foundation and the Institut Panos), despite their limited finances.

The official view of most aid agencies now is that pluralism in information is one of the conditions of democracy. The OECD has said so and the World Bank stated this in its report for 1990. The UNDP recently (in its 1991 Human Development Report) suggested a list of human freedom indicators which included freedom of opinion and expression and independence of the written press and of radio and television.

The aid agencies, particularly the bilateral ones, are still very limited in what they do. Denmark, with its democracy support fund in DANIDA, ⁽²⁾ is pointing the way, but it is an isolated example as yet.

Is multilateral aid any more adventurous? The Institut Panos and the West African Journalists Union (UJAO) ran a conference on pluralism of the press in French-speaking Africa in January 1991 and, in May, UNESCO and the UN followed it with an Africa-wide seminar in Windhoek (Namibia), where recommendations were discussed. But what will become of them with no commitment from the States and organisations in support of the initiative?

Multipartyism or pluralism?

There are aid agencies which are or have been tempted to tie their aid to democracy — yet another burdensome condition, but is it one to complain about this time, given that it helps push the African States towards a multiparty system?

It would be difficult to hide the fact that old habits die hard or that vested interests play a big part in the — albeit multiparty — elections. Or that the different social classes, particularly the youngsters who demonstrate in the streets, still do not really identify with political parties, whichever they are. A multiparty system cannot just reallocate power among the élite. It has to be at one with pluralism if it is to be a proper guarantee of democracy — and being satisfied with just preserving appearances will do nothing but harm. This goes for radio and for television too. ○ D.S.

⁽¹⁾ CFAF 1 = FF 0.02.

⁽²⁾ Danish development agency.

An African looks at European civilisation

by A. KOUROUMA (*)

'When your friends won't tell you the truth, ask your enemy. Pay him if you have to.' (Malinke proverb)

There are two problems in presenting European civilisation through African eyes. First, how far has the African in question espoused European culture? Can I — who went to a European School, write in a European language, live and, thanks to the influence of European mass media, think like a European — I wonder, step out of myself and my environment and be objective enough to present an authentically African view of European civilisation?

The economic, political, military, technological and intellectual power of Europe is such that the universal hinges on European culture. No one can entirely escape its influence and no one can be heard without using its languages and its concepts. So, as they say back in my village, I shall have to dance and watch myself dance at the same time — which is never easy.

The second problem is the culture of the African who is doing the talking. Africa is many. Africa is vast and it has hundreds of cultures and just as many views of European culture. So I am going to simplify and divide it up into two areas of civilisation, the Islamo-Arab and the black African and tell you that I shall be giving the views of a black African and that they may be very different from those of an Islamo-Arab.

It behoves the presenter of the black African view of European civilisation to remind his audience of the main features of the cosmogony and dogmas of European religion and compare them with those of traditional African religion.

The Gods

Let us start with the Gods. The European God is one God and the black African God is one God and they both created a world. Only when this gigantic basic task was done did their paths separate.

Europe's God is a God revealed to man by prophets and those who have heard the good news are expected to spread it. This God went up to heaven, but before He did so, He left a master of the earth, man, whom He gratified with a soul and the entire universe to use as he saw fit, to destroy, even, without undue concern. Man is free but at the same time he is a

prisoner, because God rules over all and God maps the path for every man to follow. A man who dies remains dead, for God has called him home for ever.

That, very briefly, is the basis of European culture and it still holds good, despite the fact that Western thinkers since the Renaissance have been committed laymen and decided to split from religion. Axiology, the science of moral values, and ontology, the study of being, have however, remained Judeo-Christian concepts.

And this concept of a Judeo-Christian God is common to both Europe and the Moslem world.

The black African God is a natural God. He has never revealed Himself to anybody. He has never sent anybody to spread the word. He has never been incarnate in anybody, he never asks anybody to spread His message and he judges nobody after death. Like the European God, He went up to heaven and there He has stayed, taking no notice of the universe any more and displaying no interest in what goes on down here. Before He withdrew, He was not unfair like the European God. He gave all his creatures (objects, plant-life, animals and men) souls, or forces, as the black Africans call them. Life is, first and foremost, a permanent struggle between these forces. As an animist priest from the Casamance said:

'In the beginning was the force. God, the supreme force, created all forces through the infinite diversity of His power... God

created all energy at once. The life of the world is nothing more than an exchange of force, desired and provided for by God. Through words and sacrifices, man takes part in the building of the world and can thereby ask God to move forces elsewhere. This is why the world is both complete and incomplete'.

For the black African, language is more than the means of communication it is for the European. It is, par excellence, the expression of the life-force, a fount of vital power. The words of the ancients are sacred. The dead are not dead, for they never departed and they are there, ever present, in objects and living beings and plants.

It would be quite wrong to imagine that traditional African religion is a thing of the past and that Islam and Christianity are taking over the continent. That is but partly true. African converts to the major religions of the world keep part of their traditional religious heritage and very often practice both the universal and the traditional religion, although analysis suggests that the science of values and study of being of the black African convert or layman stay rooted in the concepts of traditional faith. So the black African's view of Western civilisation is largely inspired by what has been called animism, naturalism, vitalism and even fetishism.

Culture

Let us look at one or two areas of culture. As the European sees it, God created nature and the environment for him to dominate. God gave him nature and he can destroy it or change it as he likes. In black African eyes, however, man does not live by nature alone. He lives with it. He does not dominate it, for it is an ally and man only thrives and survives by knowing how to manipulate its living forces properly. There is no supernatural world as distinct from nature, with which man is in continuity. Religion, essentially, is part of a particular environment, land, sky or society. It cannot be independent and there is no place for conversion or proselytism, as religion is not something to be joined. Intolerance is out of the question.

Speaking of art, an artist from the civilisation born of the union of Greek and Roman culture and Christianity will strive to draw the boundaries of his subject so he can take it, use it and dominate it. The contours serve to demystify the subject and to ensure that it

(*) Mr Kourouma, a writer, delivered this presentation to the European Parliament at the Symposium on 'Universal and Europe' in October 1991.



African converts to the major religions of the world have kept part of their traditional religious heritage

everyone has an intrinsic force which can take revenge for injustice and lies. Those who have been killed or tortured and objects destroyed without rhyme or reason react. The black African lives in a world full of signs to be interpreted and forces which must be controlled to thrive.

That briefly outlines the black African's view of the basic elements of European culture — and the latter have proven far more conducive to social, technological, economic and social development and far more efficient than those of the black African. They have put Europe at the centre of the universe, made him master of the world and dominator of the black African peoples, directly or indirectly, for six centuries, with no prospect of the empire crumbling.

There have been many forms of domination. At every stage, European culture has produced a sufficiently exalting and motivating ideology, Utopia, doctrine or mirage to induce Europeans to launch themselves into the adventure of it all. The efficiency of a culture can also be measured by the way it renews its myths and doctrines.

Earthly paradise

Let us list the various stages in the history of Europe's domination and exploitation of Africa and Africans and look at the European ideologies, Utopias and doctrines which motivated the adventurers who wanted to reach the place 'where the sun fell unto the sea'.

Judeo-Christianity describes the earthly paradise which man has lost and only the elect will find again after the final judgment. Europeans have always dreamt of this paradise. When wracked by hunger in the Middle Ages, they imagined that there were distant lands where that paradise had taken refuge — the colonial Utopia, as Maurice Lencellé was to call it, which was, he said, 'a life where all is deliciously warm and uncomplicated and sparkling, where all nature's generous sap produces such good things which are so easy to gather'.

In the mid-15th century, the quest for this Utopia took European mariners to the coasts of Africa, where the Africans welcomed them as the spirits of the sea. They traded with the black Africans, largely to their own advantage, exchanging shoddy goods for gold and silver. For a century and a half, they continued their

is something else and nothing more than he can see.

The black African artist proceeds entirely differently, approaching the subject from within where the European approaches it from without, expressing its complexity by implosion and trying to blur the contours to heighten the mystery of it. The European artist sets out to please and the African to disturb, to make you doubt your senses and believe that what is before you has other dimensions, other meanings and other languages which escape you.

In human rights, the European is an individual. He alone is responsible for

what he does. He acts and the consequences of his actions do not sully or compromise the community. He can do what he likes. He can swear, blaspheme, lie, contradict himself, insult, defy, be unfair, annihilate, destroy, torture and demolish without consequence or punishment here below.

The victims of his actions and his turpitude have no intrinsic forces to trouble his way of thinking and behaving. Wherever he goes and whatever he does, the black African remembers that he belongs to a community which is compromised by everything he does. Responsibility is collective. Everything and

discovery of the African coast with constant enthusiasm and determination, their religion making trade a spiritual mission in which they were soldiers of Christ spreading the word among the savages.

Europe discovered America, exterminated the Indians and then had to set up the slave trade to provide labour for the sugar and coffee plantations. The Renaissance, one of the greatest periods in the history of mankind, massacred slaves too... but, there again, European religion supplied the myths it needed to salve every conscience. The Negroes had no souls, it said. They were descended from Cain, so they could be tortured and killed with impunity. At this point, we should pay homage to the abolitionists who brandished their bibles and courageously waged war on slavery, denouncing the deception of the slavers. In the mid-19th century, they were joined by all the churches, all the intellectuals and all the States. Slavers were pursued on every sea and in every port and their slaves set free. And the battle was waged under the banner of humanism and Christian ethics once it emerged that slave labour cost far more than the work of a free man and was a far poorer proposition than the economic development which put slavery out of business.

Whenever an historical event of as great moment as the slave trade comes to an end, it is as well to wonder about the point of it all and what it in fact did for mankind. Without slavery, would America be what it is today? The slave trade fostered the accumulation of capital, people have claimed, and helped the industrial revolution. Without slavery, would that revolution still have happened? We should answer this. Yes, America would still be the power it is today and the industrial revolution would still have taken place and slavery was a pointless tragedy which mankind could well have done without.

But directly after abolition, European civilisation carved up Africa and launched itself into the colonisation of the black Africans.

Colonial expansion

This was extremely important and the consequences of it dominate the world even today. It gave rise to (initially theological) ideologies and doctrines. On 3 May 1492, for example, Alexander VI



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The African artist sets out to disturb

issued a papal bull calling on the Spanish and Portuguese to share the world between them so that 'the Catholic faith and religion may be exalted and augmented and spread everywhere... and barbaric nations subjugated and reduced to faith'. There were mercantilist doctrines recommending making colonies dependencies of the metropolis, there were imperialist doctrines and there were racist doctrines. Jules Ferry maintained that superior races had the right and the duty to civilise inferior races — the white man's burden, as carried by English intellectuals and statesmen. Colonial power became a part of national prestige and every European State wanted it.

But colonisation was nothing more than economic, political and cultural domination, and domination, if resisted, leads to violence and destruction. When Europe was weak from World War II, the people it had crushed rose up on every continent and colonisation was a paying proposition no more.

In the name of the right to self-determination, everyone rallied round the flag of anti-colonialism and independence became the order of the day.

Colonialism was a far more important phenomenon than slavery, which was

only a tool — one aspect of a situation. We only ever hear about the drawbacks of colonialism, but it did have its advantages, and not just for the colonisers either. It helped usher in the industrial revolution. It opened up many lands to social and economic progress and it made it possible to create the frontier-free world now taking shape (and of which your Parliament is a part). What we should be asking is whether Africa paid too high a price for this opening. If there had been no colonisation and the continent had been left to its own devices, would it not have found the way to economic and social development and the means of opening up to the rest of the world? There is no clear-cut answer.

Black African peoples gained independence with the cold war in full swing and the two Europes bickering over world supremacy. In the name of freedom and free enterprise, Western Europe helped so-called liberal African States to set up bloody military dictatorships, while, in the name of freedom and preventing man's exploitation of man, socialist African States were directed by equally corrupt and equally criminal red dictatorships.

Since the collapse of Communism, dictatorships of every colour have been

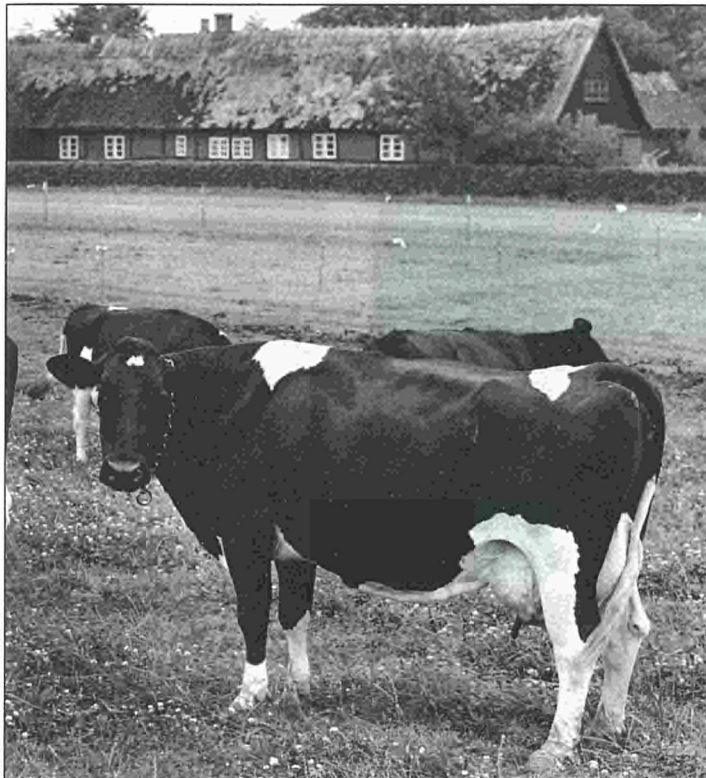
fought tirelessly by those who helped and sustained and, in some cases, actually created them before. The old, corrupt dictators with blood on their hands were unseated and treated like lepers by those who had once brought out the red carpet.

It was a shameless combat, fought in the name of freedom and democracy, and everyone applauded for all the world as if freedom and democracy were something

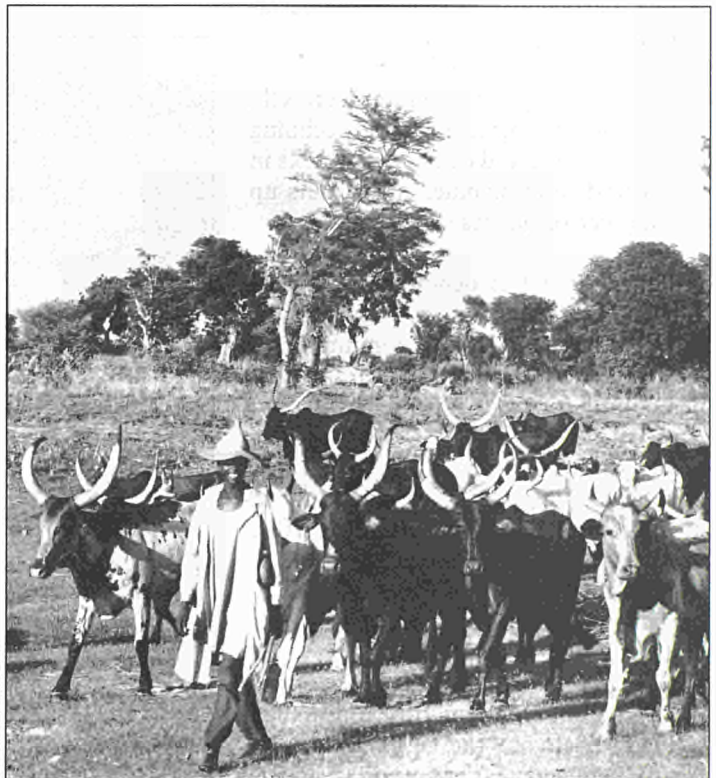
It is Europe which has forced these countries to grow cash crops for its use alone. Europe subsidises its farmers heavily, America and Russia do too, so why not subsidise the African peasants? It would only mean paying attractive prices which gave a decent return for cocoa and coffee and other commodities, but the Community cannot do that without seriously compromising the standard of living of the average European.

Are there cultural reasons for its failure? Africa and Africa alone must know and Africa and Africa alone must do something about it. Europe can help, but Africa has to make the journey on its own.

The universal civilisation now taking shape will be one which embraces all cultures. It is the duty of Europe, whose weapons, economy, communications and initiative have made it master of the



Lars & Bo, København



VIVANT UNIVERS

Raising cattle in Denmark and Cameroon. Europe subsidises its farmers heavily, so why not subsidise the African peasants?

new. This is the last chapter, the present chapter in relations between Western civilisation and black African culture.

As soon as the EEC came into being, it was faced with the problem of managing the European States' bilateral agreements with their former colonies. It also became clear that the European Community had to be involved in aid to the Third World.

The EEC has found it difficult to make its aid credible over the past few years. We have seen urbanisation, galloping population growth, corruption, political crises, famine and the hazards of climate. All the troubles of the world have hit some African nations, bleeding them dry, and there are those who believe their situation to be hopeless, with no way out. Yet there are solutions and we all know what they are.

So Western civilisation ducks the issue by claiming that subsidies for raw materials conflict with economic liberalism, the ideology on which free society is founded.

One day, Africa will wake up, see what is happening and take its future into its own hands. In the meantime, the EEC maintains contact by signing agreements with the African countries, providing resources which are quite inadequate to cover even the very basic requirements.

Africa must bear a lot of the blame for its poverty and its failure. Asian countries, once in a similar situation to the black Africans, are now successfully competing with Europe on every market in the world. But while Asia is winning the economic war, Africa holds out its hand...

world, to embark upon genuine dialogues with the other civilisations, to understand the others, comprehending and accepting them with all their differences. I think that the founder of European Union said that, if he had to start all over again, he would start with culture.

The Third World is not just a place which does not yet have technology. It is where technology is not integrated with the other components of the collective identity, where the balance between things borrowed, things inherited and things new has yet to be struck.

So Third World means culture clash. Africa has to realise that you cannot pull someone up out of a well if he declines to hang on to the rope. The EEC has to help its African partners to do without aid. ○

AK

Africa through European eyes — The Commission's view⁽¹⁾

A contract of solidarity

An approach shaped to individual regions is a reminder of the historic ties which warrant giving special attention to Africa, particularly in view of the destabilisation and poverty there.

Because of poor economic growth, dwindling per capita income, declining social standards and constant setbacks in world trade and income, Africa puts up varying performances.

The continent is behind in obtaining and assimilating new technology, mastering information and communication techniques and moving towards more democratic forms of society.

Aid has a poor record largely because of bad economic organisation founded on inefficient State centralisation, often undermined by corruption. So, support-wise, priority is on policies which re-organise the economic fabric and reforms already set up spontaneously.

This means a genuine contract of solidarity between the Community and Africa, with the African nations undertaking to pursue their reforms and the Community undertaking both to back them for as long as it takes and to finance short-term measures to cushion the immediate effects of the crisis.

The operating framework poses institutional difficulties, particularly when it comes to coordination in the Community, although coordination outside is a problem too.

It would be wise to envisage altering the Community's present facilities for setting up a policy here, since the current Lomé machinery is not really suitable for the type of negotiations which will now have to take place with governments if aid with structural adjustment measures and other operations is to be really effective.

Another problem is having to deal with only one partner in cooperation — the State.

Long-term cooperation schemes will continue to tackle food security, the protection of the natural environment and biodiversity and population growth problems long after restructuring is complete.

Fitting into the international economy is an aim which can only be achieved in the long term, and regional integration is a more realistic goal for cooperation for the time being.○



Alone in the field... but with a food security scheme to back him

⁽¹⁾ Commission communication to the Council and the European Parliament on development policy in the year 2000, Brussels, 15 May 1992.

Mimicry and self-awareness: politics in Africa as a self- determining phenomenon

Until quite recently, the Africans' view of their own societies was one involving emulation and it underestimated, in particular, the role which politics could play. The same was true of most Africa watchers, whose picture of Africa was far removed from the reality actually experienced by the African peoples themselves.

But there is more to it than being mesmerised by the outside world and Africans and Africa watchers are now looking to themselves and realising that the continent needs its own modernity instead of the imported modernity which is, perforce, partial and disjointed. Particularly strong is the realisation that Africa has to have an autonomous policy which will distribute wealth rather than power.

Today's political swing is very much the result of the economic crisis of the 1980s.

Although development is, first and foremost, an internal thing and not basically economic in nature, it will never be achieved unless Africa's monopolistic policy management geared essentially to a policy of what J.F. Bayart calls 'every man for himself' is brought to an end. Economic and political rationales are intertwined inextricably and apparently paradoxically. Economic crisis prevents redistribution and thereby destabilises the institutional holders of political power, making for a new concept of political affairs and a fresh view of legitimacy in which the workings of the State, informal political networks and popular practices can lead to the sort of social reorganisation which is both the key to and the driving force of development.

Through our own eyes

Why is it important to see ourselves through our own eyes and to observe ourselves or be observed with reference to our own categories and not someone else's — even if that someone is an outside observer? And why use abstract concepts such as 'emulation' and 'an inward-looking approach' when attempting to answer?

Because, as the French sociologist Pierre Bourdieu, *inter alia*, has demonstrated, the social world is not transparent and because, practically speaking, it can be transformed by transforming the way it is represented. From this point of view, concepts are what Wittgenstein calls 'tool boxes' rather than ideas, and they may be of direct, practical use.

The truth of a society — not even or only the truth of its historical existence, but the truth of the discourse on which that existence is founded — is not immediately discernible.

So the way members of a society see that society is a basic component of its reality.

Nothing social is immediately perceptible as true. Going beyond appear-

ances, power gets its strength from an ability to get various statements and assertions across as true.

To put this extremely simply, the truth has no scientific existence from a sociological or anthropological point of view. There are only statements about truth which some people are able to have accepted as true — what Pierre Bourdieu calls 'the circulation of symbolic power'. The people with this type of power may well be those who are best known, i.e. those in institutional political power, but there are many more. And the power-holders are not necessarily those who talk sense at either national or international level.

Why is all this of practical importance? Because the symbolic system is not only an instrument of knowledge, but a subtle means of domination. There is also a relation between what a society produces (symbolically as well as really) and the way knowledge about it and intended for it is organised, as Jean Copans has said.

So considerations of concept and method are more than pure abstractions, since they have practical effects on the reality of society.

The representation of society

Many countries in the South, Africa especially, have so far failed to understand their societies and this, Copans maintains, has led to external dependence and internal nationalistic demagoguery being perpetuated.

Furthermore, as Sophia Mappa⁽¹⁾ pointed out, if a society is unable to form a picture of itself, it will find it difficult to form a picture of the Other.

Emulating whoever is supposed to be the aggressor, without assimilating his values, is a form of identification which will cause societies to disintegrate from within. Furthermore, by denying his own otherness, the subject who identifies with the aggressor not only destroys himself, but denies the otherness of the Other.

The mesmerisation with the Western model found so often in Africa relates to the psycho analytical concept of identification with the aggressor which Eugène Enriquez⁽²⁾ defined as the process whereby the dominated avoid the possibility of being attacked or express admiration for the dominant order by denying their own qualities, seeing themselves as the aggressor describes them and thus trying to imitate and cultivate all the supposed qualities of the aggressor.

This would partly explain what Godelier has called the 'dominated consenting to domination', which is typical of the way subordinated social groups subscribe to power, particularly in Africa.

What is happening in Africa at the present time? It is becoming aware of itself in relation to an African modernity which can no longer be a copy or an enforced system made up of disjointed features of an external form of modernity.

This has a direct effect on development, clearly, because all development models are modernisation models involving increasing the extent to which the society in question can act to take up the challenges of the modern world — the accumulation and mobilisation of productive resources and the modernisation of society, as Maxime Haubert has said.

(1) Forum de Delphes — L'impact de l'unification européenne sur l'Europe et les pays tiers: les mécanismes d'intégration/exclusion, 1991 (ronéo).

(2) Forum de Delphes — Chemins vers l'autre, chemins vers soi.

When analysing the reality of Africa, it is important to distance oneself from two types of approach — one seeing Africa only in terms of deregulation and dysfunction in relation to supposedly universal norms (Achille Mbembe) and one involving a pathological conception of the continent rooted in an ancestral culture hostile to modernity.

This idea of culture tends to hide the rifts in African society and it is high time observers were more sensitive to the differences than to the similarities between African societies. As J.F. Bayart has said, a culture is historical before it is cultural. African-ness is not a constant. It is being forever historically updated. So there is no cultural oneness in Africa.

It is time we took an independent look at the continent and, in particular, at the setting up of an autonomous policy there, for two reasons. First of all, the construction of an autonomous State, the provider of an accumulation of capital, in Africa has failed. Second, paradoxically, economic crisis is something which helps release a deadlocked political situation.

Economic crisis and the constitution of an autonomous policy in Africa

The stakes are high, if Jean Copans is to be believed. 'If African societies seem to have had the running of their affairs taken out of their hands, it is because they

do not have the means of producing an efficient, autonomous policy of their own.'

Africa specialists have, typically, long underestimated political considerations and confused diagnosis and analysis. And the study of politics in contemporary African societies has long been confused with the study of politics in the post-colonial State.

Over the past few years, however, there has been a new approach aimed at producing a better definition of the real nature of the State in Africa, of the relations between the civil society and the State and of the relations between the workings of the State and popular practices.

The concept of the State as predator (Pierre Jacquemot) has been defined (by J.F. Bayart and J.F. Médard especially) as a State which feeds off society without providing enough services in return to justify its existence. It also acts as a mediator between inside and outside in order to capitalise on the economic flows linked to extroversion. But the State as predator is soon a captive of its agents and those who act in its name — who are in turn taken captive by their families, their villages and their clients.

J.F. Médard suggests characterising this situation with the concept of the neo-patrimonial State, borrowing the notion of patrimonialism from Max Weber, who uses it to describe an ideal type of traditional domination based on non-differentiation of public and private. In

this context, the prime aim of politics in Africa is to distribute wealth, not power.

What can we conclude from this? First of all, that public things will be privatised and the civil society become a State society — which is why A. Mbembe maintains that civil society cannot be distinct from the State.

Writers close to *Politique Africaine* (in particular J.F. Bayart and A. Mbembe) have investigated politics from the bottom up and highlighted behaviour which is objectively political without being lived along the lines of Western politics. But, there again, although these informal political networks operate outside formal State structures, they are still not outside the State itself.

In this sort of political society, the idea of national interest is entirely meaningless. (3)

If all the State has to do is redistribute wealth, the economic crisis which has hit Africa particularly hard since the 1980s must have been the main cause of some of the political upheavals we are seeing today — and it highlights a paradoxical contradiction between political and economic rationality.

An economic crisis reduces the resources which State officers have available for distribution and therefore threatens the political survival of the leaders, whereas finding an economic solution to the crisis involves economic rationality (J.F. Médard).

A policy of every man for himself in which the African State's legitimacy is invisible and what the State puts on display is illegitimate (Jean Copans) will not provide a satisfactory solution for the two types of crisis at one and the same time. Monopolistic management of political production in Africa, according to M. Koulibaly, is less and less a natural attribute of the sovereignty of the post-colonial State.

In 1934, Michel Leiris described Phantom Africa. By 1983, Georges Balandier was talking about Ambiguous Africa. On the eve of the 21st century, it will take an inward-looking approach to destroy the image of a Fantasy Africa in which exoticism jostles with frivolity. ○

Dominique DAVID

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(3) Mamadou Koulibaly, Forum de Delphes, op. cit.

Medicines programme in Côte d'Ivoire

First results encouraging

by F. DECAILLER (*), G. HERVIO (**) & J.M. GUIMER (***)

Ivorians are well aware of the financial and physical difficulty of obtaining medicines. Getting a prescription at a consultation or as an in-patient is usually only the first lap of a veritable marathon. In the present crisis situation, 'finding the money' is by no means easy and, while Abidjan has a hundred or so private dispensaries where medicines are available, people from the interior have their work cut out to get what they need.

The situation, roughly, is that medicines prescribed and sold in Côte d'Ivoire are sometimes of minimal therapeutic value and very often pointlessly expensive. The medicines which many people take are far from being what they actually need and the bulk of them are costly, imported, brand-name specialities, although equivalent products are in fact available far more cheaply on the international market.

Breakdown in supply

For years, a large part of the State's public health spending went on supplying public health units with medical consumables, which were distributed to inpatients and outpatients free of charge. However, the amounts available declined seriously, in real terms, in recent years and compromised the workings of the Public Health Pharmacy (which is in charge of keeping the health service supplied) to such an extent that, in 1990, its survival was in doubt, since the service could obviously not function without stocks. The evident irritation of the general public did nothing to help an already tense social situation.

The Ivorians consume a relatively large amount of medicines (CFAF 40 billion-worth), most of which are imported. This has a very bad effect on the balance of payments and so it is in the interests of both public health and the economy for the State to regulate the pharmaceutical market and develop a medicines policy.

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Reviving the Public Health Pharmacy

This, together with the negotiation of a vast human resources development programme by Government and funders, is the background against which the Commission and the Government set up a medicines action project. It was made possible by the allocation of 40% (ECU 10 million) of the counterpart funds from a special import programme which the Commission financed as part of its structural adjustment support.

The idea was to get the Public Health Pharmacy back on its feet, re-supply the health services within a reasonable period of time and back up the Government's drive to reorganise its medicines policy. Preparation began in June 1990, working to a very tight schedule.

By late September, a number of intermediate targets had already been met and lists of the essential medical consumables prepared in order of importance. The Government joined with the funders to lay down the system of payment and the prices to be charged in the health centres and decide on the measures which would get the Pharmacy working again. The Pharmacy was then able to embark upon the rehabilitation of its infrastructure and, most important, issue an international invitation to tender for the supply of medicines. At the same time, the project made it possible to discharge all the Pharmacy's debts to its suppliers and the National Public Establishments' debts to the Pharmacy.

The initial results are encouraging and suggest that the effect on the health sector as a whole will be very positive in the long run.

The international invitation to tender brought down the cost of supplies very considerably and the average selling prices of the 100 most commonly prescribed medicines are now down 230% on those charged by the private dispensaries. Some cuts are even more spectacular. Aspirin, for example, is down by 1400%! The introduction of (hitherto illicit) generic products and the cost capping that goes with them will inevitably help

develop the market and encourage the private sector to do something about its prices.

The Pharmacy has been saved from bankruptcy and the serious human and social problems which that would have entailed and it can now do its job as importer and wholesaler for the public sector. It may still deal with only a small part (less than 10%) of the medicines market, but it is a means of developing competition and running a medicines policy nonetheless.

Better access to hospital treatment

Hospital pharmacies which issue inpatients with the medicines they need at reduced prices mean lower costs and fewer worries for the families and bring hospital treatment within the reach of larger sections of the population.

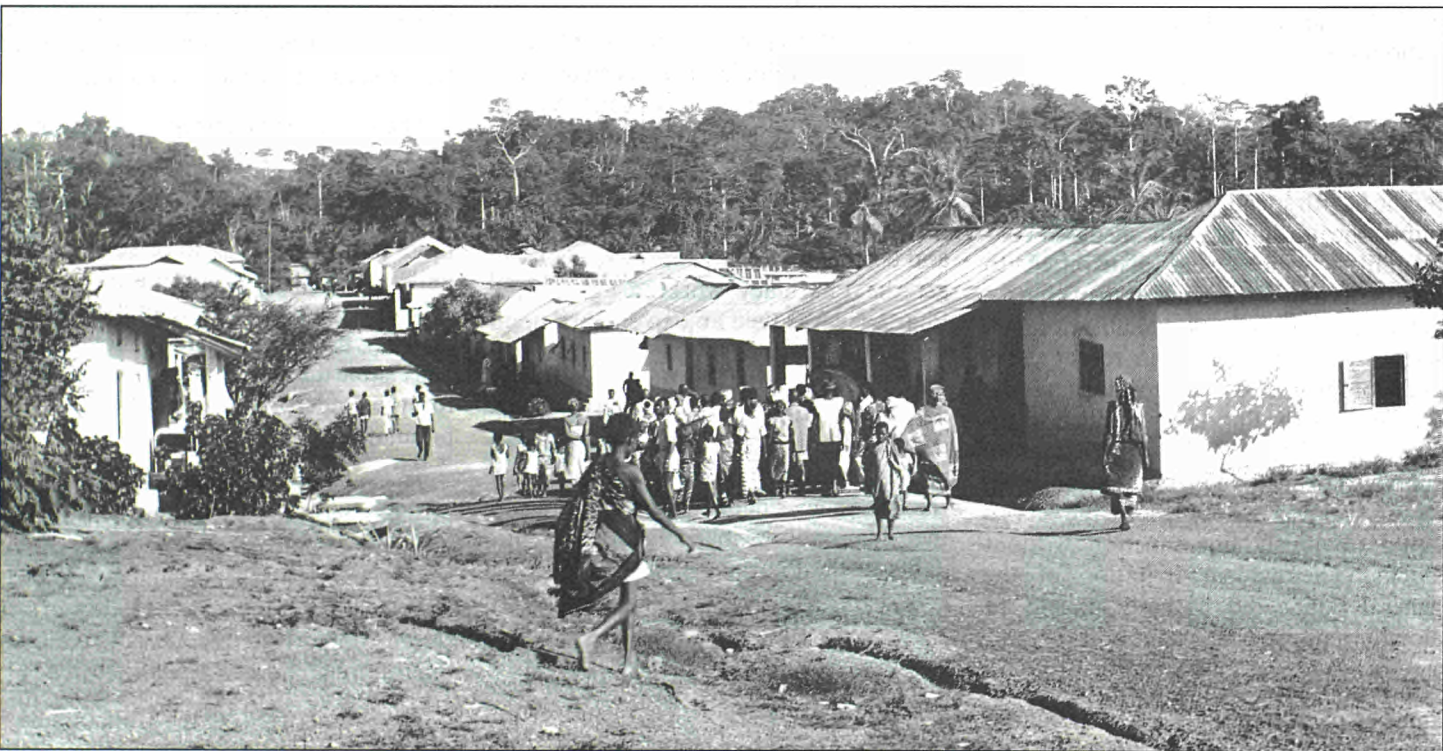
The setting up and proper management of the sales system will also enable the Health Ministry to reduce hospital subsidies from 1992 onwards and allocate more public spending to basic treatment units and centres in the interior of Côte d'Ivoire — practical proof of the focus on primary health care and a move which will enable the Ministry to improve access for the underprivileged sections of the population.

The redeployed funds will be used to provide working capital for outlying departments and depots. New methods of management and encashment of payments will guarantee the viability of the system and avoid the need to call on international aid too systematically.

The project reflects the Commission's new guidelines for assistance in the health sector and confirms its growing interest in the medicines issue — a priority in the present context. Support went beyond the usual framework of supply programmes. It was based on a thorough analysis of the situation in the medicines sector and looked, beyond the immediate aim, to the setting up a system founded on the popular involvement which is a *sine qua non* of viability.



Abidjan has a hundred or so private dispensaries where medicines are available, but people from the interior have their work cut out to get what they need



The results, which are positive and promising, were only possible because the project had strong political will behind it in the shape of a constant commitment from Ivorian leaders, starting with the Health Minister and the Head of the Public Health Pharmacy.

The Ivorians themselves devised the measures and ran the schemes. The

Commission did no more than act as a catalyst and enable the initiative to be developed. The high-level, specialised technical assistance which was provided on a regular but intermittent basis helped internalise the policy reform process. TA staff emphasised reasoning in their approach and endeavoured not to bombard the Ivorians with ideas, advice or sugges-

tions. There was constant, sustained coordination between the Ministry of Health, the Commission and the TA staff.

Although it is still too early draw all the conclusions from this scheme and the work is not directly reproducible, it should be an encouragement to run other projects in the sector nonetheless. ○

Unequal partners — unequal rewards

UNDP Report calls for reform of world markets^(*)

For the third successive year, the United Nations Development Programme has brought out a report on human development throughout the world. One fifth of the world's population, it says, receives more than four fifths of total world income. To make it worse, the gap between richer and poorer is widening. What is to be done?

The report, as before, is the outcome of extremely detailed and intellectually rigorous work by an international team of economists and development professionals, this time under the overall guidance of Mahbub ul Haq, former Minister of Finance and Planning of Pakistan. In answer to those in both the developing and the industrial countries who, with justification, ask themselves why the world has so little to show for decades of efforts to bring the economic development of the world's poor countries at least within hailing distance of the rich minority, the report once more lays stress on human development as the objective towards which we should be working. This concept, it says, is concerned with developing human capabilities and using them productively, creating economic opportunities for all and involving people in the development process. It encompasses both the generation and the distribution of income. GNP growth, as the authors see it, is a *means* of progress — but human development is the *end* in view. In their words, human development 'weaves development around people, not people around development'.

The first two Human Development Reports, published in 1990 and 1991, contained a Human Development Index or HDI which the latest issue updates with information from 1990 about national income, life expectancy and educational attainment. The UNDP

admits that years of work are needed to break down the figures to take account of disparities within countries between, for example, men and women, urban and rural areas and different ethnic groups, and The Courier has in the past queried the interpretations placed on some of the basic data. But the stark fact remains that, taking all in all, OECD members cluster at the top of the list and ACP members, especially in Africa, overwhelmingly towards the bottom. There is not one African country among the first 40, and this year Guinea has won from Sierra Leone the sad distinction of coming last.

The accompanying table shows how the ACP and EEC states rank in the 1992 human development index and gives the figures for life expectancy, literacy rate and mean years of schooling used in calculating the HDI rating in the last column.

The UNDP's first two reports stressed that the real causes of poverty and human deprivation in the developing countries lie in their national policy actions, and that in the end there is no substitute for domestic reforms. The 1992 edition is, like its predecessors, a veritable compendium of facts and figures, many of them highly depressing, but in terms of conclusions it has moved on and, reflecting the spirit of the times, it now focuses on the global context. For solutions to the problems of underdevelopment, it looks in the first place to global markets. The 1990s, says the report, offer a unique opportunity for the world to use those markets for the benefit of all its peoples.

Unfair competition

Competitive markets, the report says, are the best guarantee of efficient production, provided they are properly regulated and open to all. This is precisely the line, of course, which the EC and its Member States support as a vision of how the European internal market should function. In the UNDP's view, however, global markets are at the moment neither free nor efficient: capital, labour and goods cannot circulate freely and developing countries are being prevented

from exploiting the potential of the markets fully.

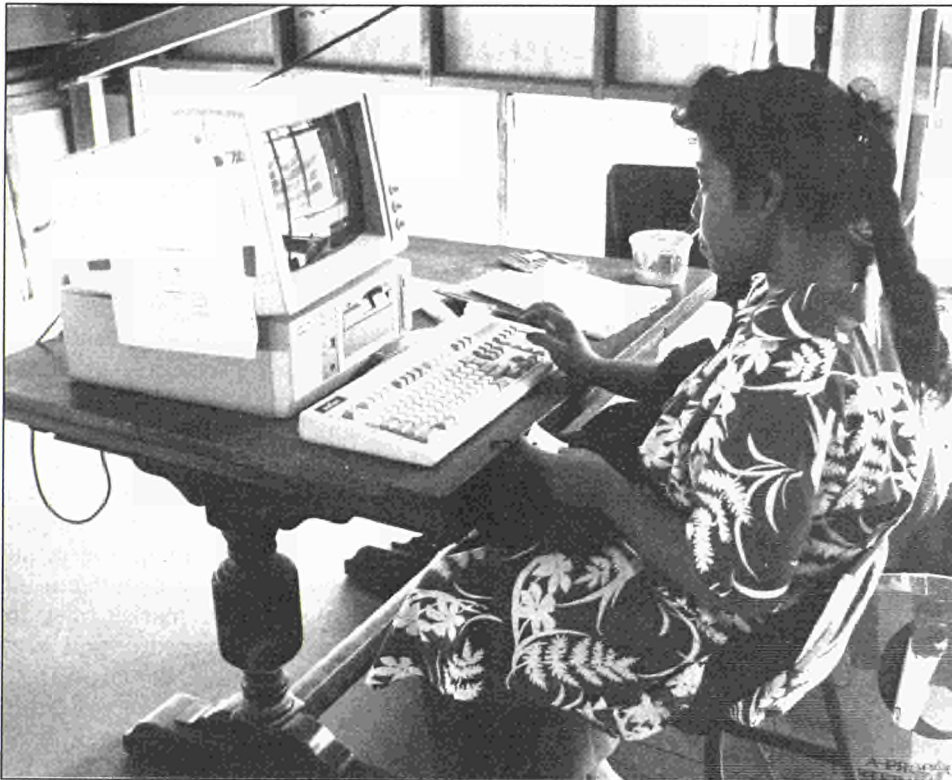
Developing countries are at a disadvantage in the financial markets, where the UNDP report says they 'enter the market as unequal partners — and leave with unequal rewards': real interest rates for poor countries are four times as much as for rich countries. And, with a few notable exceptions, they are held back in areas where they might have a competitive edge (for example, manpower available for labour-intensive manufacturing work or export), since 'market rules are often changed to prevent free and open competition' — in other words, competition is being distorted. The report claims that five out of six industrial countries are more protectionist than they were ten years ago, particularly with regard to labour.

One consequence identified in the report has been an alarming growth in the disparity in income distribution: in 1960, the richest 20% of the world's population had incomes 30 times greater than those of the poorest 20%; in 1990 the multiple had risen to 60 — and if the basis of comparison were people rather than countries it was at least 150. World markets have done nothing to counteract this shocking trend.

Freeing the markets

So the present restrictions on global markets need to be removed. Many poor countries, the UNDP says, are being edged out of the world trading system altogether. Sub-Saharan Africa now holds only a quarter of the share of global trade it had in 1960. GATT, it is maintained, is a fine thing, but only 7% of world trade conforms fully to its principles, and the cost to the developing countries of the rising protectionist trend in the industrial countries is put by the report at no less than \$500 billion a year — ten times more than the international aid they receive. This includes the cost of the brain drain to rich countries (by 1987 Africa had lost one third of its skilled people to Europe) and the loss of remittances from unskilled migrant workers kept out by the ever higher levels of qualifications required.

(*) Human Development Report 1992, published for the United Nations Development Programme, 1 UN Plaza, New York, NY 10017, USA by the Oxford University Press. The 1990 and 1991 Reports were reviewed in The Courier, No 124, November-December 1990, pp. 96-99 and No 129, September-October 1991, pp. 84-87 respectively.



The Courier

'Skills can be distributed throughout the world more easily than physical capital.'
UNDP says massive investment in training, especially in new technology, will help give developing countries a competitive edge

At the same time, the report argues for massive investment in educating and training people, with knowledge and mastery of new technology seen as giving developing countries the best chance of competing on a more equal footing. The East Asian industrialising countries are a good example. Skills can be distributed evenly throughout the world more readily than physical capital, and within a country they are the key which opens up development opportunities, notably by attracting foreign investment.

Global income tax

However, untrammelled markets alone cannot supply a solution, the authors say, as 'the free workings of markets often tend to increase the disparities between rich and poor'. Diehard free marketeers, at least in Europe, might disagree, and point to the so-called 'trickle-down' effect as evidence, but even they recognise that there still has to be some kind of regulatory system to protect the losers. So, just as national governments have laws transferring income to provide social security for the less well-off, the writers suggest a social safety net for poor nations and poor people, in the form of a

progressive income tax to be collected automatically from the rich nations for redistribution to the poor. Such an instrument would have to be based on international agreements, be much more finely targeted than the current system of official assistance and be channelled through multilateral organisations not subject to political pressure.

A new development compact

The UNDP report, in fact, thinks the time is ripe for what it calls a new *global compact on human development*, and calls for a new UN Development Security Council to be set up to oversee it. Unlike various failed schemes of the past, such a compact should offer give and take on all sides, by way of well-considered reforms in global markets from which everyone could gain. For the developing countries, the gains might be in greater access to education, health care, proper nutrition and safe water, family planning and, especially, employment, all to be achieved by higher GDP growth rates. The industrial countries' interests in the compact might include worldwide cooperation to tackle drug trafficking and pollution,

reduce immigration pressure and eliminate the threat of nuclear weapon proliferation. Note the emphasis, where human development is concerned, on human, not primarily economic, priorities.

Both sides, the report suggests, would agree their goals could not be successfully pursued without firm policy commitments to exploiting the 'peace dividend' through a worldwide reduction in military spending (3%, releasing \$1500 billion a year for development purposes) and a global debt bargain with the severely indebted nations involving a major write-down of public and private debts. As for official development assistance, the UNDP's experts believe that two thirds of it should go to the world's poorest nations, compared with the present one quarter. And of that amount at least 20% should go to human priority expenditure, compared with the present 7%.

Honesty and freedom

Another innovation suggested by the report is a privately funded, non-governmental organisation to be called 'Honesty International', whose function would be to investigate and publicise aid embezzlement cases as a contribution to stamping out corruption.

On political freedom and what link there should be between it and aid, the report, again stressing the human rather than the economic aspect of development, says: 'Growth-oriented strategies can sometimes afford to be blind to democracy. People-oriented strategies cannot.' Lomé IV, of course, contains a clause requiring the EC's partners to protect human rights and respect human dignity. As a yardstick for compliance with stipulations of this kind, the UNDP abandons last year's human freedom index as too imprecise and proposes the compiling of a Political Freedom Index, or PFI, which would measure personal security, the rule of law, freedom of expression, political participation and equality of opportunity for all. Initial work shows that PFI and HDI seem to move in tandem, but, until further research can be done into the underlying factors, the report arrives at the undramatic conclusion that respect for human rights as a factor in donor

Table: Human Development Index — All ACP and EEC States (1)

Country	Life expectancy at birth (years) 1990	Adult literacy rate (%) 1990	Mean years of schooling 1990	Real GDP per capita (PPPS) 1989	Human development index
<i>High human development</i>					
France	76.4	99.0	11.6	14164	0.969
Netherlands	77.2	99.0	10.6	13351	0.968
United Kingdom	75.7	99.0	11.5	13732	0.962
Germany	75.2	99.0	11.1	14507	0.955
Denmark	75.8	99.0	10.4	13751	0.953
Belgium	75.2	99.0	10.7	13313	0.950
Luxembourg	74.9	99.0	8.4	16537	0.929
Barbados	75.1	98.8	8.9	8351	0.927
Italy	76.0	97.1	7.3	13608	0.922
Ireland	74.6	99.0	8.7	7481	0.921
Spain	77.0	95.4	6.8	8723	0.916
Greece	76.1	93.2	6.9	6764	0.901
Trinidad and Tobago	71.6	96.0	8.0	6266	0.876
Bahamas	71.5	99.0	6.2	11293	0.875
Portugal	74.0	85.0	6.0	6259	0.850
<i>Medium human development</i>					
Mauritius	69.6	86.0	4.1	5375	0.793
Dominica	76.0	97.0	4.7	3399	0.783
Antigua and Barbuda	72.0	96.0	4.6	3940	0.781
Grenada	71.5	96.0	4.7	3673	0.758
Suriname	69.5	94.9	4.2	3907	0.749
Seychelles	70.0	89.0	4.6	3892	0.740
Jamaica	73.1	98.4	5.3	2787	0.722
Fiji	64.8	87.0	5.1	4192	0.713
St Lucia	70.5	93.0	3.9	3361	0.712
St Vincent	70.0	84.0	4.6	3420	0.693
Saint Kitts and Nevis	67.5	92.0	6.0	3150	0.686
Belize	69.5	95.0	4.6	2662	0.665
Dominican Republic	66.7	83.3	4.3	2537	0.595
Samoa	66.5	92.0	5.7	1981	0.591
Gabon	52.5	60.7	2.6	4735	0.545
Guyana	64.2	96.4	5.1	1453	0.539
Vanuatu	69.5	67.0	3.7	2054	0.536
Botswana	59.8	73.6	2.4	3180	0.534
<i>Low human development</i>					
Swaziland	56.8	72.0	3.7	2405	0.458
Cape Verde	67.0	53.0	2.2	1717	0.437
Solomon Islands	69.5	24.0	1.0	2626	0.434
Lesotho	57.3	78.0	3.4	1646	0.423
Zimbabwe	59.6	66.9	2.9	1469	0.397
São Tomé and Príncipe	65.5	63.0	2.3	616	0.374
Congo	53.7	56.6	2.1	2382	0.372
Kenya	59.7	69.0	2.3	1023	0.366
Madagascar	54.5	80.2	2.2	690	0.325
Papua New Guinea	54.9	52.0	0.9	1834	0.321
Zambia	54.4	72.8	2.7	767	0.315
Cameroon	53.7	54.1	1.6	1699	0.313
Ghana	55.0	60.3	3.5	1005	0.310
Namibia	57.5	40.0	1.7	1500	0.295
Côte d'Ivoire	53.4	53.8	1.9	1381	0.289
Haiti	55.7	53.0	1.7	962	0.276
Comoros	55.0	61.0	1.0	732	0.269
Tanzania	54.0	65.0	2.0	557	0.268
Zaire	53.0	71.8	1.6	380	0.262
Nigeria	51.5	50.7	1.2	1160	0.241
Liberia	54.2	39.5	2.0	937	0.227
Togo	54.0	43.3	1.6	752	0.218
Uganda	52.0	48.3	1.1	499	0.192
Rwanda	49.5	50.2	1.1	680	0.186
Senegal	48.3	38.3	0.8	1208	0.178
Ethiopia	45.5	66.0	1.1	392	0.173
Angola	45.5	41.7	1.5	1225	0.169
Malawi	48.1	47.0	1.7	620	0.166
Burundi	48.5	50.0	0.3	611	0.165
Equatorial Guinea	47.0	50.2	0.8	706	0.163
Central African Republic	49.5	37.7	1.1	770	0.159
Sudan	50.8	27.1	0.8	1042	0.157
Mozambique	47.5	32.9	1.6	1060	0.153
Mauritania	47.0	34.0	0.3	1092	0.141
Benin	47.0	23.4	0.7	1030	0.111
Chad	46.5	29.8	0.2	582	0.088
Somalia	46.1	24.1	0.2	861	0.088
Guinea-Bissau	42.5	36.5	0.3	820	0.088
Djibouti	48.0	19.0	0.3	730	0.084
Gambia	44.0	27.2	0.6	886	0.083
Mali	45.0	32.0	0.3	576	0.081
Niger	45.5	28.4	0.1	634	0.078
Burkina Faso	48.2	18.2	0.1	617	0.074
Sierra Leone	42.0	20.7	0.9	1061	0.062
Guinea	43.5	24.0	0.8	602	0.052

(1) With the exception of Kiribati, Tonga and Tuvalu, for which the UNDP does not provide figures. Figures for an individual country may conceal wide disparities within that country as between rich and poor, men and women, rural and urban areas and different regions and ethnic groups.

countries' aid calculations 'is an area where informal dialogue may be more effective than formal conditionality'.

Protecting the environment

A source of resentment in development affairs is the reluctance of the poor four fifths of the world to conform to what some see as selfish demands from the rich countries to stop exploiting such assets as they have — for example, the tropical rain forests — in the alleged interest of all. Addressing itself for the first time to the relationship between levels of development and the state of the environment, the Human Development Report points out that both poverty and affluence lead to wasteful habits of consumption which put the world's ecological system under strain. It observes, however, that poor people and poor countries have little choice but to overuse and destroy soil, water and forest resources, simply to survive.

The answer is not to exclude the developing countries from a share in the economic activities which have put pressure on the environment in the industrial countries, but for *all* countries to develop and apply less energy-intensive patterns of production and consumption. As an encouragement, the report suggests a range of international environmental taxes, including a levy of one dollar per barrel on oil. This, it says, would add only 5% to consumer prices but raise about \$24 billion a year for environmental projects, 73% of it coming from the industrial countries. A challenging thought which brings home one of the report's central messages: everyone is going to have to make sacrifices.

New institutions

The closely argued report, with its many well-researched tables and charts, will give development workers and academics material to chew over for years, and concludes with a number of proposals for further action by politicians which are bound to be hotly debated. This will involve rich and poor, North and South, working together towards sustainable human development. The world economy, it says, has become a global one over the last few decades, but there are no global institutions managing it with an eye to development — much less doing so democratically. The UNDP's experts believe that such insti-

tutions must sooner or later emerge, and that these, as well as the progressive world income tax, are likely to include a global central bank to make sure poor countries get access to the credit they need, with perhaps even a single world currency, and an international trade organisation merging the current functions of GATT and UNCTAD.

They believe, too, that the Bretton Woods Institutions have failed many developing countries by focusing on GNP growth and excluding human beings from their calculations. The IMF should serve as the world's central bank, starting by forming a coordinating committee with the central banks of the major trading countries to manage world liquidity. The World Bank might act as an international investment trust, selling bonds to raise funds for loans to developing countries, and should create a new loan window to release more IDA resources for the long-term development of Africa. GATT principles must apply to trade in all products, and every country in the world should join.

The writers believe that the best way to cope with the demands of an increasingly interdependent world is to reform the UN system, which has in any case already

begun to play a more important role in political and security matters. To operate as an umbrella for the multilateral discussions which will be needed to bring about economic and ecological security for the whole of humanity, the UN would need securer financing and more effective decision-making structures.

Political will

In calling for this series of very far-reaching changes in the conduct of world affairs, the authors admit they are adopting a 'visionary approach'. Proposing what would amount to a world government under UN auspices is a bold step — but does the political will to take that step actually exist? Perhaps that question was too vast to be satisfactorily contained within the scope of a yearly progress report. At all events, even if a global consensus can be achieved, the sheer organisational effort required will be huge — but the capacity must be found, the report concludes, since, in its words, 'only through cooperation can the world achieve sustainable human development'. As the authors rightly point out, human destiny is a matter of choice, not something to be left to chance.○

Robert ROWE

supplies and giving emphasis to improved education (especially for girls), population programmes and agricultural extension, credit and research.

There must be firm policies and institutions to make decision-makers adopt less damaging forms of behaviour, with economic incentives for compliance, rather than regulations, and more local participation in shaping and carrying out programmes. Governments may need to make individuals or communities responsible for the management of natural resources.

Industrial countries should help transfer less polluting technologies to the developing countries so that they can avoid the environmental damage which accompanied industrialisation in the richer countries. Open trade and investment policies will, the report says, encourage technological innovation and transfer. Investment rates in developing countries may need to rise by 2 to 3% of GDP by the end of the decade.

Internationally, high-income countries must take the lead in formulating and funding solutions to problems of worldwide concern, if there is to be action which goes beyond what is merely in each country's self-interest. For example, although the report says present evidence does not warrant immediate action on global warming, modest reductions in carbon dioxide emissions plus investment in research and pilot projects would enable countries to make more drastic cuts if required.

Investment in protecting the environment will soon pay for itself in higher productivity or improved health and welfare, and the report suggests that investment in helping countries achieve environmentally sound development could rise to about \$75 billion a year by 2000 — a small cost when compared with the resources generated by economic growth.

Much damage can be prevented by weighing up the environmental costs of development projects carefully and rationally in advance. While concluding, like the UNDP, that there is near unanimity on the central importance of markets and human resource investments for successful development, the report promises that environmental considerations will from now on become more deeply embedded in every aspect of the World Bank's work.○

R.R.

WORLD BANK

World Development Report 1992 Development and the environment

An interesting counterpoint to the UNDP Human Development Report discussed above is the 15th annual World Bank report on world development. Economic development and sound environmental management, it says, are complementary aspects of the same agenda. Without adequate environmental protection, development will be undermined; without development, environmental protection will fail.

Economic growth brings with it a vicious circle, the report says: as poor people not only are the main victims of environmental damage but also help to cause it, there can be no environmental sustainability unless their poverty is alleviated — but rising incomes will

jeopardise future productivity if natural resources are degraded and ecosystems destroyed. Priority should therefore go to attacking the environmental problems that damage the health and productivity of the largest number of people, especially the poor.

The report admits that some development projects, including some assisted by the World Bank, have had adverse environmental consequences. The positive steps it suggests include eliminating distortionary policies which encourage the overuse of natural resources (such as subsidies for use of fossil fuels, pesticides and irrigation water, and for excessive logging), giving poor farmers land rights, investing in better sanitation and water

African pictures on European screens

by Nora TARDIEU (*)

Thanks to MEDIA, the EEC Commission's programme for the picture industry, Idrissa Ouédraogo, the African director, has had two of his films distributed in Europe.

EFDO, the part of MEDIA through which several European countries got to see these films, will back the distribution of a European film if at least three distributors in different countries agree to launch it together, if possible on the same date. Distribution companies in all Member States, Austria and Switzerland are eligible for distribution support and the films must have been produced by these countries.

So how come 'Yaaba' and 'Tilai' got European backing? For the simple

(*) The author works in the Information Directorate-General of the Commission of the European Communities.

reason that they are coproductions, 'Yaaba' by Switzerland, France and Burkina Faso and 'Tilai' by Switzerland, France, Great Britain, Italy and, of course, Burkina Faso. So Europe is very much to the fore, yet these are typically African films.

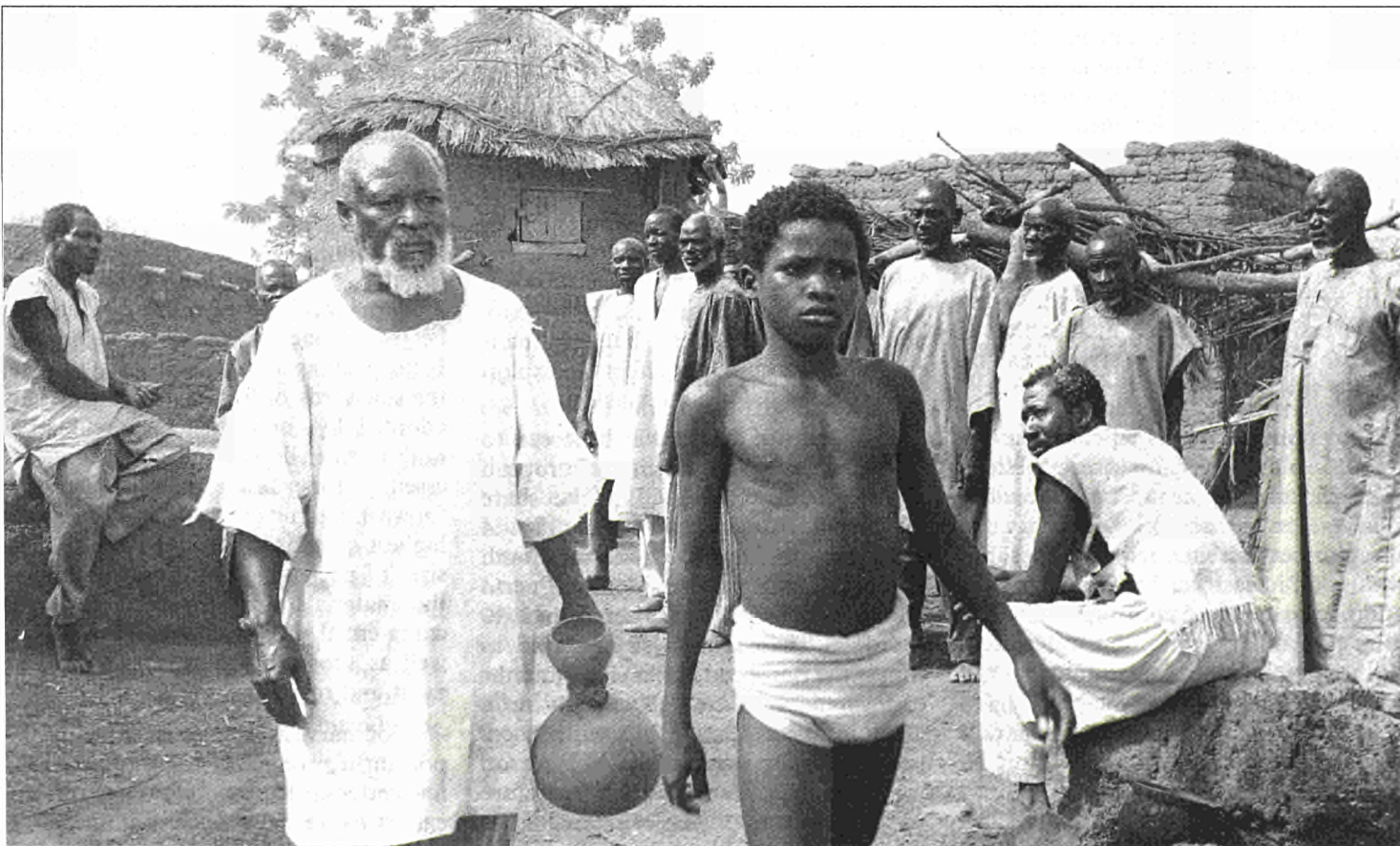
Since EFDO got off the ground, 99 pictures have had its backing. 'Yaaba', for example, was distributed in Spain, Portugal, the Netherlands, Switzerland, Italy, Denmark, Germany and Belgium and 'Tilai' in Great Britain, Portugal, Belgium, Italy, Switzerland, Austria, the Netherlands and France.

'Yaaba' (it means grandmother in Mooré) is the story of the burgeoning friendship between two members of a rural society in which we see man as he really is, good, bad, generous and intolerant. It is like a bedtime story for child-

ren... who are lucky enough to have a grandmother.

'Tilai' tells of Saga, the young man who spends two years away from his village and goes home to find that much has changed and his fiancée, Nogma, has become his father's second wife. Saga and Nogma still have the same feelings for each other, however, and they meet and make love. The village, predictably, sees this as incest, pronounces Saga's death sentence and appoints an executioner in the shape of Kougri, Saga's brother. Kougri cannot bring himself to perform his task and lets Saga get away. The villagers believe Saga is dead. Only his mother and Nogma know the truth. Nogma runs away to join Saga, who is hiding at an aunt's, and they live happily together until Saga hears that his mother is dying and decides to go home.

'Yaaba' was shown at film-makers fortnight in Cannes in 1989, where it took the Critique Internationale award. It also won the judges' special award and the audience prize at Fespaco (Ouagadougou) and the Sakuro Gold Prize in Tokyo in 1989. 'Tilai' was officially selected for Cannes 1990, where it took the Grand Prix du Jury.



A scene from 'Yaaba', one of Idrissa Ouédraogo's two MEDIA-backed pictures



Fruit and vegetables: winning back lost exports

by Sarah REYNOLDS

Why is horticultural research poorly funded in ACP countries, and does it matter? Should the commercial demands of the market place be the sole guide to the grower? Despite the exciting market opportunities created by an ever more adventurous European consumer, the ACP share of exports of fresh fruit and vegetables to the EC has declined in recent years. Perhaps purely commercial demands are not enough. It is time to reinforce, and where necessary establish, strong links between commerce and research so that growers know how to produce what the consumer wants.

Horticulture has an important role in the economies of ACP countries. It contributes to a balanced diet for the population, provides rural and urban employment and is an important source of foreign exchange earnings. Although it is true that ACP governments are now becoming more aware of the needs of the horticultural industry, producers still need much more government support. Too often, limited resources are concentrated on food crops and export cash crops such as coffee and cotton, which are seen to be of more immediate importance. Yet the production of high-value crops such as fresh fruit, out-of-season vegetables and flowers, for a market that is eager to buy if the quality is right, can be equally rewarding.

The public sector has, of course, a key role to play in many areas besides research, development and extension. Quality control and phytosanitary inspection services are required together with good infrastructure, freight negotiation, exchange rate control, credit facilities and other forms of fiscal policy. Without this essential support, ACP countries cannot hope to retain or regain their share of the European market because they face keen competition, in particular from Central and South America and Asian countries but also from countries bordering the Mediterranean Sea. Of the nine million tonnes of

fresh fruit and vegetables imported into the European market in 1990 (of which 96% was fruit), only 10% (920 000 tonnes) were from ACP States. Of this, 46% came from the Caribbean, 39% from West and Central Africa and 15% from East Africa and the Pacific and Indian Ocean States. If bananas, on which the Caribbean countries are highly dependent, are excluded, the total tonnage from ACP States reduces to 300 000 t, of which only 40 000 t are vegetables.

The competition

Competition from Mediterranean and near-East countries, which have lower transport costs to bear, is partly responsible for this low volume of vegetable exports. Of course there are notable exceptions, among them, for example, french beans, of which the tonnage from ACP countries has doubled from 11 500 t in 1981 to 22 400 t in 1990. To diversify into a wider range of fruit and vegetables and create consumer demand for them must be the aim of ACP countries. For instance, 70% of all ACP fruit supply at present is in bananas: pineapples, citrus and coconut make up a further 27%, leaving 3% for all other fruit, i.e. 25 000 t. So there are opportunities to diversify and these must be seized, but research is essential to ensure that efforts to exploit market potential are not wasted.

Mangoes are a fruit which is seen to have enormous potential in the European market. However, the ACP market share has dropped from 40% in 1981 to 18% in 1990 whereas that of Central and South America, notably Brazil, Mexico, Puerto Rico and Venezuela, has risen from 36% to 61%. These countries are able to supply the European market for 6 months of the year, long enough to build up a good business relationship with European importers, whereas the ACP season is very much shorter. It is therefore important to seek means of extending the season of availability, solve the problems of inadequate infrastructure such as cold

storage facilities, encourage commercial-size plantations, use only the most productive plant material and explore the possibilities of transport by sea instead of the more expensive air freight option. To achieve this, scientific research and an understanding of the demands and constraints of the market place must go hand in hand. There is no point in producing a crop which no-one wants to buy.

Supply, quality and price

The European importer of fruit and out-of-season vegetables needs a regular supply of pre-determined quantities at reasonable and stable prices but, above all, the quality of produce must be consistently high. The supermarket customer is a discerning purchaser and the final, most critical quality controller and it is the job of all in the marketing chain, from grower to supermarket manager, to ensure that the customer buys not just once, out of curiosity, but again and again. Customers are also becoming increasingly concerned about levels of pesticide residue, and codes of practice for pesticide use are now in place in many EC countries. In many instances, produce is displayed on the supermarket shelf in the packaging in which it left the grower. Care needs to be taken that there is nothing else in the pack besides the produce! An unfamiliar foreign insect, even a dead one, is likely to dismay the European consumer and can cause lasting damage to the reputation of the country of origin. And sophisticated modern labelling means that produce can be traced back to the original grower. Field packing houses will have to meet the standards of hygiene more generally adopted by food processing industries both in their design and operation. It is essential, for example, that the water used for washing fruit and vegetables meets the highest standards of public health. The sizes of packaging units and pallets and the materials used must comply with commercial and marketing demands as well as those regarding waste management and recycling.

Poor harvest storage is critically important if produce is going to reach the market in perfect condition. Fruit for export should be cooled immediately after picking and maintained at optimum temperature and humidity thereafter. To

achieve these high standards, a vertically integrated chain from producer, through transporter, exporter and importer, is essential. Each link of the chain must be aware of what the retail market requires and information must be able to flow easily up and down the chain. Each link must accept the responsibilities of total quality management and understand that the whole chain is only as good as the weakest link.

Linking research, producer and commerce

In some countries, for example Kenya and Zimbabwe, these links are being forged. Growers know which varieties to grow, for which season of supply the crop is required and the standards of quality demanded. Exporters are starting to invest more carefully in the infrastructure, for instance in refrigerated transport and airport storage, so that the quality is maintained right the way through from the field to the European supermarket shelf. It is important to address such issues as the production base, the relationship between the producer and the exporter, and to develop a strong and robust marketing strategy with improved market intelligence. And the private-sector entrepreneur, who will penetrate the markets in Europe in an aggressive manner and build confident links with the importers and distributors, must be encouraged.

Importers must be able to rely on regular supplies from the exporting country. In order to satisfy that demand, research needs to focus on the identification of high-yielding, pest-resistant varieties adapted to different agro-economic zones. Genetic manipulation to develop new, improved plant material is likely to be a key technology of the future, as is the development of alternative techniques to chemical treatment for insect pest and disease control. Research is also needed in order to extend the transport and shelf life of products through the use of modified and controlled atmosphere systems and improved temperature and environment control in conventional shipping. When transferring vegetative material, quarantine regulations become an important aspect of protection against introducing disease.

CTA recognised that the interests of ACP countries could be served by bringing together representatives of the horticultural trade with scientists working in



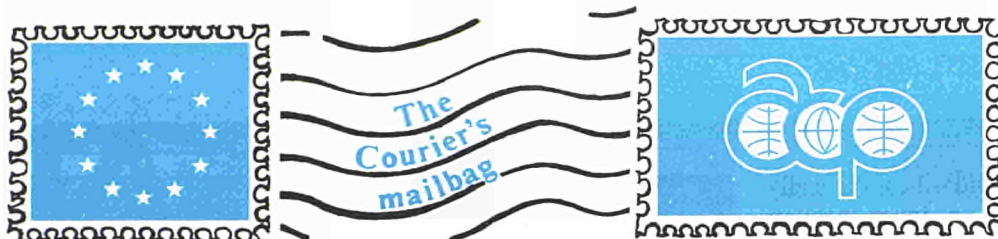
Pictured at the Arnhem seminar, Mrs Mary Wabule of the Kenya Agricultural Research Institute; Dr W. Treitz, CTA Deputy Director and Mrs Lynda Wickham, Associate Dean in the Agriculture Faculty, University of the West Indies

relevant areas of research. Accordingly, a seminar was organised in collaboration with COLEACP, the marketing organisation responsible for trade links between ACP countries and Europe. This was held in Arnhem, The Netherlands, in December 1991 and attracted participants from many ACP and European countries. Among those attending were representatives from the Institut de Recherches sur les Fruits et Agrumes, the Département du Centre de Coopération Internationale en Recherche Agronomique pour le Développement (IRFACIRAD), the Natural Resources Institute (NRI), GTZ, the Centre de Recherches Agronomiques, University of Gembloux, as well as from many other national and international institutions.

Keith Gascoigne of British Airways outlined the problems from the perspective of BA. He emphasised that many of the ACP countries still have inadequate transport infrastructure to seaports and therefore airfreight will continue to be used for the top-quality produce which can command a premium price at the retail outlet. Also referring to transport, Gary Bradbury of Saphir International urged thorough prior planning of any new venture. If yields and quality do not match those achieved by suppliers in other countries into the same market, then the returns to growers are not likely to exceed production and transport costs. And speaking on behalf of Sainsbury's, one of the largest multiple retail outlets in the UK, John Love added that produce is not just for selling, 'It is for selling again

and again'. And to achieve that objective, quality control measures must start in the field and packhouse. He stressed that senior managers must give quality controllers the responsibility and authority to overrule local production requirements if necessary: too often standards are not maintained because of pressures to meet an order. He warned that the label at the point of sale includes a number which identifies the grower so that any problems which may have occurred can be traced back to source. The reputation of a whole country's export crop may be at risk from lack of management attention to quality by one individual grower.

The Deputy Director of COLEACP, Mme C. Guichard, stressed that the links between research and commerce needed to be strengthened. Scientists have to understand the needs of commerce and appreciate that those needs change quickly. On the other hand, the commercial world is not at present structured to take advantage of scientific research. If progress is to be achieved towards improving the production of ACP fresh fruits and vegetables for export to the EC, research and trade must work together, with support from national governments, regional organisations and the Commission of the European Communities. With the probability that the Community will continue to expand, those ACP countries which already find themselves ahead of the competition must be a role model for those which are lagging behind. ○ S.R.



Structural adjustment programmes in Africa

In line with their commitment to resolving the pressing social and economic problems facing the continent, a growing number of African countries have instituted structural adjustment programmes (SAPs). These focus on domestic resource mobilisation, enhancing economic efficiency, improving micro-economic management, rationalising the public sector, reducing the share of public expenditure as a proportion of GDP, improving terms of trade in the rural sector and adjusting exchange rates. The IMF and World Bank have supported these programmes by giving advice and technical assistance, as well as by acting as a catalyst for international resource flows.

The question is, has the implementation of these policies solved the problems facing the continent? The social cost of SAPs certainly seems to have turned many people in Africa against such policies. However, those who support structural adjustment argue that critics often overlook the time factor in assessing the consequences of the changes. The acceptance of short-term sacrifices for the sake of higher growth in the medium term is the very rationale of SAPs.

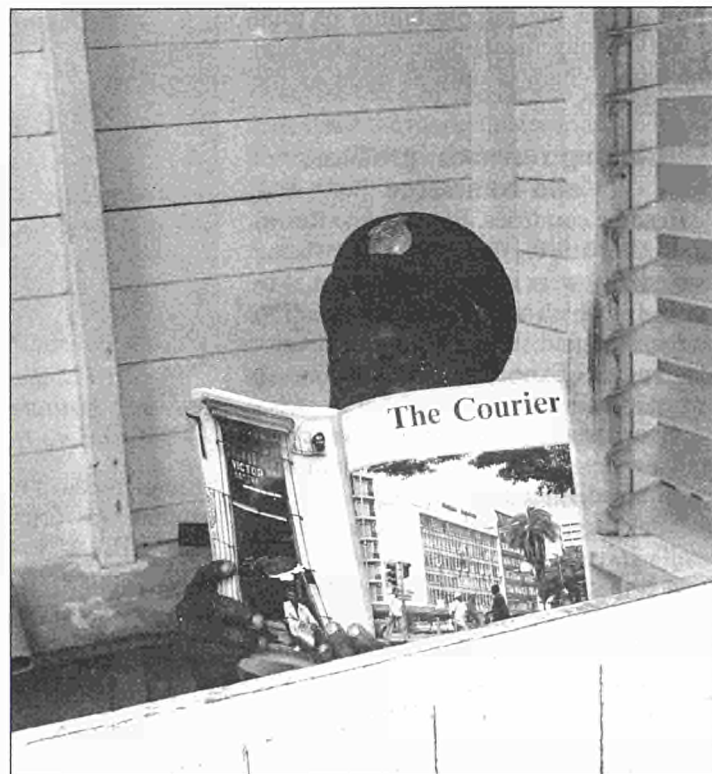
There is also the question as to whether the poorer sections of society in African countries really benefited so much from the economic course the IMF and World Bank are endeavouring to correct. What critics fail to realise is that too often their analysis is focused on the short-term costs of SAPs while the alternative costs of not adjusting are not taken into account.

The determination of most African countries to pursue and strengthen economic policy reforms is courageous and commendable. What is needed now is continued financial support. Official development assistance has been a vital source of funding for Africa, but, measured in real terms, resource flows have been diminishing.

The success of SAPs in Africa will, to a large extent, depend on the following policy measures:

- removal of barriers to African exports, especially those affecting processed and non-traditional goods that offer the best hope for Africa to increase and diversify its export base; integration of the short-term adjustment or stabilisation targets of SAPs with long-term development objectives of African countries;*
- ensuring that the importance attached to macro-economic indicators does not obscure the need to pay adequate attention to institutional, social and sectoral factors that are critical to the structural transformation of African economies;*
- doubling of the levels of official development assistance to African countries by 1995 with resource flows to these countries being made more concessional and predictable.*

There can be no real structural adjustment in the absence of the human imperative. Within the SAPs, paramount consideration should be given to the vulnerable and impoverished. But Africa cannot do it alone. The task is an immense one and will require a



An 'inveterate' reader of The Courier during a quiet spell on the gate at the Commission Delegation in Guyana

shared partnership between Africa and the rest of the international community.○

Kofi Asante, Kumasi, Ghana

Where are the country profiles?

I am an enthusiastic reader of the 'ACP-EEC Courier', which is a very interesting publication, educating people on all aspects of political, economic and socio-cultural life.

Through its Country Reports, the Courier has helped me to learn about the recent and not-so recent history as well the geography of a number of countries which hitherto I knew little about. But for some time I have been disappointed by these Country Reports to the extent that the 'Profile' no longer appears. Indeed, since issue number 128 (with the exception of Kenya in number 130), the country profile has all but disappeared. The profiles inform us about the population of a country, its principal cities, languages, currency, GDP etc. In my view, this is important information which you should not miss out. For it is through The Courier that travellers can acquire, in advance, information about which language or which currency is used in a particular country.○

Jean Ondongo-Koumou, Brazzaville, Congo

THE CONVENTION AT WORK

EUROPEAN DEVELOPMENT FUND

Following favourable opinions from the EDF Committee, the Commission decided to provide grants and special loans from the 5th, 6th and 7th EDFs to finance the following operations.

ECONOMIC INFRASTRUCTURE

Rwanda: two special loans of ECU 599 639 and ECU 10 000 000 and two grants of ECU 24 303 999.43 and 2 296 361.57 for construction of the Gitarama-Kibuye road.

Senegal: ECU 70 000 000 to support the transport sector adjustment programme involving the road network.

Nigeria/Cameroon/Central African Republic/Congo/Gabon/Ghana/Niger/Chad: ECU 38 500 000 for an aeronautical satellite telecommunications network linking 15 airports in Central and West Africa via INTELSAT.

Angola/Namibia: ECU 12 500 000 to repair major roads near Lubango.

Mauritania: ECU 17 500 000 for a preliminary road programme involving the Nouakchott-Boutilimit road, maintenance of the Aleg-Boghe road and training.

INDUSTRIALISATION

Angola: ECU 2 000 000 to buy kits for the development of small-scale enterprises and craft industries.

SOCIAL DEVELOPMENT

Djibouti: ECU 8 750 000 for urban development in the city of Djibouti, to improve living conditions for the least well-off.

Uganda: ECU 1 129 000 to overhaul the blood transfusion services, for AIDS prevention.

Niger: ECU 3 150 000 for health care services for women and children.

Cameroon: ECU 265 000 as part of a support programme for the health-care sector.

RURAL PRODUCTION

Madagascar: ECU 5 700 000 to develop livestock farming for local consumption and export.

Chad: ECU 3 500 000 for environmental conservation in Salamat, Guera and Moyen Chari prefectures; further rehabilitation work in Zakouma national park and the Simianka nature reserve.

Mozambique: ECU 1 950 000 to promote self-sufficiency in food.

TRADE PROMOTION

Zimbabwe: ECU 10 200 000 for a trade development programme under Zim-trade.

All the ACP countries: ECU 5 938 200 to promote production and marketing of agricultural products through APROMA.

Senegal: ECU 1 960 000 to promote tourism.

MISCELLANEOUS

Guyana: ECU 4 500 000 towards the government's structural adjustment programme (imports).

Niger: ECU 12 000 000 to back moves to encourage the private sector.

Swaziland: ECU 1 860 000 to enhance management capacities of ministries and agencies to enable them to make better use of Community financing.

Jamaica: ECU 1 000 000 for the return and reintegration of qualified nationals for development.

Chad: ECU 1 800 000 towards institutional improvements in the Ministry of Planning and Cooperation.

Cameroon: ECU 29 500 000 for support to the structural adjustment programme.

Ethiopia: ECU 27 000 000 for the 4th sectoral import programme.

Dominican Republic: ECU 22 000 000 for the sectoral oil product import programme.

STABEX

The Commission has adopted the report on Stabex operations in 1991. Last year the Commission made 67 transfers, involving 33 ACP countries and worth ECU 483.67 million, in respect of the 1990 financial year. This sum, the largest ever, was met from ordinary Stabex resources, to which the ACP-EEC Committee of Ambassadors added ECU 100m. The payments brought coverage of eligible losses to just below 40%. The bulk of the transfers related to falls in earnings from coffee and, to a lesser extent, cocoa, a trend which continued during the year.

EUROPEAN INVESTMENT BANK

The EIB has made the following loans.

Senegal: ECU 13 000 000 to the public company SONATEL, with an EDF interest rate subsidy, for upgrading and extending the telecommunications network in northern Senegal and setting up an optical fibre link with Dakar.

Angola: ECU 3 075 000 to Angorochoas Lda., an Angolan-European joint venture, to quarry, extract and export black granite from high-quality deposits in the south of the country. This is the first EIB financing for a joint venture involving a European private sector partner in Angola.

Mali: ECU 10 000 000, from risk capital resources, for the construction of a cotton ginning plant and modernisation of an existing plant east of Bamako. The work will bring the cotton ginning capacity of the Compagnie malienne pour le Développement des Textiles up to 300 000 t of cotton per annum.

New port of Beira opened

The new port of Beira in **Mozambique**, rehabilitated with funds provided under the Third Lomé Convention, was opened in April in the presence of the Presidents of Mozambique, Zimbabwe, Zambia,

Botswana and Cape Verde. EC funding for the port came to ECU 55m. The EC Commission's representative, Giovanni Livi, underlined the strategic importance of the port in the opening up of the SADCC countries, particularly Zimbabwe, Zambia and Malawi. The project is to be seen in the light of the general policy of support for the whole of the transport system in the region, in particular the three corridors of Nacala, Beira and Limpopo, for which the Commission has already budgeted some ECU 110m.

CDI presents new guidelines under Lomé IV

On 12 May the Centre for the Development of Industry held a presentation of its new policy guidelines for industrial promotion. The opening meeting was addressed by senior officials of the Centre, the ACP Co-President of the ACP/EEC Industrial Cooperation Committee and Peter Pooley, Deputy Director-General for Development at the EC Commission. Mr Pooley's speech on Lomé IV and support for private sector development in the ACP states was well received, while Mr Frix, Director of the CDI, set out its new policy on reinforcing ACP branches and setting priorities in terms of action to support ACP enterprises.

Director-General visits Netherlands Antilles and Suriname

On 25 and 26 May the EC Commission's Director-General for Development, Dieter Frisch, visited the Netherlands Antilles, where he met the Prime Minister and had a working meeting with Ministers. They discussed the new trade arrangement for overseas countries and territories and examined financial and technical cooperation.

Mr Frisch then travelled to Suriname for an official visit from 27 to 29 May. He was received by President Venetiaan and the Speaker of Parliament. Working meetings were held with the Council of



Dieter Frisch of the Commission is welcomed at the community fishery centre, NW Nickerie, Suriname by the District Commissioner, Mr Boendhi. To the right sit the Minister of Agriculture, Mr Setroredjo, and the Commission's Delegate in Paramaribo, Lutz Salzmann

Ministers' six-member subcommittee on structural adjustment, which was also the focus of talks with representatives of employers and labour and of a seminar organised by the President. Mr Frisch saw development cooperation in action at a community fishery centre in north-west Nickerie.

Suriname is the only country in respect of which the Commission acts as partner-leader with regard to macroeconomic reforms, a part usually played by the World Bank or the IMF. As preparatory work by a group of high-level consultants under the Commission's auspices had been completed, Mr Frisch strongly recommended the Government to take the necessary political steps. Suriname would then be the first ACP country eligible for the Lomé IV structural adjustment facility without having concluded an agreement with the Bretton Woods institutions. The Netherlands is to finance the bulk of the balance of payments aid which the programme will require. The Suriname Government was able to use Mr Frisch's visit as an opportunity to help persuade public opinion of the need for structural adjustment.

VISITS

Malawi

The Minister of Trade and Industry, Mr D.S. Katopola, and the Minister of Health, Mr H.M. Ntaba, of Malawi met representatives of the Commission headed by its Deputy Director-General for Development, Philippe Soubestre, in May. While the purpose of the visit was to discuss the emergency drought situation in the country, an opportunity was provided for an open and frank discussion on human rights and political development.

Concerning the drought, a request was put in for about 800 000 t of cereals for both refugees and Malawi nationals. Transport limitations were mentioned as an additional obstacle to food aid programmes. The water situation in many areas of the country also posed a serious threat to the population. The Commission expressed its appreciation of Malawi's efforts to meet the needs of almost 1 000 000 refugees from Mozambique and reiterated the Community's continued support in that regard.

Burundi

The Minister of Foreign Affairs and Cooperation of Burundi, Mr Libere Bararunyeretse, visited the Commission on 10 May and briefed Director-General Dieter Frisch on recent developments in the democratisation process in his country. The regional situation was also

discussed, with particular reference to relations between Burundi and Rwanda; normalisation of these relations was a priority for the new transitional Government of Burundi.

Mr Frisch once again stated the Community's support for President Buyoya's policy of democratisation and unity.

Affairs and Cooperation, both of Portugal. It adopted a long series of conclusions setting out the Community's position with the regard to the UNCED meeting in Rio in June.

In their conclusions, the Ministers said that some of the main elements for an agreement at UNCED to promote sustainable development on a global scale were now in place, and affirmed the commitment of the EC and its Member States to help to make the Rio Conference a success. They said that new and additional funding was an essential requirement for sustainable development in all countries of the world and for an evolving partnership among them towards that goal. Such funding, the conclusions said, should be provided by developed countries and other countries in a position to do so. However, no specific commitment by the Twelve as to the sums to be devoted to such aid, and the deadline for doing so, was given by the Council, although the Commission and the Presidency had proposed a target of 0.7% of Community GNP to be achieved by 2000.

The Council agreed that, as part of an evolving partnership, external funding should effectively complement recipient countries' efforts to make additional domestic financial resources available for sustainable development, and considered that such efforts would succeed if more appropriate policies, incentives and regulations were put in place, including a reassessment of public expenditure priorities and of domestic tax-raising capacity.

The Ministers were in favour of the Global Environment Fund acting as the mechanism to provide new and additional financial resources to help developing countries meet the costs of coping with world environmental problems, in ways consistent with national priorities designed to support sustainable development. The EC itself is not a party to the Fund, though certain of its Member States are.

On technology cooperation, the Council stated a commitment to cooperating, particularly with developing countries, to develop environmentally sound technologies and promote, facilitate, and finance as appropriate, access to such technologies and corresponding know-how. High priority, it said, should be given to promoting technology transfer not only from industrialised to develop-

EUROPEAN COMMUNITY

DEVELOPMENT COUNCIL MEETS

The Development Council met in Brussels on 4 May. It exchanged views on the introduction of an instrument for untying Member States' bilateral development aid at Community level, and asked the Commission for a new document on the subject. The Council looked forward to a communication on the prospects for cooperation policy up to 2000 which the Commission's Vice-President, Manuel Marín, said the Commission would be submitting in the near future. The Development Ministers stressed that their resolution of November 1991 on human rights, democracy and development must be implemented coherently and in a coordinated fashion with regard to all the Community's partners.

The Council examined the special food aid programme for 1992 proposed by the Commission and agreed on the urgent need to help the populations at risk in the Horn of Africa and Southern Africa; it gave a reminder, too, of the importance of continuing long-term action to ensure food security. It adopted a resolution setting out the guidelines and principles the Community would follow in respect of structural adjustment.

After noting a report on the visit of the 'Development Troika' to Angola in February, the Council confirmed the Community's willingness to lend support to the process of peace, national reconciliation, social and economic reconstruction and democratisation under way in that country.

The Council approved a series of conclusions on the Community's aid

programming under Lomé IV, noting with satisfaction that 61 national indicative programmes had been signed and ECU 5.5 billion had been the subject of programming with the ACP countries. It also adopted conclusions on the evaluation of Community development aid, directed mainly towards taking greater account of evaluation reports in new financing decisions, thus making for greater efficiency in future aid from the Community and its Member States.

Mr Marín announced that the Commission would take account of Member States' concerns as regards guarantees to protect certain vulnerable groups in the developing countries where breast milk substitutes were marketed.

The Council stressed the importance it attached to the joint study initiated at the ACP-EEC Council meeting in Fiji to identify and eliminate the causes of delays in implementing financial and technical cooperation under the Lomé Convention.

In conclusion, Mr Marín appealed to the Ministers to ensure that their governments took a more development-centred approach in negotiating agreements on commodities.

DEVELOPMENT/ ENVIRONMENT COUNCIL

The joint Development/Environment Council met in Brussels on 5 May, under the chairmanship of Carlos Borrego, Minister for the Environment and Natural Resources, and José Manuel Durão Barroso, State Secretary for Foreign

ing countries, but also among developing countries themselves. The meeting noted the negotiations still under way on a climate convention and a draft statement of principles for a global consensus on the management, conservation and sustainable development of forests. It looked to the Rio Conference for decisions on desertification, biodiversity and biotechnology.

Immigration policy

The EC's Council of Ministers has discussed the Commission's communications of October 1991 on immigration policy and the right of asylum. The President of the Commission, Jacques Delors, pointed out that there were only a few months to go before the Community established the basic freedoms of movement for people, services and capital. The Commission, he said, had submitted a communication on abolishing frontier controls under the Treaty, and there was a need for a guideline from the Council on freedom of movement for people, which was difficult to achieve as long as Member States' governments held divergent views on immigration. In view of increased public awareness of the issue, the structural changes in migration flows and developments in the international situation, Mr Delors asked the Council to give detailed attention to the matters raised in the Commission's communications: controlling migration flows, integrating migrants and the economic development of the regions concerned.

Link between demography and environment: call for EC to act

The EC's Commissioner for the environment, Carlo Ripa di Meana, warned in May that the migratory flows which environmental damage in the developing countries threatened to set in motion were an 'intolerable threat' to the Community. The Commissioner was presenting a report on the ties between demographic and environmental developments in the world by an expert on the subject, Norman Myers. Referring to the potential threat of a population explosion

in the developing countries, Mr Ripa di Meana said the key question was how many people the planet could bear. 'We are already at maximum capacity,' he said, and pointed out that the world's population could double to reach 11.6 billion by 2010. 'Demographic development is inversely proportional to economic development,' however, and the developing countries were trapped in a 'spiral of poverty and famine'. In the Commissioner's view, there was a vicious circle in which the green revolution had led to soil erosion, desertification, deforestation, water shortages and faster urbanisation, while the burden of debt was forcing the countries of the South into mistaken developmental practices. The poor countries could only escape from this trap with the help of the rich, and Mr Ripa di Meana urged the developed countries (including the Vatican, in a reference to family planning) to adopt an 'appropriate strategy'.

Tropical rain forests

The Commission has taken note of a memorandum reviewing measures so far initiated in relation to the tropical rain forests of Central Africa, Latin America and Asia and proposing that developing countries be encouraged in their efforts to conserve and manage their forests on a sustainable basis.

In its proposals for the revised ten-year generalised preferences schedule the Commission will include a special arrangement more favourable to countries which have given a general undertaking to respect international standards applying to processed timber. Cooperation and measures to promote investment and technology will also be stepped up, with extra Community financing going towards safeguarding the tropical rain forests.

The purpose of this approach is to trigger joint action to safeguard the forests with the other developed and the developing countries.

By the end of the year the Commission will be sending the Council and the European Parliament a wider-ranging communication reviewing any international action taken meanwhile, particularly at the Rio Conference, and listing a range of other measures which the Commission may propose in 1993.

EUROPEAN POLITICAL COOPERATION

The Ministers for Foreign Affairs of the Member States of the European Community adopted the following declarations on the dates stated.

Declaration on South Africa (6 April)

The Community and its Member States, which have been following very closely the positive developments taking place in the framework of the Convention for a democratic South Africa, reaffirm their commitment to the creation of a democratic and non-racial South Africa and the well-being of all its people.

Recalling the Rome European Council decision of December 1990 of gradually reviewing restrictive measures adopted towards South Africa, the Community and its Member States have decided the lifting of the oil embargo in effect since 1985.

As to the restrictive measures in the cultural scientific and sporting fields, the Community and its Member States, recalling the declarations issued by the Ministerial Meeting of 20 February 1990 and the European Council of Luxembourg of June 1991, have also decided their formal lifting.

The Community and its Member States express their willingness to continue to support the positive measures programme put in place in 1985 to help the victims of apartheid.

The Community and its Member States hope that these measures will encourage positive developments in South Africa, in particular the establishment of an interim government.

Declaration on Zaire (6 April)

The Community and its Member States have taken note of the decision of the President of the Republic to resume the work of the 'National Sovereign Conference' which was unilaterally suspended last January. They hope that this measure will put an end to the political, economic and social deadlock that Zaire has known for several months.

The Community and its Member States reaffirm the indispensable charac-

ter of the resumption of the National Conference and the formation of a neutral, transitional government which will be in a position to carry forward the process of democratisation and to establish an electoral calendar. They ask the President of the Republic, the Government, the Bureau of the National Sovereign Conference and all segments of Zairean society to do their utmost to allow for the country's definitive reconciliation and for the creation of a climate of consensus and tolerance.

Only these conditions will permit the economic and social recovery of Zaire which will finally render possible the improvement of the living conditions of the people.

Statement on Haiti (7 April)

The Community and its Member States reaffirm their conviction that the two Washington Protocols of 23 and 25 February last between representative Haitian partners remain an important step on the path towards the re-establishment of the rule of law in Haiti.

They deplore the fact that the Protocol of 23 February has not been ratified by the Haitian Parliament and that the de facto authorities believed it necessary to have the constitutionality of that agreement verified.

They urge all Haitian parties to make a combined effort, in accordance with the verdict of the elections and with the constitution, to remove the obstacles to the settlement of the Haitian crisis as elaborated in Washington.

They recall that once again it is the Haitian people who are the victims of these delays and dilatory schemes.

The Community and its Member States reiterate their intention to resume cooperation once a democratic regime has been reinstated in Haiti.

Statement on Equatorial Guinea (15 April)

The Community and its Member States are concerned at the continuing violations of human rights in Equatorial Guinea, which risk endangering the democratisation process initiated with the recent review of the Constitution.

They express their strong disquiet at recent developments and in particular regarding arrests and arbitrary detention

during which those concerned would have been subject to brutality.

The Community and its Member States wish to reaffirm the great importance they attach to the respect of human rights in accordance with Article 5 of the Fourth ACP-EEC Lomé Convention and with the Resolution of the Council of Ministers of 28 November 1991 on human rights, democracy and development.

They consider that the development of Equatorial Guinea cannot be guaranteed without the largest participation of all segments of the population. To this effect, they invite the Government to establish a constructive dialogue with all political and social forces of the country, with a view to promoting the regime's democratisation. In order to allow for an effective participation of all nationals of Equatorial Guinea in this process, all exiled people who so wish should be allowed to return to the country.

In this context, the Community and its Member States will continue to follow with particular care developments with regard to the situation of human rights in Equatorial Guinea as well as the evolution of the democratisation process.

Statement on Sudan (18 May)

(The Community and its Member States welcomed the forthcoming Peace Conference on Sudan due to be held in Abuja on 24th May).

Commending the efforts of President Babangida of Nigeria and current Chairman of the Organisation of African Unity, in the convening of this meeting, the Community and its Member States welcome the decision of all parties to the conflict, namely the Sudanese Government and the Sudanese People's Liberation Movement/Army, to participate in the peace talks.

The Community and its Member States reaffirm their support for this initiative, which they consider a major contribution to a peaceful solution to the Sudanese crisis.

Denmark votes 'No' to Maastricht Treaty

In a referendum held in Denmark on 2 June on whether or not the country

should ratify the Maastricht Treaty, the Danish people decided by a narrow majority that they were not in favour. In an 83% turn-out of the electorate, the voting was 49.3% for and 50.7% against the Treaty, which provides for further development of the EC towards economic, monetary and, eventually, political union.

In a statement on behalf of the Commission, its President Jacques Delors reaffirmed the vital importance for European integration of the treaties adopted at Maastricht. The Commission, he said, feared that the Danish 'No' vote would have consequences for the Community, for Denmark itself and for the prospects of future enlargement, and hoped that the other Member States would press ahead with ratification.

A special meeting of the Foreign Ministers of the 12 Member States regretted the outcome of the referendum but decided that the Treaty would not be renegotiated, the ratification process would continue on the basis of the existing text and the door was still open for Denmark to participate in the Union. The Danish Prime Minister, Poul Schluter, whose government had campaigned for a 'Yes' vote, said that his country might put forward proposals, before the European Council in autumn, for future relations with the EC on different bases from those set out in the Maastricht Treaty.

EC adopts sanctions against Serbia

In view of the escalating violence in the former Yugoslav Republic of Bosnia-Herzegovina, the EC and its Member States decided to adopt sanctions against the new Serbo-Montenegrin Federation, which is regarded as being principally responsible for the continuing war in the region. Having withdrawn their Ambassadors for consultation, they applied a partial embargo on the Federation followed, on 3 June, by a total embargo in line with that adopted by the UN. This applies to all links involving trade, oil and airlines, together with a freeze of Serbian assets and the suspension of all scientific, technical, cultural and sporting ties.

GENERAL INFORMATION

European NGOs meet

The 18th General Assembly of Development NGOs, held in Brussels in April, focused on the theme of sustainable development. The Assembly recommended that development NGOs in the North strive to exercise an influence on structural causes and to seek lasting solutions to problems related to indebtedness, GATT agreements, the environment, structural adjustment and human rights. They would therefore make organised representations to the Community authorities on environmental questions in developing countries and would continue to play a fundamental role in educating public opinion as to the global dimension of development issues in the South and the responsibilities of the peoples of the North.

Speaking at the meeting, Manuel Marín, Vice-President of the EC Commission and Commissioner for Development, pointed out that development cooperation had been incorporated into the Maastricht Treaty on European union. EC cooperation, he said, made for sustainable economic and social development in the developing countries and helped consolidate democracy, the rule of law and respect for human rights and basic freedoms. He stressed the increasingly important part NGOs played in development, as they gave grass-roots organisations a fundamental part to play and on them depended the viability of projects. This made for a joint North-

South approach, without which solutions could not be found to the problems of the developing countries.

The director of the Malaysian Third World Network, Martin Khor, stressed the responsibility borne by the North for the current situation in the developing countries. The North, he said, had opted for an unsustainable system of development which had disregarded the special character and natural balance of the regions concerned.

The EC has been cooperating in NGO development operations for 17 years; its contribution to their work in 1991 was some ECU 480m, 50% more than in 1990. Of this, the largest slice went to food aid (ECU 185.1m), including operations under the special plan against drought in Africa, with ECU 93.8m going to small development schemes (mainly rural development, training and health) and ECU 79.7m to emergency aid. The balance included ECU 60m in aid to the victims of apartheid, ECU 10.9m in aid to refugees and displaced people and ECU 10.7m in aid to people in the front line states.

Global Coalition for Africa meets in Uganda

The second meeting of the Advisory Committee of the Global Coalition for Africa (GCA) was held in Kampala on 8 and 9 May. The meeting was attended by the Presidents of Uganda, Senegal,

Benin, Nigeria and Botswana, as well as several Ministers of African and Northern countries, who debated governance and democracy, African management of economic reform policies, regional integration and cooperation, the environment and population.

The Committee looked at the importance of reducing military expenditure in Africa, to free resources for investment and poverty alleviation. Several African speakers found that population growth and development were positively related and that population density was still low in many parts of Africa. Others emphasised the unprecedented rate of population growth and the fragility of African ecosystems.

The EC Commission's Director-General for Development, Dieter Frisch, presented a well-received progress report on EC support for economic integration in Africa. His address emphasised the complementary role that governments, regional and pan-African organisations and donors could play in rationalising the institutional system, with accountability, coordination and cooperation as their watchwords. It advocated subsidiarity, meaning that a matter should be dealt with at regional level only if it could be handled better there than at national or local level, and variable geometry, in other words integration at various speeds so that progress could be made whenever possible between sub-groups of countries if all the countries of a regional group were not yet ready. This would help avoid a situation where the pace of integration was determined by the slowest member. There must, however, be compensatory mechanisms to make sure that the benefits of integration were distributed as fairly as possible among all participants.

A background paper from the Commission stressed that the most crucial factor in regional integration and cooperation was strong and sustained political commitment from African political leaders to keeping to the agreed regional agenda. Governments, too, should focus on the long-term benefits and objectives and be ready to bear some short-term discomfort. But integration and cooperation should not remain an official affair; the winds of democratic change blowing through Africa were placing production more and more in the hands of the continent's peoples, who must be kept informed of progress and plans. The paper called on governments to dismantle



The 18th General Assembly of Development NGOs meeting in Brussels

non-tariff barriers between countries to improve the climate for private sector cross-border activities. There was also a need for improved monetary coordination and efficient ways of settling regional transactions.

The meeting agreed to set up a GCA Sub-Committee on Regional Integration and Cooperation, to be chaired by President Diouf of Senegal. One of its tasks would be to draft an action programme taking account of ongoing work initiated by the World Bank, AfDB, EC, OUA and ECA to promote the creation and organisation of regional markets.

While in Kampala, Mr Frisch was received by President Museveni; the issues they discussed included the state of EC-Ugandan cooperation, economic reforms and structural adjustment in Uganda, political developments both internally and in the region, and prospects for the EC after the signing of the Maastricht Treaty.

European trade unions oppose racism

In an appeal for a united front against social exclusion and racism on May Day, the European Trade Union Confederation called on European governments and institutions to implement policies to guarantee immigrant workers equal rights in the workplace and ensure that they and their families are integrated into European culture, while respecting their cultural identity. This would involve action in respect of housing, education, vocational training and the recognition of civil and political rights. The ETUC also deplored the fact that the results of the Maastricht European Council did not give the Community full jurisdiction over immigration policy and the right of asylum, as a common approach to those questions was becoming increasingly necessary.

BANANAS

Commission proposes dollar-zone banana quota

The Commission has put forward a proposal for the organisation of the Community's market in bananas after the scheduled completion of the European

internal market by 31 December 1992, which is also the deadline for measures to open up the banana market.

Hitherto the market has been divided up, with national measures in some Member States guaranteeing outlets for bananas grown in the Community (the Canaries, Martinique, Guadeloupe, Madeira and Crete) and the traditional ACP producer countries. Other Member States get their supplies from the dollar zone (basically Latin America). Total deliveries to the Community market in 1990 came to 3.34 million tonnes, making the EC the world's second largest importer. Bananas account for a major share of the export earnings of certain Community regions and ACP countries — and indeed of dollar-zone countries.

So the stakes are high in the battle for the EC market. At a meeting on the subject in April the Commission had to reconcile the opening up of the banana market with continuing outlets for EC and ACP bananas and fair prices for consumers. It opted for a formula, to be put to the Council of Ministers for approval, whereby a minimum quota applicable to banana imports from non-preferential third countries, subject to 20% customs duty, would be consolidated in GATT. The Community would give no commitment as regards applying tariffs above that quota but would state that, having regard to experience of establishing the internal market in bananas, it would be prepared to reconsider the tariff question in the future. The quota would be equal to the quantity imported from the dollar zone at present, so the effect on consumer prices, especially those of dollar-zone bananas, would be limited. There would be aid for Community and ACP producers.

For reaction from the ACP countries to this proposal, see the report of the meeting of the ACP/EC Council of Ministers in this issue.

COFFEE

Negotiations on an International Coffee Agreement to resume this summer

The International Coffee Council meeting in London in April decided to restart negotiations for a new Inter-

national Coffee Agreement. The long-awaited decision is seen as the vital first step towards reviving the fortunes of the coffee trade, which has suffered badly in the depressed market conditions prevailing since July 1989.

All the coffee-producing countries except Brazil (despite its being the biggest producer) had long been anxious to return to a market stabilising mechanism, preferably quotas. Objections to a quota-based Agreement from Brazil's exporters were lifted only this March.

The Negotiating Group, due to start work in London in June, is to work to a formula which will ensure that small producers' interests are properly represented, and non-members of the ICO (International Coffee Organisation) Council are encouraged to participate in any new Agreement. The deadline for the negotiations is 31 December 1992, so that an Agreement can be ratified by 30 September next year.

The EC Commission has sent the Council a recommendation for a decision on a mandate for Community participation in negotiating the new agreement. As the world's largest coffee importer, the EC has a major part to play in the negotiating process.

COCOA

Agreement negotiations launched

The first round of negotiations for a new international Cocoa Agreement was held in Geneva from 21 April to 1 May. Producers reiterated that their preferred model for a new Agreement was still a quota-based system. However, the main focus of the meeting was on the implementation of a production policy and the concept of a cocoa withholding scheme, which consumers believe should be the two main components in a successor agreement.

A number of important but difficult issues were set aside for the next round, which is to be held in July. These included the quantitative ceiling for a withholding scheme, the system of financing, the future operation of the buffer stock and the price mechanism to be applied. The Community will be doing further work on its negotiating mandate in preparation for the second session.

OTHER COMMODITIES

The Commission has approved a proposal for a Council Regulation on setting up and managing a tariff quota for rum, tafia and arrack from the ACP countries for a year from July 1992.

FOOD AID

The Commission recently took decisions to send the following food aid.

India: 15 000 t of powdered milk and 5 000 t of butteroil.

Angola: 6 000 t of cereals.

Malawi: 5 000 t of cereals.

Rwanda: 5 000 t of cereals and 500 t of vegetable oil.

Zambia: 5 000 t of cereals and 2 000 t of vegetable oil.

Ethiopia: 25 000 t of cereals; 5 000 t of cereal in seed form to the FAO to counter the effects of the drought in Eritrea.

Djibouti: 5 000 t of cereals.

NGOs: 25 000 t of cereals.

International Federation of Red Cross and Red Crescent Associations: 11 500 t of cereal equivalent for flood victims in north-eastern Cambodia.

Russia: 7 000 t of sugar, 4 500 t of baby food and 17 500 t of rapeseed oil for Moscow, St Petersburg and other cities.

Bolivia: 612 t of cereal equivalent, 85 t of vegetable oil and ECU 30 000 to buy vegetables for flood victims.

The Commission decided to cancel a shipment of 300 t of powdered milk to Somalia.

Special food aid programme for 1992 adopted

The European Parliament and the Council have adopted the European Community's special programme of food aid for the developing countries hardest hit by drought and civil war.

Under the programme, 800 000 t of extra food products, mainly cereals, will be supplied. The cost, including transport and distribution, comes to ECU 220 000 000.

Of this, some 300 000 t are to go to the Horn of Africa for humanitarian operations in Somalia and Sudan and food support work in Ethiopia, while 370 000 t will go to the drought-stricken ACP countries in Southern Africa. More than 100 000 t goes to countries outside Africa for food aid to refugees or victims of drought and other natural disasters. The aid is to be dispatched at once. The detailed figures, which are indicative, are as follows:

Country	Amount	ECU million
Ethiopia	140 000 t	44.78
Somalia	53 500 t	13.37
Sudan	100 000 t	40.56
Angola	5 000 t	1.78
Kenya	30 000 t	6.30
Lesotho	5 000 t	0.88
Malawi	66 500 t	18.29
Mozambique	70 000 t	15.75
Namibia	15 000 t	3.07
Swaziland	10 000 t	2.50
Tanzania	20 000 t	4.20
Zambia	100 000 t	24.50
Zimbabwe	80 000 t	19.26
Afghanistan	10 000 t	2.90
Bangladesh (Burmese refugees)	10 000 t	1.46
Cambodia	40 000 t	6.00
Peru	30 000 t	9.60
El Salvador	15 000 t	4.80

EMERGENCY AID

The Commission has recently taken the following emergency aid decisions. These include a number involving EDF funding for ACP States.

Wallis and Futuna: (ECU 75 000) and **New Caledonia** (ECU 250 000) — for emergency aid following Hurricane Fran.

Somalia: ECU 650 000 and 350 000 for immediate emergency aid, followed by ECU 4 000 000 for emergency aid, for victims of the conflict in that country. The UNHCR estimates the number of

persons displaced by the war at 2 million out of a population of 7 million. Large numbers of refugees have fled to neighbouring Ethiopia, Kenya and Djibouti. The EC's aid is intended mainly for emergency transport and medical operations by various NGOs.

Kenya: ECU 650 000 for immediate emergency aid for Somali refugees in Kenya; a further ECU 3 000 000 to help Kenya face the consequences of (a) drought affecting 500 000 people and (b) the flow of refugees (some 260 000) from Sudan, Ethiopia and Somalia.

The Community's Member States have also contributed some ECU 3 000 000 in aid for Somalia.

Rwanda: ECU 1 000 000 for immediate emergency aid for victims of the conflict in northern Rwanda.

Angola: ECU 2 000 000 to cover internal air transport costs for shipping Community food aid.

Iraq: ECU 5 000 000 for the Kurdish population in Iraq.

Nagorno-Karabakh: two grants of ECU 500 000 for Azeri and Armenian victims of disturbances.

Nicaragua: ECU 250 000 to make good damage caused by the eruption of a volcano.

Croatia: ECU 1.5m for refugees from Bosnia.

Bosnia-Herzegovina: ECU 1 000 000 for medical supplies to hospitals for victims of the conflict in the republic; a reserve of ECU 500 000 to be allocated by the European Office for Humanitarian Emergency Aid.

Former Yugoslavia: ECU 30 000 000 towards the UN High Commissioner for Refugees' programme to help refugees in the former Yugoslavia.

Afghanistan: ECU 500 000 for medical aid to victims of conflict.

France: ECU 350 000 for the families of victims of the collapse of a football grandstand in Corsica.

EC rehabilitation aid for Cambodia

The Commission has decided to give ECU 8 000 000 for a programme to rehabilitate areas of Cambodia so that some 100 000 refugees and displaced

people can return to their country from neighbouring Thailand.

EC aid for refugees in Asia

Afghanistan: ECU 2 000 000 for medical training and preparation for return of refugees from Pakistan; 2 700 000 for a public health programme.

Hong Kong: ECU 520 000 for a health and training programme for Vietnamese asylum-seekers.

Thailand: ECU 450 000 for artificial limbs for Khmer refugees.

Colombia: ECU 8 000 000 to develop silk farming.

China: ECU 3 800 000 to develop uncultivated land.

Mongolia: ECU 2 300 000 to improve veterinary services.

Pakistan: ECU 21 000 000 for rural electrification in the Punjab.

Singapore: ECU 2 700 000 for the Regional Institute of Environmental Technology.

Jordan: ECU 4 000 000 for a social development project.

significant number of refugee and displaced person movements worldwide. The Commission was ready to continue working with the UNHCR in the area of defending the dignity and freedom of human beings.

Dr Berhane Ghebray, Secretary-General of the ACP Group, told the seminar that during negotiations for the Lomé IV Convention it had been recognised that the requirements for refugee relief were only partially met. The provisions for refugee and returnee assistance found in Article 255 had been expanded to include assistance to displaced persons and would be implemented in conjunction with the UNHCR.

David Williamson, Secretary-General of the Commission of the EC, said the Commission was taking on a clearer humanitarian profile and, although it could never do enough, its humanitarian aid had nonetheless been growing, in line with the growth in the refugee problem. It had changed its procedures to mobilise budgetary resources more rapidly and had proposed a total of ECU 528m for urgent food aid in 1992. Under Lomé IV the Community had allocated ECU 5m a year for humanitarian aid and ECU 100m for long-term aid, which included initiating specific programmes to increase development possibilities in countries in need of aid. Further ways of harmonising policies on asylum would be examined, to establish which Member State would be responsible if someone demanded asylum and thereby avoid the phenomenon that had occurred in the past, that of 'refugees in orbit'. Lastly, he said, the Commission was looking at more efficient contingency arrangements for dealing with emergency situations.

The conclusions adopted by the seminar noted the increasing influx of asylum seekers into Europe and the heavy burden this placed on receiving countries. Solutions to existing and future refugee problems should include activities to improve the visibility of the EC's humanitarian aid. On asylum policy harmonisation, the text went on to say: '... it will be essential to ensure that persons in need of international protection may be admitted to the territory of the European Communities and will continue to have access to fast and efficient procedures of status determination. (...) A recognition of

OTHER EC AID

The Commission has made the following grants of aid from the EC budget to countries in Latin America and Asia.

Peru: ECU 7 800 000 for safe drinking water systems in Lima.

Aid for Albania

The Council has decided to finance a programme to import raw materials, semi-finished products and spare parts for Albanian industry. The Commission has sent the Council a proposal for a second emergency aid programme to supply food worth ECU 45 000 000 to Albania.

UNHCR Seminar: Refugee Policy to 1992 and Beyond

The Office of the United Nations High Commissioner for Refugees recently published a report of the proceedings of a seminar held in Brussels in June 1991 at which proposals for a new humanitarian order at the European and international levels were reviewed. The seminar, which was held under the patronage of Jacques Delors, President of the EC Commission, brought together representatives of many national governments and bodies, international organisations and academic institutions.

In Europe, the issue of asylum for refugees is assuming increasing importance in discussions about the consequences of establishing the Single Market by the end of 1992. Speaking for the Commission, Abel Matutes, Member responsible for North-South relations, outlined the Community's position: 'The Community is, as it were, in the eye of the hurricane. The Community's model combination of economic prog-

ress, social stability, technological advancement and freedom and democracy has become a powerful magnet attracting those seeking refuge from political and ideological persecution and for those wishing to improve their economic situation and endeavouring to emerge from relative underdevelopment. (...) We have resolved to build a truly common market in which freedom of movement, not only of goods and services, but also of the factors of production, labour and capital, will be guaranteed. (...) This will, however, imply the need to make specific legal arrangements concerning observance of the principles of the Single Market with the establishment of certain border safeguards to prevent the uncontrolled entry of people into Community territory and their possible establishment in that territory.'

Over the past 20 years, Mr Matutes said, the European Community had provided assistance to an increasingly

[refugee] status should lead to equal treatment throughout the Community in socio-economic terms.' The further strengthening of EC-UNHCR cooperation in refugee matters, both within and outside Europe, would, the seminar concluded, be in the interests of all parties concerned.

UN Adviser Craxi proposes Development Council

The United Nations Security Council should be turned into a Security and Development Council, according to a senior UN figure speaking at a seminar in Rome on the democracy of development, imbalance and world poverty. Bettino Craxi, special adviser to the UN Secretary-General on peace and development, said that the new Council should tackle questions relating to every human being's right to survival. In the immediate future, he said, the UN should focus on consolidating peace and human rights by encouraging economic and social development, international cultural cooperation and environmental protection.

Another speaker at the seminar, which was held at the European Parliament's office in the Italian capital, was Maria Luisa Cassanmagnago Cerretti, co-President of the ACP/EC Joint Assembly. She reminded the meeting that the Assembly had stressed the need to guarantee commodity prices which gave the producer a fair return, and said rich countries could no longer be allowed to fix prices without any regard to the needs of the poor countries: market laws could not go on being applied in obviously unequal conditions.

World Food Programme Director visits Brussels

The Executive Director of the World Food Programme, Ms Bertini, visited the Commission in April soon after taking office, for the purpose of establishing contacts and good working relations. The Commission's Director-General for Development, Dieter Frisch, held talks with

Ms Bertini on more systematic contacts both at headquarters and field level, the visibility of EC aid and the EC's institutional participation in the WFP. The situation in Southern Africa and in particular the Special Programme for Food Aid were discussed and seen as a test of cooperation between EC and WFP, as the WFP would have an important role in relation to information on commitments as well as transport and logistics for the response to drought in Southern Africa.

ANC delegation visits the Commission

A delegation from the African National Congress of South Africa including Max Sisulu, head of the ANC's Department of Economics, and Trevor Manuel, Head of its Department of Economic Policy and Planning, visited the Commission, the European Parliament and the ACP Secretariat at the end of April. The delegation explained ANC thinking on developments in South and Southern Africa and heard the views of the Community institutions on events in the region. The possibility of EC help for drought victims in South Africa was also discussed.

South Africa: possible EC initiative to reduce violence

The Community's Foreign Ministers meeting informally in Guimarães, Portugal, on 4 May were briefed by Danish Foreign Minister Uffe Ellemann-Jensen on his recent visit to South Africa. They reacted positively to his suggestion that the EC should take initiatives designed to lower tension in that country, particularly by improving police training. According to the French Foreign Minister, Roland Dumas, the Twelve supported the idea of a visit by the 'Troika' (the previous, present and next presidencies of the EC) and the deployment of observers to South Africa to study possible action by the EC.○

Conference pledges aid for drought victims in Southern Africa

Participants in an international Pledging Conference on the Drought Emergency in Southern Africa promised to supply US\$526 million in food and other aid. The conference, which took place in Geneva, Switzerland, on 1 and 2 June, was held under the joint auspices of the United Nations and the Southern African Development Coordination Conference and chaired by Sir Ketumile Masire, President of Botswana and Chairman of SADCC. Its purpose was to consider an appeal launched by the UN Secretary-General in May for international aid in what was described as a drought emergency 'unprecedented' in its scale. As many as 130 million people in Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Zambia and Zimbabwe may be affected, 18 million of whom are threatened with starvation or even famine.

The largest contribution pledged was \$200 million in food and non-food aid from the United States. The Head of the EC Commission's Delegation, Francisco Granell, announced that \$130 million (ECU 105m) in food aid for Southern African countries was included in the Special Programme of Food Aid for 1992 approved in May, in addition to existing programmes. Among EC Member States, contributions in their national currencies were pledged by Denmark, Germany, Italy and Ireland.

Many speakers referred to the need to secure a 'corridor' in Mozambique and other dangerous areas where the UN was increasingly operating, to ensure that relief supplies were delivered safely and without risk to relief workers. In a final statement, the Conference appealed to all parties to the conflict in the areas concerned to refrain from attacks on aircraft, ships and road vehicles delivering humanitarian supplies.

Corrigendum

A reader in Trinidad and Tobago has drawn our attention to the fact that the photograph in N° 132, page 80, is of the Queen's Royal College for boys and not of the Parliament in Port of Spain. We apologise for the error.

In the next number of Partnership

In view of the special twelve-page number on Madagascar published on the occasion of the CDI Day (see our previous edition), this number of Partnership is exceptionally reduced to four pages.

Our September-October edition will return to the normal eight-page format with :

- ◆ **Research and financing** : a special dossier on the assistance that the CDI can provide to project promoters.
- ◆ **Paint factories** : analysis of the know-how acquired by the Centre in assisting 10 projects launched in this field.



Some 200 participants from the key institutions, industry and the press.

MAY 12TH 1992 : CDI DAY

The CDI, a key tool for the development of the private sector

On Tuesday May 12th 1992, the Centre for the Development of Industry (CDI) organized a special day in Brussels at which it presented its activities and its annual report for 1991. The central theme for this day, attended by some 200 representatives of the key institutions, industry and the press, was the CDI's role in encouraging the emergence of a private sector of industrial SMEs in the ACP countries. This presentation was illustrated by testimonies from company heads and investors who had cooperated with the CDI in launching their projects. Representatives of the Centre's supervisory bodies - the ACP Group and the Commission of the EC - have strongly supported the CDI in its activities in favour of SMEs in the private sector.

tance of a policy of active support for SMEs, "which in the ACP countries constitute a decisive lever in combating unemployment and reducing the trade deficit". He also welcomed the CDI's determination to strengthen its operational presence in the ACP States : "The policy of decentralizing its action, as set out in the Centre's new strategy, is in response to guidelines defined in the fourth ACP-EC Convention. It is essential to bring together national and international resources in order to create service companies providing close support to firms in the ACP countries".

ACP : the CDI is an essential organization

"The priority given in Lomé IV to the role of the SMEs has come at just the right time", underlined H.E. Maurice Bisong Ekpang, Ambassador of Nigeria and ACP Co-Chairman of the Committee on Industrial Cooperation of the ACP-EC Lomé Convention. "There is a significant potential in the ACP States for the development of companies of that size. But to achieve this it is essential to create an environment providing entrepreneurs with the necessary support as regards management, technical manufacturing assistance, access to markets, etc. The CDI's role is irreplaceable".

Dr Berhane also mentioned the need to mobilize existing savings in the ACP States for the benefit of SMEs and underlined the role that the CDI can play in this respect, working in symbiosis with finance institutions.

Synergy with EC

"The structural adjustment policies applied by virtually every country in Sub-Saharan Africa are tending to reduce direct State interventionism and to increase reliance on individual enterprise and the market", observed Mr Peter Pooley, Deputy Director-General at the Commission of the European Communities. "With the collapse of the communist bloc in Eastern Europe, it has suddenly become clear that the «plan» is not



For Dr G. Berhane, Secretary General of the ACP Group, "decentralizing the CDI action allows the creation of service companies providing close support to firms in the ACP countries".

Dr Ghebray Berhane, Secretary General of the ACP Group, also stressed the impor-

The CDI, a key tool for the development of the private sector

a valid substitute for the market and that the «apparatchik» cannot replace the entrepreneur. The authorities' role must be to facilitate economic activity and to create a favourable economic and legislative environment, and not to replace the real driving force behind development : private companies".

Mr Pooley emphasized in particular the need to increase the competitive capacity of ACP companies, underlining the synergisms that must exist between the Commission of the EC and the CDI in their efforts to help SMEs in management and the acquisition of technologies. "We welcome the progress that the Centre has made in just over a year and we are convinced that the CDI is the tool par excellence for the development of private enterprise".

The first results of the new strategy

This progress was illustrated in the speech made by Mr Paul Frix, Director of the Centre, who presented the first results of the CDI's activities six months after the introduction of its new strategy : not only have virtually all the CDI's intervention funds been mobilized (98%) ⁽¹⁾, they have also been increased - by some 25% - through supplementary financing from national and regional EC institutions. In concrete terms, the CDI made around 300

assistance interventions for industrial projects in the ACP countries in 1991. In addition, 35 CDI-assisted companies, representing over 5,000 jobs (half of them indirect jobs generated in rural areas), either started up production (23 companies), expanded or diversified their production (6) or restructured or restarted their activities (6).



JOIE Project in Madagascar : Mr Denat (Jullien textile company) and Mr Rakoto, the Madagascan partner in the project, explained the importance of the joint assistance provided by the CDI and the CCCE in staff training.

The representatives of the ACP Group and the Commission of the EC underlined the role expected of the CDI in encouraging the emergence of a viable private industrial sector in the ACP countries (from left to right : Mr P. Pooley, Deputy Director-General at the Commission of the European Communities; Mr P. Frix, Director of the CDI, and H.E. M.B. Ekpeng, ACP Co-Chairman of the Committee on Industrial Cooperation of the ACP-EC Lomé Convention).



Five priorities for the future

For Mr P. Frix, it is a matter of urgency to ensure that the structural adjustment processes in the ACP countries succeed. With this in mind, the Centre has set itself five priorities.

- ◆ Faced with the growing lack of interest among European investors, making an effective contribution towards **fostering the emergence of new categories of local entrepreneurs**. Africa in particular must learn to rely first and foremost on itself and its own entrepreneurs, who must therefore be encouraged, trained and advised.

- ◆ Profiling the CDI as a **service organisation playing a catalysing role together with European and ACP financial institutions** and, in particular, with the Lomé Institutions, i.e. the European Investment Bank (EIB) and the European Development Fund (EDF). The accent is placed on systematic complementarity between technical assistance and financial assistance.

- ◆ Concentrating CDI actions in countries which, especially within the context of the Lomé Agreements, are pursuing a **voluntarist policy of developing their private industrial sector** and have organized significant resources, from Community or other funds, which can be combined with those from the CDI.

- ◆ Endeavouring to **help companies over a sufficiently long period** to ensure their viability and to develop certain sectors and industries with good future prospects.

- ◆ **Mobilizing more human, financial and technical resources :**

- by establishing and strengthening action and interventions by local support structures close to ACP firms, in the form of service companies;

- by enlarging, in the European Community, the **network of cooperation and co-financing agreements with national or regional institutions or with specialized financial institutions**. Apart from increasing the financial

(1) 73% of the intervention appropriations used were for Africa, 18% for the Caribbean and 9% for the countries of the Pacific.

The CDI, a key tool for the development of the private sector

Testimonies from company heads...

The second round of debates, introduced by Mr Surendra Sharma, Deputy Director of the CDI, offered an opportunity to provide the participants in this CDI Day with testimonies from industrialists, experts and financiers, who analysed how they had managed to launch several industrial projects with the active assistance of the CDI.

◆ Madagascar : Mr Denat, of the French textile company Jullien, and Mr Rakoto, President of the Madagascar Clothing Association and the Madagascar partner in the JOIE garment factory set up in 1991 in the free zone of Tananarive, explained the importance of the joint assistance provided by the CDI and the Caisse Centrale de Coopération Economique (CCCE, France) in the start-up of this project, namely the training of staff in clothing manufacture.

◆ Trinidad and Tobago : Mr Costelloe, of Gransaul & Co., and Professor Bayens, the CDI consultant for the non-metal minerals sector, analysed the concrete impact of the sectoral approach adopted by the Centre to develop the lime and lime derivatives industry.

◆ Senegal : Mr Jourdain, Managing Director of Jourdain International, a company specializing in industrial poultry farming, spoke about the aid that he had received from the CDI (assistance in obtaining financing and in the training of specialists) for rehabilitation of the Senegalese poultry-farming complex "M'Bao".

... and financiers

Finally, a panel analysed the close collaboration established between the CDI and financial bodies operating in the ACP States. Mr Abou Bakar Baba Moussa, President of the West Afri-

can Development Bank (BOAD) explained how, within the context of the move towards privatization in Africa, this bank is now arranging financing for the private sector, whilst in the past it had concerned itself exclusively with public investments. It has turned to the CDI in this connection for assistance in evaluating the viability of projects.

Similarly, Mr Oudin, of the CCCE, talked about the close synergy existing between his organization and the Centre, which in 1991 took the tangible form of collaboration on 21 projects in favour of the private sector in ACP States.



Mr A. Moussa (right), President of the BOAD, a development bank that is now involving itself in financing for the private sector. Mr O. Kaba (left), a journalist who led the debates; Mr P. Keene (centre), Head of the CDI "Partnerships" Department.

resources made available in this way, these links created in Europe allow new categories of companies to be sought out that are prepared to enter into partnerships with ACP entrepreneurs.

"The CDI intends to be a genuine assistance tool at a time when there has never been so great a need to step up the creation, rehabilitation and privatization of viable and properly managed companies", emphasized Mr Paul Frix, Director of the CDI. "I would even add, in the present context, that if the CDI did not exist it is now that it would have to be created".

Full convergence of views

Concluding the debates, Mr Zama Banhoro, Chairman of the CDI's Joint Executive Board, outlined the encouraging results achieved by the Centre in 1991 within the context of the reforms that had been undertaken. He also observed with satisfaction *"the convergence of views that emerged on this occasion between speakers from the Commission of the EC and the ACP countries in supporting the objectives of the CDI and recommending a more important role for the Centre under Lomé IV"*.

1991 Annual Report now available

The CDI also took advantage of this special day to present its Annual Report for 1991. Apart from a full analysis of the Centre's activities, this edition also includes numerous descriptions of CDI-assisted reference projects. The report can be obtained in English or French from the CDI on request.

PRIORITIES AND CRITERIA FOR CDI INTERVENTION

The first task of the CDI is to support good partnership projects. For this, it must first of all identify motivated and competent ACP industrial promoters whose projects offer real viability prospects and positive effects for the local economy. What, therefore, are the CDI's intervention priorities and criteria as determined by its new strategy ?

1. A favourable context for the enterprise

◆ **Stability** - The general political stability of a country and of its legal and institutional framework is obviously an essential precondition for mobilizing local private investment and even more so for attracting foreign investors.

◆ **Environment** - The tax systems and the regulations on foreign trade must create an environment conducive to private investment and entrepreneurial activities.

◆ **Support facilities** - Facilities ensuring operational and financial assistance for companies must exist to complement the action of the CDI. The Centre will therefore concentrate its efforts on countries with institutions offering venture capital and medium- and long-term loan finance, especially within the context of global loans from the EIB, the World Bank, etc. Similarly, local support facilities for promotion, assistance and monitoring of companies - within the framework of EDF programmes, for instance - are an important interface for CDI action, particularly when it comes to interventions in favour of small projects.

◆ **Privatization** - The existence of a policy to privatize State-owned companies and a general policy to liberalize entrepreneurial activities is another favourable factor for intervention by the Centre.

2. The criteria applied to projects

◆ **Local resources** - The availability - immediate or potential - of local raw materials in sufficient quantities and at competitive prices is a primary factor in ensuring the validity of a project geared towards exports or the local market. Another criterion to be taken into account is the creation of jobs either upstream or downstream of the project. Regarded as priority sectors in this connection are agricultural resources, fishing, forestry and mining resources.

◆ **Factors of production** - The competitiveness of local labour and energy and other factors is a major asset, particularly when the project is aimed at export markets through distribution agreements with foreign companies.

◆ **Technologies** - The technologies to be used for a project must be in keeping with the local context. The project should have a technical partnership allowing the appropriate transfer of know-how to the ACP operators, at least in the medium term.

◆ **Project size** - To attract foreign partners and to find external financing, the project must be of a certain minimum size - in terms of investment, turnover and employment. To obtain external loans, an investment of about a million ECU can be regarded as the lower limit. For small projects not requiring foreign investment,

the CDI evaluates the advisability of its interventions in terms of their ability to mobilize funds and in terms of their value-added. The Centre is more likely to lend its assistance when its interventions can be applied to a group of projects of modest size under the control of an ACP partner organization.

3. What type of investor / promoter ?

For the CDI, the entrepreneurial experience and the financial capacity of the promoters of a project with regard to the size of the investment is one of the most important parameters when envisaging an intervention. Priority is given to projects involving :

- existing private industrial companies;
- commercial or service companies with good market experience;
- State-owned companies committed to privatization;
- private financial investors;
- financial institutions or bodies.

The solidity of an ACP-EC partnership will be analysed not only as regards the technical skills of the European partner but also from the point of view of his commitment to the success of the project, especially in terms of "risk sharing".

Four profiles of priority projects

1. Projects geared, at least partly, towards exports and therefore capable of generating foreign exchange earnings, particularly in countries with non-convertible currencies.

2. Projects whose size and structure are likely to attract foreign equity and to allow intervention by the DFCs (Development Finance Companies).

3. Privatization projects likely to obtain risk-capital funds from the EIB or other sources.

4. Small-scale companies oriented towards the local market, having a substantial value-added, foreign exchange savings and likely to mobilize DFC financing (with lines of credit from the EIB or other institutions).

Operational Summary

No. 69 — July 1992

(position as at 6 July 1992)



EEC-financed development schemes

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), Lomé II (31 October 1979), Lomé III (8 December 1984) and Lomé IV (15 December 1989), 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 since 1976 and 1977;

— the ALA 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).

Note

As the information provided is subject to modification in line with the development aims and priorities of the beneficiary 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.

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).

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

Correspondence about this operational summary can be sent directly to:

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Directorate-General for Development
Commission of the European Communities
G 12 4-14
200, rue de la Loi
B-1049 Brussels

Please cover only one subject at a time.

DESCRIPTION SECTOR CODE

A1	Planning and public administration	A5B	Industrial development banks
A1A	Administrative buildings	A5C	Tourism, hotels and other tourist facilities
A1B	Economic planning and policy	A5D	Export promotion
A1C	Assistance to the normal operations of government not falling under a different category	A5E	Trade, commerce and distribution
		A5F	Co-operatives (except agriculture and housing)
A1D	Police and fire protection	A5G	Publishing, journalism, cinema, photography
A1E	Collection and publication of statistics of all kinds, information and documentation	A5H	Other insurance and banking
A1F	Economic surveys, pre-investment studies	A5I	Archaeological conservation, game reserves
A1G	Cartography, mapping, aerial photography		
A1H	Demography and manpower studies	A6	Education
A2	Development of public utilities	A6A	Primary and secondary education
A2A	Power production and distribution	A6B	University and higher technical institutes
A2Ai	Electricity	A6Bi	Medical
A2B	Water supply	A6C	Teacher training
A2C	Communications	A6Ci	Agricultural training
A2D	Transport and navigation	A6D	Vocational and technical training
A2E	Meteorology	A6E	Educational administration
A2F	Peaceful uses of atomic energy (non-power)	A6F	Pure or general research
		A6G	Scientific documentation
A3	Agriculture, fishing and forestry	A6H	Research in the field of education or training
A3A	Agricultural production	A6I	Subsidiary services
A3B	Service to agriculture	A6J	Colloquia, seminars, lectures, etc.
A3C	Forestry		
A3D	Fishing and hunting	A7	Health
A3E	Conservation and extension	A7A	Hospitals and clinics
A3F	Agricultural storage	A7B	Maternal and child care
A3G	Agricultural construction	A7C	Family planning and population-related research
A3H	Home economics and nutrition	A7D	Other medical and dental services
A3I	Land and soil surveys	A7E	Public health administration
		A7F	Medical insurance programmes
A4	Industry, mining and construction	A8	Social infrastructure and social welfare
A4A	Extractive industries	A8A	Housing, urban and rural
A4Ai	Petroleum and natural gas	A8B	Community development and facilities
A4B	Manufacturing	A8C	Environmental sanitation
A4C	Engineering and construction	A8D	Labour
A4D	Cottage industry and handicraft	A8E	Social welfare, social security and other social schemes
A4E	Productivity, including management, automation, accountancy, business, finance and investment	A8F	Environmental protection
A4F	Non-agricultural storage and warehousing	A8G	Flood control
A4G	Research in industrial technology	A8H	Land settlement
		A8I	Cultural activities
A5	Trade, banking, tourism and other services	A9	Multisector
A5A	Agricultural development banks	A9A	River development
		A9B	Regional development projects
		A10	Unspecified



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ACP STATES

New projects are printed in italics and offset by a bar in margin at left

Projects under way are marked with an asterisk and with words or phrases in italics

ANGOLA

Road rehabilitation — Section A: Lubango — 41 km — Section B: Serra de Leba — Lubango. Resp. Auth.: Ministère de la Construction. Estimated total cost 15 mECU. EDF 12.5 mECU local 2.5 mECU. Works by int. tender. Works supervision: short-list done. *Project in execution.* 6th EDF.
EDF ANG 6011 A2d

Supply of 5,000 'kits' to facilitate the development of micro-enterprises and handicraft in rural or urban environment. 2 mECU. Date financing May 92. 7th EDF
EDF ANG 7002 A4a, A5

Supplies logistic support for electoral course. 2 mECU. Date financing June 92. 7th EDF
EDF ANG 7003 A1c

Basic equipment for vote offices. 1 mECU. Date foreseen for financing July 92. 7th EDF
EDF ANG 7004 A1c

Forestry protection and development. Resp. Auth.: Ministry of Agriculture. Division of Forestry and Range Ecology (DFRE). 3 mECU. T.A. and supplies (computers, vehicles, tractors). *Projet on appraisal.* Date foreseen for financing July 92. 7th EDF
EDF BT 6021 (7002) A3c

ANTIGUA AND BARBUDA

Road Rehabilitation Programme Phase 2. Resp. Auth.: Ministry of Works and Communications. Estimated cost 3.100 mECU. Reconstruction of the road from Golden Grove to Urlings (11.75 km). Project on appraisal. 6th EDF.
EDF AB 6001 A2d

BARBADOS

Hospitality Studies Project. Resp. Auth.: Ministry of Education and Culture. Total estimated cost 2.5 mECU. EDF 1.6 mECU, local 0.900 mECU. Construction of Tourism Training Centre-cum-Hotel. Project on appraisal. 6th EDF.
EDF BAR 6006 A5c

Livestock Development. Resp. Auth.: Ministry of Agriculture. 2.475 mECU. Renovation and construction of administrative buildings, supply of vehicles, equipment and computers. Line of credit and T.A. Project in execution. 5th and 6th EDF.
EDF BAR 6004 A3a

BELIZE

Belize City Hospital. Phase I. 8.6 mECU. Work constructions and supply of equipment. 4th, 5th, and 6th EDF. Project in execution.
EDF BEL 6004 A7a

Community Development Programme. Resp. Auth.: Ministry for Social Services. 0.150 mECU. Project preparation study. Short-list done. Project on appraisal. 6th EDF.
EDF BEL 6002 A6b

BENIN

Fish breeding. Applied research and popularization actions. Resp. Auth.: MDRAC. Estimated cost 2 mECU. Project on appraisal. 6th EDF.
EDF BEN 6009 A3d

General Import Programme — S.A.P. II. 24 mECU. Hard currency allowance to import ACP and EC goods. There is negative list of items not eligible (military-luxury items). Project in execution. 6th and 7th EDF.
EDF BEN 7200 A1c

BOTSWANA

Wildlife Conservation in Northern Botswana. Resp. Auth.: Department of Wildlife and National Parks. (DWNP). 6.800 mECU. New tracks, construction of administrative office quarters and accommodation. Supply of equipment (earthmoving — tractors — 4x4 pick-ups). T.A. and training. Project on appraisal. Date foreseen for financing *2nd half 92.* 6th EDF.
EDF BT 6026 A3e, A5i

Airborne Electromagnetic survey in the Ghanzi-Chobe fold belt and Shingamamba Hills. Resp. Auth.: Dept. Geological Survey. 1.6 mECU. Investigate mineral deposits and water potential. Production of geological maps. Project in execution. 7th EDF.
EDF BT 7001 A1g

Forestry protection and development. Resp. Auth.: Ministry of Agriculture. Division of Forestry and Range Ecology (DFRE). 3 mECU. T.A. and supplies (computers, vehicles, tractors). *Projet on appraisal.* Date foreseen for financing July 92. 7th EDF
EDF BT 6021 (7002) A3c

BURKINA FASO

Structural Adjustment Support — General Import Programme. 22.500 mECU. Hard currency allowance to import ACP and EC goods. There is negative list of items not eligible (military-luxury items). T.A. for monitoring, auditing and follow-up. Project in execution. 7th EDF.
EDF BK 7200 A1c

Water resources development programme in the South-West. Resp. Auth.: Ministère de l'Eau. Estimated total cost 15 mECU. Drillings, water supplies, water points, hand pumps, vehicles, various equipments, T.A. for works supervision and programme implementation. Training. *Project on appraisal.* 5th and 7th EDF
EDF BK 6020 (7001) A2b, A3c

BURUNDI

Rutana province water supply. Resp. Auth.: Ministère du Dév. Rural. Dir. Gén. de l'Hydraulique et de l'Energie. 5.5 mECU. Construction of 17 water supply networks. Works and supplies by int. tender (conditional) n° 3533 launched on April 3rd 92. *Opening 10.6.92. Date financing June 92.* 6th and 7th EDF.
EDF BU 6002 (7001) A2b

Structural Adjustment Support. General Import Programme. 12 mECU. Hard currency allowance to import ACP and EC goods. There is negative list. Evaluation after 1st phase. Project on appraisal. Date foreseen for financing. July 92. 7th EDF.
EDF BU 7200 A1c

Development of the health sector in the Mosso and Imbo regions. Resp. Auth.: Ministère de la Santé Publique. Total estimated cost 24.630 mECU. EDF 17.530 mECU, local 5.446 mECU. Counterpart Funds for G.I.P. 1.654 mECU. Health centres staff training, supply of equipments and health services rehabilitation. Constructions, T.A. Project on appraisal. 7th EDF.
EDF BU 7003 A6bi, A7

CAMEROON

Rural development programme in the Logone and Chari. Resp. Auth.: Semry. Estimated cost 12 mECU. Consolidation and extension of existing actions. Project on appraisal. 6th EDF.
EDF CM 6013 A3a

Rural development poles: Saa-ntui, Sang melima, Bafut. Resp. Auth.: Ministères de l'Agriculture et du Plan et de l'Aménagement du Territoire. Total estimated cost 14.625 mECU. EDF 10.300 mECU, local 4.325 mECU. Strengthening of the monitoring structures, improvement and extension of basic socio-economic infrastructures, training, education, popularization of rural development, health. Works: tracks, buildings; supplies for civil works, vehicles, crop inputs, rural equipment. Project on appraisal. Date foreseen for financing *2nd half 92.* 6th EDF.
EDF CM 6012 A3a

Creation of a medicines provisioning unit. (to prepare the programme: Social Dimension Adjustment — S.D.A.-Health) Resp. Auth.: Ministère de la Santé Publique. 0.265 mECU. T.A. short-term by G.T.Z. (F.R. Germany) who will purchase essential medicines. Project on appraisal. 7th EDF.
EDF CM 7003 A7

Support to the Structural Adjustment Programme. General Import Programme. Hard currency allowance to import ACP and EC goods. There is a negative list. 29.5 mECU. T.A. for starting and follow-up. *Date financing May 92.* 7th EDF.
EDF CM 7200 A1c

CENTRAL AFRICAN REPUBLIC

Support to the National Laboratory for Buildings and Public Works. (LNBTP) Resp. Auth.: Ministère des T.P. 1.200 mECU. Works, supplies training. Project on appraisal. 6th EDF
EDF CA 6011 A1a

CHAD

Support programme to revitalize primary education. Resp. Auth.: Ministère de l'Education Nationale. 10 mECU. Works by acc. tender or direct labour. Building materials, equipment, and educational equipment, by int. tender. Training

programmes and support infrastructures. Project in execution. 7th EDF. EDF CD 7001 A6a

Support Project to the National Authorizing Officer. (NAO). Resp. Auth.: N.A.O. Estimated cost 1.8 mECU. T.A. to the N.A.O. (2 experts). **Date financing May 92.** 7th EDF. EDF CD 7002 A1f

Environmental conservation in the South-East. Resp. Auth.: Ministère du Tourisme et de l'Environnement. 3,5 mECU. Flora and fauna reconstitution in the Zakouma region. Integration, growing public awareness and participation of population for conservation of natural resources. **Date financing May 92.** 7th EDF. EDF CD 7001 (4017) A8f

Support programme to improve maintenance and road infrastructure. Resp. Auth.: Ministère des T.P. 15 mECU. Works, bridges, Moundou-Touboro road study, institutional support to the Ministère des T.P. Training. Road study: short-list to be done. Project on appraisal. 7th EDF EDF CD 6001 (7003) A2d

COTE D'IVOIRE

Central Region food crops programme. Resp. Auth.: Ministère de l'Agriculture. EDF 40 mECU. Irrigation, agriculture modernization, young settlements. Food crops production marketing improvement. Works, soil improvement, supplies. T.A. studies, follow-up and evaluation. Project on appraisal. Date foreseen for financing **2nd half 92.** 6th EDF. EDF IVC 6009 A3a

Support to the Structural Adjustment Programme. General Import Programme. Hard currency allowance to import ACP and EEC goods. There is a negative list of items not eligible (military-luxury products). 15.5 mECU. T.A. for the Ministère de l'Économie et Finances and T.A. for the Ministère de la Santé. Project in execution. 7th EDF. EDF IVC 7200 A1c

Health sector support programme. Estimated cost 9 mECU. Strengthening basic cares, correcting unbalances between regions and support to decentralization. Project on appraisal. 7th EDF. EDF IVC 6011 (7001) A7

Support programme to coastal cities. 28.5 mECU. Social and economic infrastructure, planning and management of municipalities. Project on appraisal. **Date foreseen for financing September 92.** 7th EDF. EDF IVC 7001 A8a, b

DJIBOUTI

Urban development programme. Phase II. Resp. Auth.: Ministère des Travaux Publics. 8.750 mECU. To finish works in bloc 4 and sanitation and road works in bloc 1 and 2. **Project in execution.** 7th EDF. EDF DI 6002 (7001) A2d

Fight against desertification and development of livestock husbandry in Western-Djibouti. Resp. Auth.: Ministère de l'Agriculture et du Développement Rural. 1.665 mECU. Supply of equipments, studies, T.A. Project on appraisal. 7th EDF. EDF DI 6008 A3a

Handcraft promotion. Resp. Auth.: Office National du Tourisme et de l'Artisanet. Estimated total cost 2.371 mECU. EDF 1.960 mECU, local 0.071 mECU, France (Volontaires du Progrès) 0.340 mECU. Training, trade and technical advise, incitement for professional grouping, financial assistance. Works, supplies, T.A. for training, monitoring and technical support. Project on appraisal. 7th EDF EDF DI 7001 A4d

DOMINICAN REPUBLIC

Sectoral Import Programme for Petroleum Products. Resp. Auth.: Oficina del Ordenador Nacional — Secretaría de Estado de Finanzas y el Banco Central. Refinería Dominicana de Petróleo, S.A. 22 mECU. Purchase by int. tender. Specialized T.A. for preparation tender dossier, evaluation, follow up. **Date financing May 92.** 7th EDF. EDF DO 7200 A1c

EQUATORIAL GUINEA

Essential goods import programme. Resp. Auth.: Presidency of the Republic. Estimated cost 1.5 mECU. Hard currency allowance to import essential goods. Project on appraisal. 5th and 6th EDF. EDF EG 0000 A1c

Conservation and rational utilisation of the forest ecosystems. Resp. Auth.: Ministry of Agriculture, Livestock farming, Fisheries and Forests. Directorate General for Forests. 5.070 mECU. Land Classification and Use Master Plan — National System of Conservation Units — Forest Training and Research Centre. T.A. and supply of equipment. Project on appraisal. **Date foreseen for financing 2nd half 92.** 6th EDF. EDF EG 6001 A3c, e, i

M'Bini — Akalayong road. Rehabilitation and improvement of the road. 65 km. Int. tender for works (conditional) foreseen **2nd half 92.** Estimated cost 1.6 mECU. Project on appraisal. 6th EDF. EDF EG 6006 A2d

Rural development programme in the South-East. Resp. Auth.: Ministère de l'Agriculture. 4.500 mECU. Works, supplies and T.A. Project on appraisal. Date foreseen for financing **July 92.** 7th EDF. EDF EG 6005 (7001) A3a

ETHIOPIA

South Shewa conservation-based rural development. Resp. Auth.: Ministry of Agriculture. 26.2 mECU. Buildings, roads, rural infrastructure, agricultural inputs, consumer goods, training, T.A., micro-projects, credit line. Project in execution. 6th EDF. EDF ET 6005 A3a

Coffee improvement programme III. Resp. Auth.: Ministry of Coffee and Tea Development. 38.1 mECU. Construction and civil works, supply of equipment, vehicles and agric. inputs, aerial photography, training and T.A. Project in execution. 6th EDF. EDF 6003 A3a

Lake fisheries project. Resp. Auth.: Ministry of Agriculture, Fisheries Dept. 7.5 mECU. Provision of inputs to fishermen,

development of cooperatives, establishment of marketing organisation and infrastructure, training, research and fingerling production centres. Works, supplies and T.A. Project in execution. 6th EDF. EDF ET 6008 A3d

Foreign trade development. Resp. Auth.: Ministry of Foreign Trade (MOFT). 1.5 mECU. T.A.: two-years marketing expert. a team of marketing specialists (short-term consultancy services in Ethiopia). Market research, training in international marketing and international trade, technical seminars. Equipment and supporting services Project in execution. 6th EDF. EDF ET 6010 A5de

Sectoral Import Programme IV. Resp. Auth.: AISCO and ESC for agricultural inputs. Vice Minister of Industry in charge of private sector and handicrafts development, the National Bank, the Commercial Bank of Ethiopia, and the EDF Nat. Auth. off. for the hard currency line for the private sector. Fertilizers, seeds and chemicals by int. tender. Procurement Unit for 3-4 years. **27 mECU. Date financing May 92.** 7th EDF. EDF ET 7200 A1c

FIJI

Investment and export development. Resp. Auth.: Ministry of Trade and Commerce (MTC) and Fiji Trade and Investment Board. 7.2 mECU. Land purchase for the Tax Free Zone, works, supply of equipment, T.A. and training. Project in execution. 6th EDF. EDF FIJ 6007 A5d

GABON

Population general census. Resp. Auth.: Ministère de la Planification. EDF part 0.485 mECU. Payment of specialized temporary staff and supply of equipment. Project on appraisal. 7th EDF EDF GA 7001 A1g, h

GAMBIA

Rural Development Programme. Resp. Auth.: Ministry of Finance and Economic Affairs. 14.5 mECU. Rehabilitation of Water schemes, supply of road equipment and materials, T.A. and supervision. Project in execution. 6th EDF EDF GM 6004 A3a

Training programme. Resp. Auth.: Office of the President. 0.800 mECU. Institutional linkage of the Management Devpt. Institute with a European institution for training in financial and economic management and administration. Project on appraisal. 7th EDF EDF GM 7001 A6b

GHANA

Accra Plains Livestock Development Project (APLDP). Estimated total cost 4 mECU. EDF part 3 mECU, local 1 mECU. Provision of veterinary and animal husbandry extension services, including construction of cattle treatment centres, water points and other inputs. Project on appraisal. 6th EDF. EDF GH 6006 A3a

Twifo oil palm development. Maintenance aid 1988-1991. Resp. Auth.: Ministry of Finance and Economic Planning (M.F.E.P.). Total estimated cost 12.6 mECU EDF 5 mECU, local 7.6 mECU. Works, supply of equipment and T.A. Project on appraisal. 6th EDF. EDF GH 6007 A3a

Ghana regional Appropriate Technology Industrial Service (GRATIS). Phase II. Resp. Auth.: GRATIS. 3 mECU. Supply of equipments, vehicules, T.A. and training. Project in execution. 7th EDF. EDF GH 6004 A4g

Second microprojects programme. (Lomé III). Total cost 9 mECU, Ministry of Finance and Economic Planning 2 mECU. District assemblies - communities 1 mECU. Construction of schools, clinics, wells, sanitation facilities, markets. Local T.A. Project on appraisal. 6th EDF. EDF GH 6102 A6, A7, A8

Structural Adjustment General Import Programme. Hard currency allowance to import ACP and EEC goods. There is a negative list of items not eligible (military-luxury and environmentally hazardous product). 20 mECU. T.A. for procurement agent possible. Project in execution. 7th EDF. EDF GH 7200 A1c

GRENADA

Farm and feeder roads project. Resp. Auth.: Ministry of Agriculture. 1.580 mECU. Construction or rehabilitation. Works by direct labour. Project on appraisal. Date foreseen for financing June 92. 7th EDF. EDF GRD 7002 A3a

Microprojects programme. Resp. Auth.: Ministry of Labour, Social Service, Community Development. 0.220 mECU. Water supply, road improvements, repairs and extension of schools, medical and community centre and sports grounds. Project on appraisal. 7th EDF. EDF GRD 7102

GUINEA

Contribution to the Rubber and Palm Tree and Rice Programme in 'Guinée Forestière'. Resp. Auth.: Ministère de l'Agriculture and SOGUIPAH. EDF part 5 mECU. Intensification of village rural production. Soil preparation, feeder roads, rice inputs. Project in execution. 6th EDF. EDF GUI 6008 A3a

Support to improve electrical sector. Resp. Auth.: Ministère de l'Industrie and ENEL GUI. 6.145 mECU. Supply of equipments: 30,000 sets of power-meters and fittings, spare parts for hydro-electric powerstations, generator sets, tools, work-shops equipments, radio-sets, vehicles. Project in execution. 5th EDF. EDF GUI 5042 A2ai

General Import Programme. Hard currency allowance to import ACP and EC goods. There is a negative list of items not eligible (military, luxury and environmentally hazardous product). 14 mECU T.A. for implementation and follow-up. Project on appraisal. Date foreseen for financing September 92. 7th EDF. EDF GUI 6009/7001 A1c

Improvement of living conditions in backward areas. Resp. Auth.: Ministères de Santé de l'Enseignement et de l'Agriculture. 20 mECU. Building, rehabilitation and equipping of health infrastructures (regional hospitals and health centres) education (teacher national schools, primary schools). Water points. Work, supervision. Project on appraisal. 7th EDF. EDF GUI 6022 (7002) A6, A7, A8

Road Infrastructure Programme. Resp. Auth.: Ministère des Transports. Ministère des T.P. Building, reconstruction of national and secondary road. 50 mECU. Works, supervision, several T.A. Project on appraisal. 7th EDF. EDF GUI 6021 (7003) A2d

Rural Development Programme — Western Upper Guinea. Resp. Auth.: Ministère de l'Agriculture et des Ressources Animales. 10 mECU. Cotton, crop, stock-farming, rice-growing, bee-keeping, draught farming, market-garden, rural credit, processing, feederroads, Works, supplies, line of credit. Project on appraisal. 7th EDF. EDF GUI 6002 (7004) A3a

GUINEA BISSAU

Rural development programme. 23.8 mECU. Improvement of food and fisheries production, line of credit, micro-projects, T.A. and training. Project in execution. 6th EDF. EDF GUB 6001 A3a

Project for the rehabilitation of social and economic infrastructures. Resp. Auth.: Ministry of Public Works. 7.8 mECU. Road rehabilitation, schools, health centres, urban roads, markets, water and sanitation. Construction of secondary bridges, access roads, supply of a ferry. Works, supplies and T.A. 2 Projects on appraisal. 5th and 6th EDF. EDF GUB 6013 (PRI) - 6014 (PASI) A7, A8

GUYANA

Structural Adjustment Support — General Import Programme. Foreign currency facility to the Bank of Guyana for importation of goods for the non-traditional and traditional productive sectors. 4.5 mECU. T.A. to the Bank (procurement expert) and evaluation. **Project in execution.** 7th EDF. EDF GUA 7200 A1c

JAMAICA

Negril and Ocho Rios sewerage schemes. Resp. Auth.: National Water Commission. 25 mECU. Negril: 17 km of trunk sewers, 13 pump stations and 2 treatment plants. Ocho Rios: 5 km of sewers, 6 pump stations, 1 treatment plant and deep sea outfall. T.A. for supervision. Works by int. tender Project on appraisal. 5th EDF. EDF JM A8bc

Support to the Structural Adjustment Programme. General Import Programme. Hard currency allowance to import ACP and EC goods. 8.4 mECU. T.A. for following, evaluation and procurement Agent. **Date financing June 92.** 6th and 7th EDF. EDF JM 7001 A1c

Road rehabilitation and Institutional Strengthening Project. Resp. Auth.: Ministry of Construction — Works (MOC-W) 13.5 mECU. Rehabilitation and maintenance. Supply of equipment, T.A. to the Ministry. Works by acc. tender and direct labour. Supplies by int. tender. T.A.: short-list to be done. Project on appraisal. Date foreseen for financing July 92. 7th EDF. EDF JM 6001 (7001) A2d

Return and reinstatement of qualified nationals. Date financing May 92. 7th EDF. EDF JM 7002 A1c

All-island beekeeping development. Phase II. Resp. Auth.: Ministry of Agriculture. Estimated cost 1.930 mECU. EDF 1.700 mECU, local 0.230 mECU. Supply of equipment, vehicles, specialized T.A. research, training. Project on appraisal. 7th EDF. EDF JM 7003 A3a

KENYA

Conservation and Management of indigenous forests. Resp. Auth.: Ministry of Environment and Natural Resources. Estimated total cost 67.5 mECU. EDF 4.4 mECU, ODA (UK) 11 mECU, World Bank 16 mECU, SDC (Switzerland), FINNIDA 17.7 mECU, local 18.4 mECU. EDF part: T.A., supplies and materials to the Kenya Forests Dept. (KFD). Works, supplies, T.A., training and evaluation. Project on appraisal. 7th EDF. EDF KE 6025 (7001) A3c

LESOTHO

'Lesotho Highlands Water Project' — Muela Hydropower Project (MHP). 44 mECU. Engineering supervision and part of the civil works. Project in execution. 7th EDF. EDF LSO 6001-7001 A2ai

MADAGASCAR

Rice and fish-breeding promotion and popularization. Resp. Auth.: Ministère de la Production Animale, des Eaux et Forêts (MPAEF). 2.300 mECU. Fish-breeding and research centres, excavation, rehabilitation, reclaim of swamps, access roads, supply of equipments and T.A. T.A.: short-lists done. Project in execution. 6th EDF. EDF MAG 6023 A3a

Livestock development in the South-West. Resp. Auth.: Ministère de la Production Animale. Estimated total cost 6.850 mECU. EDF 5.700 mECU, local 1.150 mECU. Buildings and feeder roads. Supply of equipments and T.A. **Project in execution.** 6th EDF. EDF MAG 6013 A3a

MALAWI

Strategic fuel reserve. Resp. Auth.: Office of the President and Cabinet. Contingency Planning Unit. 4.2 mECU. Construction of tanks for diesel, petrol, ethanol. Associated infrastructure and equipment. T.A. Project on appraisal. 5th EDF. EDF MAI 5020 A2a

Programme for industrial products imports. 12.5 mECU. Supply of industrial equipment, raw materials and spare parts. Project in execution 6th EDF. EDF MAI 6019 A1c

Aid for refugees. Resp. Auth.: Food Aid Coordination Unit in the Office of the President and Cabinet (OPC). 5.224 mECU. The programme concerns basic needs for refugees from Mozambique. Roads, wells, drinking water, health, education. Management by UNHCR, Red Cross, MSF, Concern
★ **Universal.** *Date financing June 92.* 7th EDF. EDF MAI 7255 A6, 7, 8

MALI

Support for Structural Adjustment Programme. 31 mECU. Project in execution. 7th ADF. EDF MLI 7200 A3a

Support programme to S.M.E. creation. Lines of credit, T.A. and follow up. 13 mECU. Project in execution. 7th EDF. EDF MLI 6001 (7001) A4,A5

Health programme and population. Resp. Auth.: Ministère de la Santé Publique. Estimated total cost 51.7 mECU. EDF 12 mECU, F.R. Germany and France 6.4, World Bank 21.6 mECU, local 3.5 mECU, USAID 8.2 mECU. Rehabilitation of health centres. T.A. for pharmaceutical sector, supply of medicines (with anticonceptionals and condoms). Project on appraisal. 7th EDF. EDF MLI 7022 A7

Diema-Didieni Road Study. Resp. Auth.: Direction T.P. Road study. 160 Km on RN1. 0.900 mECU. Short-list done. *Date financing June 92.* 7th EDF EDF MLI 6015 (7003) A2d

MAURITANIA

Support programme for the development of the Gorgol region (PDRG). Estimated cost 35 mECU. Improvement of the irrigated areas, support for traditional crops, regeneration of natural habitats, rural infrastructure, sanitation of Kaedi. Project in execution. 6th EDF. EDF MAU 6007 A3a

First road programme. Resp. Auth.: Ministère de l'Équipement et des Transports, 17.5 mECU. Strengthening works, training works supervision. Works by int. tender.
★ *Date financing May 92.* 7th EDF. EDF MAU 7001 A2d

Rehabilitation of Nouakchott and Avioun Hospitals. Resp. Auth.: Ministère de l'Équipement et des Transports. 8 mECU. Works, supply of equipment, staff training. Supervision and audit. Project on appraisal. 5th, 6th and 7th EDF. EDF MAU 6009 A7a

Gold-field prospection programme. Resp. Auth.: OMRG 2.5 mECU. Site identification in the Tasiast and South-Mauritanides regions. Equipments, T.A. and training. Project on appraisal. 7th EDF EDF MAU 7002 A4a

MAURITIUS

Pamplemousse — Grand Baie Road. Resp. Auth.: Ministère des Travaux Publics. Road construction. 11.8 km. Works and supervision. Works by int. tender (conditional). Supervision: short-list done. Estimated total cost 7.4 mECU. EDF 5.7 mECU, local 1.7 mECU. Project on appraisal. 5th and 7th EDF. *Date foreseen for financing July 92.* EDF MAS 5014 (7001) A2d

MOZAMBIQUE

Integrated development programme of Cabodelgado. Resp. Auth.: Ministry of Commerce. AGRICOM. 8 mECU. EDF 5 mECU, local 3 mECU. Support to ± 50 000 people in the districts of Mocimboa, Praia and Mueda. Works, supplies and T.A. Project in execution. 6th EDF. EDF MOZ 6022 A3a

Moamba region food self-sufficiency. Rehabilitation of infrastructures, supply of agricultural inputs. T.A. for 18 months. 2 mECU. *Date financing May 92.* 7th EDF EDF MOZ 6034 (7001) A3a

NAMIBIA

In-Service Training and Assistance for Namibian Teachers (INSTANT). Resp. Auth.: Ministry of Education and Culture. National Institute for Educational Development. 4.500 mECU. T.A. training, works and supply of pedagogical equipment. T.A.: short-list done. Project on appraisal. *Date foreseen for financing July 92.* 7th EDF EDF NAM 7001 A6b, d

NIGER

General Import Programme. Support for structural adjustment. 27 mECU. 2 T.A. foreseen. Project on appraisal. *Date foreseen for financing July 92.* 7th EDF. EDF NIR 7001 A3a

Training Centre and music promotion (CFPM). Resp. auth.: Ordonnateur National Ministère du Plan. 1 mECU. Supply of equipment, T.A. Recurrent costs. Project in execution. 7th EDF. EDF NIR 7002 (6101) A6d

Support to the development of the private sector (S.M.E.). Resp. Auth.: AFELN (Agence pour le Financement et l'Encouragement de la Libre Entreprise au Niger) - Niamey. 12 mECU. T.A. for the
★ **AFELN** and line of credit. *Project in execution.* 7th EDF. EDF NIR 6023 (7002) A5b

Re-arrangement of the health services located in the ancient 'Maternité Centrale' in Niamey. Resp. auth.: Ministère de la Santé Publique. Estimated total cost 9.650 mECU. EDF 3.150 mECU, Spain 6.500 mECU. Works by acc. tender (EDF part), supply of equipments and T.A. by Spain. *Project in execution.* 5th EDF. EDF NIR 6027 A7a

NIGERIA

Export Development Programme. Resp. Auth.: Nigerian Export Promotion Council. 37 mECU. To transfer export know how to ± 250 Nigerian firms. Components:

sectors, market, human resources and institutional development. Others: T.A. for management and supervision. Project on appraisal. 7th EDF. EDF UNI 6011 A5d

General Import Programme. 55 mECU. Hard currency facility to import goods and equipment not specifically excluded via a negative list. T.A. foreseen.
★ **Project on appraisal.** *Date foreseen for financing July 92.* 7th EDF. EDF UNI 7200 A1c

Oban Hills Programme. EDF 16.5 mECU, Germany (KFW) 11 mECU. Park management and conservation, support zone development, park research and monitoring. To give the local people an incentive to protect - support the park. Buildings-peripheral facilities, supply of equipment and vehicles, T.A. and research studies. Villages Development Funds and
★ **recurrent costs.** Project on appraisal. *Date foreseen for financing July 92.* 7th EDF. EDF UNI 7001 A3c, e-A8f

Rubber Research Institute of Nigeria (RRIN). Resp. Auth.: R.R.I.N. 8 mECU. Works, infrastructures, rehabilitation of building, repair of roads, water supply. Supply of vehicles, tractors, laboratory and comp. equipment. T.A. and training. Project on appraisal. 7th EDF EDF UNI 6012 (7002) A3a

University Libraries Project. Resp. Auth.: National Universities Commission. 11.500 mECU. Small repairs work, supply of book, and scientific journals, equipment, T.A. and training. Project on appraisal. 7th EDF EDF UNI 7004 A6b

Katsina Arid Zone Programme. Resp. Auth.: Governor of Katsina State. 25 mECU. Soils and forests protection, livestock, increase agricultural productivity, irrigation, rural and social infrastructure, management and coordination, training. T.A.: restr. tender after prequalification. Project on appraisal. *Date foreseen for financing September 92.* 7th EDF EDF UNI 7005 A3a

PAPUA NEW GUINEA

Road and Bridge Rehabilitation Programme. Resp. Auth.: Ministry of Works. Parallel cofinancing with World Bank. EDF, part estimated 21.520 mECU. Works and supervision. Project in execution. Int. tender n° 3485 launched in March 92. Opening 1.7.92. 6th EDF. EDF PNG 6014 A2d

Second Structural Adjustment Programme. General Import Programme. 11 mECU. Foreign currency facility to the Bank of PNG. There is negative list of items not eligible (military-luxury items). Project in execution. 7th EDF. EDF PNG 7200 A1c

RWANDA

Institutional Support. Resp. Auth.: Ministère du Plan. Estimated cost 4 mECU. T.A. by 4 experts for 4 years to strengthen administration capacities to implement Lomé IV. Project on appraisal. *Date foreseen for financing July 92.* 7th EDF. EDF RW 7001 A1f

ST. KITTS AND NEVIS

Development of Social Infrastructure - Phase II. Resp. Auth.: Ministry of Education and Ministry of Works, Communications and Public Utilities. 0.872 mECU. Construction and supply of furnitures for primary schools, supply of equipments, T.A. for supervision of works. Project on appraisal. 5th and 6th EDF. EDF SCN 6001 A6a

SENEGAL

Consolidation of the livestock development programme. Resp. Auth.: SODESP. Estimated cost 1.6 mECU. Study under way by Bessel Ass. (UK). Project on appraisal. 5th EDF. EDF SE A3a

Support to the Sectoral Adjustment Programme for Transports. Resp. auth.: Ministère de l'Équipement, des Transports et de la Mer. M.E.T.M. 70 mECU. Works by int. tender for 4 roads. Supervision: short-lists to be done. Training. General Import Programme (10 mECU). *Date financing April 92.* 7th EDF. EDF SE 5046 (7001) A2d

Tourism promotion. 1.960 mECU. *Date financing May 92.* 7th EDF EDF SE 5046 (7003) A5c

SEYCHELLES

Tuna quay rehabilitation. Resp. auth.: S.F.A. 1.200 mECU. Supply of equipment and works. Project in execution. 6th EDF. EDF SEY 6008 A2d

SIERRA LEONE

North Western artisanal fisheries and community development programme. Resp. Auth.: Ministry for Agriculture and Natural Resources (Fisheries Division). 6 mECU. Infrastructure, supply of equipment, line of credit. T.A. Project in execution. 6th EDF. EDF SL 6004 A3d

Rehabilitation of the Telecommunications network. Phase 2. 7.5 mECU. Works, supplies and T.A. Project in execution. 6th EDF. T.A.: BRITISH TELCONSULT (UK) EDF SL 6006 A2c

Tourism development programme. Estimated cost 0.850 mECU. T.A. to the Ministry of Tourism and supply of equipment. Project stage: identification. 5th EDF. EDF SL 5026 A5c

Agricultural Sector Support Programme. Resp. Auth.: Ministry of Agriculture. Total estimated cost 16 mECU. EDF 14 mECU, local 2 mECU. Construction of stores, rehabilitation of feeder roads, vehicles, agricultural inputs, materials, T.A. for project management, training. Project on appraisal. Date foreseen for financing July 92. 7th EDF. EDF SL 7001 A3a

SUDAN

Sudan Railways Support Programme (SRSP). Resp. Auth.: Sudan Railways Corporation. 19 mECU. Supply of materials, tools and replacement parts, for

the most immediate repairs and maintenance of the track Khartoum-Port Sudan and those required for a direct improvement of telecommunications. Works and supplies by int. tender. Project in execution. 5th and 6th EDF. EDF SU 6011 A2d

Post Flood Reconstruction and Rehabilitation Programme (PFRRP). Resp. Auth.: agricultural part: Agricultural Bank of Sudan. Transport infrastructure: Roads and Bridges Public Corporation (RBPC) and Sudan Railways Corporation. 15 mECU. Agricultural sector: supply of spare parts for repair and replacement of 2500 pumps. Int. tender and direct agreement. Supply of maintenance parts for 100 trucks (6t): by int. tender. Supply of 100 pumps by int. tender. T.A. for repair, control and credit allowances. Transport sector: bridges repair and work supervision. Supplies for railways, gabions, pipes by int. tender. Project in execution. 6th EDF. EDF SU 6020 A2d

SURINAME

Rehabilitation Road Section Jenny - Ingikondre. Resp. Auth.: Ministry of Public Works. Estimated cost 4.4 mECU. New asphalt surfacing on 37 km and ancillary works. T.A. for supervision and tender dossier preparation. Short-list done. Project on appraisal. 5th EDF. EDF SUR 5011 A2d

SWAZILAND

Upgrading of the Manzini-Matsapha Road. Resp. Auth.: Ministry of Works and Communications. 10 mECU. 8 Km dual carriageway. The existing 2-lane road is to be upgraded to a 4-lane highway. Works by int. tender foreseen 1st half 92. Short-list done for supervision. *Date financing June 92.* 5th and 7th EDF. EDF SW 5016 A2d

Technical Cooperation programme. Resp. Auth.: Government of Swaziland (N.A.O.) 1.860 mECU. T.A. 12 person-years to selected agencies in the public and parastatal sectors. Project on appraisal. 7th EDF. EDF SW 7001 A1f

Support to Smallholder Agricultural Production. Resp. Auth.: Central Cooperative Union (C.C.U.) Total cost 1.315 mECU. EDF 0.950 mECU, local 0.365 mECU. Completion - renovation of 18 forming inputs - crop marketing depots. Supply of equipment, supervision and training. Project on appraisal. 7th EDF EDF SW 5005 (7002) A3a

TANZANIA

Management Assistance To Morogoro Canvas Mill. Estimated cost 2 mECU. Continuation of T.A. for the management. Project on appraisal. 7th EDF. EDF TA 6002 A4b

Port development Zanzibar and Pemba ports, phase II. Resp. Auth.: Ministry of Works. Zanzibar. Estimated total cost 13.4 mECU. EDF 10 mECU, Italy 3.4 mECU. Procurement and rehabilitation of cargo handling equipment. Rehabilitation of transit sheds, construction of passenger terminal with RO-RO facilities. Study:

design of passenger terminal with RO-RO facilities for Zanzibar port. Short-list done. Project on appraisal. 7th EDF. EDF TA 6009 A2d

Structural Adjustment Support - General Import Programme. Resp. Auth.: Central Bank of Tanzania. 30 mECU. Importation of goods in the context of Tanzania's open general licence system, subject to a negative list. T.A. Project on appraisal. Date foreseen for financing July 92. 7th EDF. EDF TA 7200 A1c

Support for Aids Control in Tanzania. Resp. Auth.: Ministry of Health. 3 mECU. To strengthen health and other support services. Supply of equipments and T.A. Project on appraisal. 7th EDF. EDF TA 08000/000 (7001) A7c

Southern Telecommunications Project. Resp. Auth.: Ministry of Communication. 26 mECU. Supply and installation of telecommunication equipment. T.A. short-list done. Supplies: int. tender (Conditional) n° 3557 launched end of June 92. Opening date 28.9.92. Project on appraisal. 7th EDF EDF TA 0000 A2c

TOGO

General Import Programme. Hard currency allowance to import ACP and E.C. goods. T.A. for management and implementation. 17 mECU. Project on appraisal. Date foreseen for financing July 92. 7th EDF. EDF TO 7200 A1c

TONGA

Vava'u Airport Development Project. Resp. Auth.: Ministry of Civil Aviation 2.130 mECU. Works. supply of equipment and training. Works by direct labour, supplies by int. tender. Project on appraisal. 5th and 6th EDF. EDF TG 5003-6001 A2d

Vava'u development programme. Resp. Auth.: Vava'u Committee. 5 mECU. Construction of new market, road improvement and maintenance, education and health facilities, training. Project in execution. 6th EDF. EDF TG 6002 A8b

TRINIDAD AND TOBAGO

Sectoral import programme: industry. 12 mECU Allocation of currencies to import raw materials and intermediate products. Project in execution. 6th EDF. EDF TR 6002 A4b

TUVALU

Electrification development programme. Upgrade existing diesel power station - extend provision of electricity for home lighting to households on the outer islands. Supply of photovoltaic systems. 0.880 mECU. Project on appraisal. 6th EDF. EDF TV 6004 A2a, i

UGANDA

Rehabilitation of Kampala City Roads. Phase II. Resp. Auth.: Ministry of Local Government. 23 mECU. Rehabilitation of some 33 km of roads in the Kampala

City network, improving drainage, construction of side walks and parking areas. Works and supervision. *Date financing June 92.* 7th EDF. EDF UG 6011 A2d

Structural Adjustment Support - General Import Programme. 35 mECU. Hard currency allowance to import ACP and EC goods. There is negative list of items not eligible (military-luxury items). T.A. procurement agent. Project in execution. 6th and 7th EDF. EDF UG 7200 A1c

ZAIRE

Apek Programme, roads section. Resp. Auth.: Office des Routes. 35 mECU. Rehabilitation of 111 km of surfaced road on the Kinshasa-Kikwit route with works supervision — upgrading of 384 km of major earth roads managed by Office des Routes. Rehabilitation of 496 km of country earth roads managed by local authorities. Bridge repairs, additional technical and economic studies, training programme. Supply of equipment. Project on appraisal. Date foreseen for financing *2nd half 92.* 6th EDF. EDF ZR 6006 A2d

ZAMBIA

Smallholder development in copper belt region. Resp. Auth.: Ministry of Agriculture and water development. 12 mECU. Basic infrastructure by acc. tender Supply of vehicles and materials by int. tender T.A. Project in execution. 6th EDF. EDF ZA 6004 A3a

Smallholder development in central province. Resp. Auth.: Ministry of Agriculture and water development. 12.35 mECU. Basic infrastructure and social facilities. Works, supplies and T.A. Project in execution. 6th EDF. EDF ZA 6005 A3a

General Import Programme. Resp. Auth.: Bank of Zambia. 41.5 mECU. Hard currency allowance to import ACP and EC good. T.A. already financed on previous funds still on the spot. *Date financing June 92.* 7th EDF. EDF ZA 7200 A1c

ZIMBABWE

Human resources development programme. Resp. Auth.: Ministry of National Scholarships. 3.4 mECU. T.A. and scholarships, awards, seminars. Project in execution. 6th EDF. EDF ZIM 6020 A6

OMAY land use and health programme. Resp. Auth.: A.D.A. 6.031 mECU. Raising the standard of living of Omay rural population. Conservation and improved utilisation of the Wild Life resource, support to agriculture and improvement of social infrastructure. Road network, water, sanitation, building of a district hospital, equipments and supplies. Project on appraisal. 7th EDF. EDF ZIM 6004/7002 A3a

Overseas Countries and Territories (OCT)

ANGUILLA

Water Development Project. Resp. Auth.: Ministry of Communications, Works and Public Utilities. Total cost 2.905 mECU. EDF 1.710 mECU, UK 0.968 mECU, local 0.227 mECU. EDF Pert: works by direct labour, supplies by int. tender. T.A. by U.K. Project on appraisal. 7th EDF. EDF AG 7001 A2b

ARUBA

Airport extension. Extension of airport facilities. Apron, taxiway, new arrival building, car park, access roads, platform buses, fencing, security, peripheral road, technical studies. Estimated cost 14.5 mECU. EDF 6.3 mECU, The Netherlands ± 8,2 mECU. Works, supplies and T.A. (final design, tender dossier, supervision). Project on appraisal. 6th EDF. EDF ARU 6003 A2d

ST. HELENA

Sea defences. Resp. Auth.: Public Works and Services Dept. 3 mECU. 2,5 mECU EDF, 0.500 mECU UK. To protect shore facilities at James and Rupert's Bay. Rehabilitation and reinforcement of existing sea walls. Project in execution. 5th and 6th EDF. EDF SH 5001 A8g

Regional Projects

BENIN — BURKINA — NIGER

Regional project for the management of the 'W' national park and adjoining game reserves. Estimated total cost 10 200 mECU. To establish three management units and 10 bridges and 20 observation posts with their equipment. Building and rehabilitation of administrative, technical and social buildings, tracks and bridges. T.A., training and studies. Project on appraisal 6th EDF. EDF REG 6122 A5i, A8f

TANZANIA — BURUNDI — RWANDA — UGANDA — ZAIRE

Tanzania Railways Corporation. Railway Restructuring Project. Resp. Auth.: Ministry of Communication and Transport. T.R.C. 33 mECU. Flood prevention works, quarry development, procurement of track maintenance and accident relief equipment, fuel tank wepons and trolleys. T.A. for supervision of works, tender donier and training. T.A. short-list to be done. Project on appraisal. Date foreseen for financing July 92. 7th EDF. EDF REG 7003 A2d

MEMBER COUNTRIES OF CILSS

Regional programme for soil protection and reafforestation. Resp. Auth.: Cape Verde Ministry of Rural Development and Fisheries. 4.250 mECU. Works, training,

supply of equipments and T.A. Project in execution. 6th EDF. EDF REG 6145 A3e

Information and training programme on the environment. Resp. Auth.: CILSS Secretariat. 10 mECU. Supply of pedagogical equipment, T.A. and training. Project in execution. 6th EDF. EDF REG 6147 A8f

EAST AFRICAN COUNTRIES

Statistical training centre for Eastern Africa in Tanzania. Resp. Auth.: Secretariat of the centre. 2.0 mECU. Widening of capacity. Construction of classrooms, offices and housing. Project stage: identification. 5th EDF. EDF REG 5311 A6b

Institutional support to Eastern and Southern Africa Management Institute (ESAMI). Resp. Auth.: ESAMI, Tanzania. Estimated cost 4.5 mECU. Extension of ESAMI installations plus provision of library, audio visual and printing equipment and improvement of kitchen and laundry facilities. Project on appraisal. 6th EDF. EDF REG 6311 A6b

BURUNDI — RWANDA — TANZANIA — UGANDA — ZAIRE — KENYA

Northern Corridor-Rwanda. Rehabilitation of the road Kigali-Butare-Burundi border. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 8 mECU. Project on appraisal. Date foreseen for financing *2nd half 92.* 6th EDF. EDF REG 6310 (RW....) A2d

Northern corridor alternative. Kericho-Isebania road Kenya. Resp. Auth.: Ministry of Transport and Communications, Kenya. 24 mECU. Rehabilitation of bituminized road of 170 km in the Lake Victoria region. 6th EDF. Project on appraisal. *Date foreseen for financing July 92.* EDF REG 6315 (KE) A2d

Musoma — Sirari Road. Resp. Auth.: Ministry of Works — Tanzania — Estimated cost 24 mECU. Upgrading to bitumen standard of existing road. Works, equipment and supervision. Project on appraisal. *Date foreseen financing July 92.* 6th EDF. EDF REG 6315 (TA 6005) A2d

MALAWI — MOZAMBIQUE — ZAMBIA — ZIMBABWE

Regional Tsetse and Trypanosomiasis Control Programme: extension of preparatory phase. Resp. Auth.: Departments of Veterinary Services. 22.700 mECU. Research and development, training, environmental monitoring and assessments of the economic and land-use implications of tsetse control, T.A. and supply of vehicles, field, scientific and camping equipment. Project in execution. 6th and 7th EDF. EDF REG 5420 A3a

SADCC

International Baccalaureate Studies. Resp. Auth.: SADCC Regional Training Council. 1.695 mECU. Supply of scholarship programme for selected secondary school graduates from Angola and Mozam-

bique to study for the International Baccalaureate Diploma in Swaziland, T.A. and evaluation. Project in execution. 7th EDF. EDF REG 6440 (7016) A6a

Senior Managers' Training in Road Traffic and Transport. Resp. Auth.: SATCC. 1.900 mECU. Supply of equipments, T.A. evaluation. Fellowships. Project on appraisal. 7th EDF. EDF REG 6426 A6d

SADCC — MOZAMBIQUE

Limpopo line rehabilitation. Resp. Auth.: Mozambique Ministry of Transport. 15 mECU. Community contribution to an overall rehabilitation programme for the Limpopo railway line. Project in execution. 6th EDF. EDF REG 6421 A2d

Beira port dredging contract. Resp. Auth.: Ministry of Construction and Water. Estimated cost 9 mECU. Dredging for two years of the access channel to the port of Beira. Works: 2 years, 4 million m³/year. Supervision and training. Project on appraisal. 6th EDF. EDF REG 6401 A2d

CAMEROON — CENTRAL AFRICAN REP. — CHAD — CONGO — GABON — GHANA — NIGER — NIGERIA

Aeronautical satellite telecommunications. Project for Central and Western Africa. Estimated cost 38.5 mECU. Improvement of air traffic safety. The project will provide high quality voice and low speed data links between the Air Traffic Control Centres in eight countries. Int. tender (conditional) no 3442 launched in June 91 — Opening 31.10.91. *Date financing April 92.* 6th and 7th EDF. EDF REG 6038 A2d

BENIN — COTE D'IVOIRE — GHANA — GUINEA — GUINEA BISSAU — TOGO

Regional programme to increase awareness in western coastal African countries of natural resources protection. Resp. Auth.: Ministère de l'Environnement-Togo. Estimated cost 10 mECU. Priorities: fight against bush fires and deforestation and for soil protection. Project on appraisal. 6th EDF. EDF REG 6113 A3e

OECS — TRINIDAD AND TOBAGO BARBADOS — GUYANA

Regional fruit and vegetable marketing programme. Resp. Auth.: Caribbean Food Corporation. 6.2 mECU. T.A. and supplies. Project on appraisal. 6th EDF. EDF REG 6620 A5de

ACP COUNTRIES

Fight programme against AIDS. Funding of regional actions. 20 mECU. Support to regional structures, improvement of information, funding of research and training actions. Supplies, T.A. and training. Project on appraisal. *Date foreseen for financing July 92.* 7th EDF. EDF REG 8000 A7

MEDITERRANEAN COUNTRIES

ALGERIA

Financing of artisanal enterprises from 'Société Nationale de l'Electricité et du Gaz (SONELGAZ)'. Resp. Auth.: Ministère de l'Industrie et de l'Artisanat and SONELGAZ. 9.060 mECU. Supply of line of credit for artisanal enterprises, supply of pedagogical equipment, T.A. for bank-office in charge of credits. Project in execution. SEM AL A4d

Support to the development of the artisanal fishery in the Centre and West. Resp. Auth.: Ministère de l'Agriculture. Agence Nationale Pour le Développement de la Pêche. Estimated total cost 15.6 mECU. EEC contribution 12.6 mECU. Works by acc. tender. Supply of equipment by int. tender. T.A.: short-lists done. Project in execution. SEM AL A3d

EGYPT

Bardawil Lagoon development project. Resp. Auth.: Ministry of Agriculture and Land Reclamation (MOALR) and the General Authority for Fish Resources Development (GAFRD). 3 mECU. Protection of natural resources by controlling and improving the salinity of the lagoon. Improvement of the marketing of fish and reduction of losses. Construction of an additional landing place with basic marketing facilities and improvement of the existing one. Installation of a cool chain including an ice-making machine. Improvement of fishing methods. T.A. for the development and implementation of training and extension programmes. Purchase of equipment and vehicles by int. tender. Project in execution. SEM EGT 510/90 Aai

Ras Mohammed National Park Sector Development Project. Phase II. Resp. Auth.: Egyptian Environmental Affairs Agency (EEAA). 2.5 mECU. Supply of equipment, transport, T.A. and training. Project in execution. SEM EGT 692/91 A8f

Oil pollution combating emergency centre at the entrance of the Gulf of Aqaba. 4.300 mECU. Project in execution. SEM EGT 771/91 A8f

JORDAN

Ground water investigation in the Hammad and Sirhan basins. Resp. Auth.: Ministry of Water and Irrigation, Water Authority. 4 mECU. Initial studies, drilling exploration, surveys and analysis. Project on appraisal. SEM JO 589/90 A2a, A9a

Cooperation project in science and technology. Resp. Auth.: Higher Council for Science and Technology (HCST). 3.5 mECU. Supply of specialized equipment, staff exchanges, T.A. training, evaluation. Project on appraisal. SEM JO A6f

Social Development Project — Development and Employment Fund. DEF. Resp. auth.: D.E.F. EEC contribution * 4 mECU. T.A. and lines of credit. *Project in execution.* SEM JO 932/91 A3b

Structural adjustment programme support. Hard currency allowance with negative list. 50 mECU. T.A. for following and evaluation. Project on appraisal. *Date foreseen for financing June 92.* SEM JO 440/92 A1e

MALTA

Protection of Malta's coastline against oil pollution. Resp. Auth.: Oil Pollution Executive. 2.4 mECU. Supply of specialized equipment, training and T.A. Project in execution. SEM MAT A8f

Upgrading of standards laboratories. Resp. Auth.: Maltese Government. 2.2 mECU. Identification by European T.A. of the present situation of standards laboratories. Training and organizational matters, purchase of equipment. Restructuring of some laboratories. Supply of analytical, microbiological and calibration equipment. Project in execution. SEM MAT 1012/90 A1c

Strengthening educational and economic relations with the Community. 1.7 mECU. Scholarships and traineeships, establishment of a Euro-Information Centre, integrated marketing programmes and tourism promotion. Differs T.A. and purchase of equipments. Project in execution. SEM MAT 91/431 A5c, d

SYRIAN ARAB REPUBLIC

Water Supply Bseira and Hama Rural Regions. Resp. Auth.: Ministry of Local Administration. Governments of Deir Ez Zor and Hama. EEC contribution. 7.5 mECU. Drinking water supply. Supply of pipes and fittings and electrical-medical equipment. T.A. Project in execution. SEM SYR 662/91 A2b

TUNISIA

Date-palm trees in the Rejim-Maatoug region. Resp. Auth.: Office de Mise en Valeur de Rejim-Maatoug. EEC contribution 15 mECU. Italy 7 mECU. Drilling works by int. tender. Drilling equipment— Italy. Electrical equipment: Italy. Irrigation equipment: int. tender. T.A. Italy. Project in execution. SEM TUN A3a

Mobilization of water resources in the Kasserine Governorate. Resp. Auth.: Ministère du Plan et du Dév. Régional. Commissariat Régional de Développement Agricole de Kasserine. EEC Contribution 7 mECU. Water schemes, dams, drilling. Works by acc. tender. Project in execution. SEM TUN 254/91 A3c, A9b

Support to the Structural Adjustment Programme. General Import Programme. Hard currency allowance. T.A. for follow-up and evaluation. EEC contribution 40 mECU. Project in execution. SEM TUN 000/92 A1v

Waters and soil conservation. Resp. Auth.: Ministère de l'Agriculture — Direction de la Conservation des Eaux et des Sols,

EEC contribution 45 mECU. Works by acc. tenders or direct labour. Supplies by int. tender. T.A.: ORSTOM (F) funded by France. Project in execution. SEM TUN 000/92 A3c

TURKEY

Improvement of health services. EEC contribution 5.8 mECU. Master plan, specialised medical equipment, scanner, vehicles. T.A. and supplies. Project in execution. SEM TU A7ac

Fight against environmental pollution. Resp. Auth. Prime Minister's Office. Directorate General of the Environment. EEC contribution 2.8 mECU. Purchase of mobile system to measure water, air, surface and soil pollution. Supply of laboratory equipment, T.A. Project in execution. SEM TU A8f

Vocational training programmes for tourism and mining. EEC contribution 5.4 mECU. Seminars, staff, trainers, supply of equipment, studies. Project in execution. SEM TU A5c, A4a, A6d

Programme to broaden relations between EEC and Turkey. EEC contribution 3.6 mECU. Scholarships, supply of equipment for the University of Ankara and Marmara. Training centre and language laboratory in Marmara. Establishment of a Euro-Turkish 'Business Council'. Project in execution. SEM TU A6b

Regional centre for training and development for the 'Union Internationale des villes (UIV)' for eastern Mediterranean countries and the Middle-East in Istanbul. EEC contribution 1.4 mECU. T.A. and supply of equipment. Project in execution. SEM TU A1c

WEST BANK AND GAZA OCCUPIED TERRITORIES

Assistance to the Palestinian population in the Occupied Territories. EEC contribution 10 mECU. Various projects, lines of credit, supply of equipment, T.A. and training. Project in execution. SEM OT 91 A8a, b, e

Exceptional Aid for the benefit of the Palestinian population of the Occupied Territories. 60 mECU. To counteract the negative consequences of the Gulf war. Grants to extend credit and to create revolving funds, supplies of equipment and other materials and contributions to operating costs, technical assistance and training. Project in execution. SEM OT 91 E A5e, A8a, b, c

EURONEWS DEVELOPMENT GROUP

Support to the arab service for the EURONEWS satellite channel. Resp. Auth.: Euronews Dev. Group-Lyon. EEC Contribution 3 mECU. To improve knowledge and comprehension of Europe in the arab world, and in the immigration world in the EC member states. Purchase of equipment by int. tender. Project on appraisal. Date foreseen for financing June 92. SEM REG 441/92 A1e

MED-URBS PROGRAMME

Support programme to the cooperation between european local collectivities and mediterranean third countries ones. EEC contribution 5 mECU. Transmediterranean cooperation network to solve actual problems about urban development: water management, transports, environment and waste-products, energy, urbanism, financial management, local fiscal system. Project on appraisal. Date foreseen for financing June 92. SEM REG 480/92 A8a, b

A.L.A. developing countries ASIA and LATIN AMERICA

BANGLADESH

Population and Health IV: Upazila Functional Improvement Pilot Project (UFIPP). Resp. Auth.: Ministry of Health - Project Implementation Unit - P.I.U. and 4^e Functional Improvement Teams - F.I.T. EEC contribution 18.75 mECU. Training, specialized T.A. supply of equipments, furnitures, vehicles, drugs and medical supplies, monitoring and evaluation. Project on appraisal. ALA BD 9112 A7b, c

Population and Health IV: Contraceptiva Supply Project (C.S.P.). Procurement of approximately 840 million condoms during the period from January 1993 to December 1996. Phase I approximately 30 million pieces at the rate of about 10 million pieces a month, followed by eighteen subsequent shipments up to 1994. The total quantity for phase 1 is 210 million pieces. Second phase (210 million pieces) in 1995-96. The project would continue to supply the Social Marketing Company 'S.M.C.' with the existing 'Panther' and 'Raja' type condoms. Given the magnitude, complexity and specialised nature of the procurement and supply operation and in order to minimise risks of-delays or other supply problems, the project will be implemented with the assistance of a specialised European Procurement Agency (P.A.). Condoms will be procured by the P.A. through restricted tenders after prequalification of EC condom manufacturers as well as from India, Indonesia, Malaysia, Sri Lanka, Thailand and Vietnam. EEC contribution 20 mECU. Project on appraisal. ALA BD 9113 A7c

Cyclone Shelter-cum-Primary Schools Project. Resp. Auth.: Ministry of Education. EEC contribution 10.716 mECU. Constructions and equipment, of about 150 cyclone shelters-cum-primary schools. Work, by acc. tenders. Supply of equipments and radio communication equipments. T.A. Project on appraisal. ALA BD 9116 A8g

Import and Internal Resources Support Project. Resp. Auth.: Bangladesh Bank. EEC contribution 16 mECU. The foreign exchange will be made available in ECU to and through the Central Bank to import by private importers vegetable oils, seeds and cement. T.A. for monitoring

evaluation and audit. Project on appraisal. ALA BD 9117 A1c

Cyclone Protection. Project II. Resp. Auth.: Bangladesh Water Development Board. Estimated total cost 78 mECU. EEC contribution 3.2 mECU. The EC will finance the existing T.A. composed by Kampsax International - BCEOM and Danish Hydraulic Institute. The investments costs of the project will be financed by: Bangladesh (2.4 mECU), I.D.A. (19.6 mECU), Japan (17 mECU), Saudi Fund for Development (11.3 mECU). Project on appraisal. ALA BD 9118 A8g

BHUTAN

Support to the Ministry of Agriculture (MOA) on Human Resources Development. (HRD). Resp. Auth.: Ministry of Agriculture. Human Resources Development Unit. Planning and Policy Division. EEC contribution 55 mECU. T.A. to define the training structure and to implement the necessary action, to coordinate and assist and for management and administration locally and abroad. Overseas training. Project on appraisal. ACA BHU 9105 A6c, i

Integrated Pest Management Development. Resp. Auth.: Ministry of Agriculture-Dept. of Agriculture (D.O.A.) EEC contribution 2.6 mECU. Works by acc. tender. Supplies by int. tender. T.A. short and long term. Project on appraisal. Date foreseen for financing July 92. ALA BHU 9212 A3a

Cultivation of Medicinal Plants for Traditional Medecine. Resp. Auth.: Ministry of Agriculture (MOA) - Dept. of Agriculture (DOA) - EEC Contribution 3.5 mECU. Short-term and long-term T.A.: coordination, agronomist, economist, pharmacology, processing. Supply of equipment by int. tender. Project on appraisal. Date foreseen for financing September 92. ALA BHU 9222 A3a

BOLIVIA

'Quinoa Projects' — Potosi. Resp. Auth.: CORDEPO. EEC contribution 6.100 mECU. Actions to develop Andean crops. T.A., supply of equipment, works by direct labour, research, studies, lines of credit. Project in execution. ALA BO 9109 A3a

BRAZIL

Pilot programme for the conservation of Tropical Forests. EEC contribution US\$ 15 million (equivalent to approx. MECU 11.9. Contribution to Rain Forest Trust Fund. Project on appraisal. ALA BR 92/4 A3c, A8f

CHINA (P.R.)

Intensification of crop production in Xinjiang Province. Resp. Auth.: Steering Committee: Provincial Foreign Economic and Trade Bureau, Agricultural Bureau, Changji Prefecture, Xinjiang Planning Committee and The Financial Bureau. EEC contribution .6 mECU. Supply of equipments by int. tender and T.A. (short and long term). Overseas training. Project in execution. ALA CHN 9120 A3a

Land reclamation in Ningxia Hui autonomous region. Resp. Auth.: Co-

ordinating Committee from Provincial Foreign Economic Relations and Trade Bureau, Agricultural Bureau, Water Resources Bureau and the Financial Bureau. EEC contribution 3.8 mECU. To reduce water infiltration in the fields, improve drainage, leach out the salt, improve the soils, water management and husbandry practises. T.A. and supply of equipment, training and evaluation. Project on appraisal.
ALA CHN 9132 A3e

Jiangxi Sandy Wasteland Development Project. Resp. Auth.: Nanchang Municipal Science and Technology Commission (NMSTC). Institute of Desert Research (IDR). EEC contribution 4 mECU. Supply of equipments, irrigation system, overseas training and T.A. Project on appraisal. Date foreseen for financing July 92.
ALA CHN 9214 A3a

COLOMBIA

'Job creation' for urban youth. Resp. Auth.: National Planning Dept. Consejería de la Juventud, Mujer y Familia — Codirection with European expert. 6.3 mECU. T.A.: 3 European experts, supply of equipment, lines of credit and guarantee, operating costs and training. Project in execution.
ALA CO 9115 A8e

Silk production development. Resp. Auth.: Secretaría de Integración Popular and Unidad de Gestión composed by an european co-director and a colombian co-director. EEC contribution 8 mECU. Specialised T.A., supply of equipment for silk plants, revolving funds. Project on appraisal. Date foreseen for financing 2nd half 92.
ALA CO 9131 A3a

ECUADOR

Rural development in the Bolivar region. FOEDERUMA 2nd phase. Resp. Auth.: FODERUMA — Fondo de Desarrollo Rural Marginal. Central Bank and co-directors (ecuadorian and european). EEC contribution 8.7 mECU. Supply of T.A. (director-expert in integrated rural development programmes, civil works engineer and administrative expert), equipments for road maintenance, medicals, transport, infrastructures, line of credit. Supplies by int. tender, works by acc. tender.
ALA EQ 9126 A3a

EL SALVADOR

Support programme to the micro-enterprises in the marginal areas. 7 mECU. Project in execution.
ALA SAL 9129 A5e

Programme for productive reinstatement of war's mutilated people. EEC contribution 3 mECU. Supply of equipment. T.A., training, lines of credit. Project on appraisal. Date foreseen for financing July 92.
ALA SAL 9216 A8e

Basic health and hygien programme in the paracentral region. EEC contribution 10 mECU. Improvement of hygienic and sanitary conditions. Supply of equipment and T.A. Works by direct labour. Project on appraisal. Date foreseen for financing July 92.
ALA SAL 9217 A7e

Urgent programme for productive reinstatement of demobilized people in agricultural activities. EEC contribution 15 mECU. For about 3,000 families of demobilized people from army and from FMLN, in the Usulután department. Rural credits via Banco de Tierras, supply of equipment and expatriate T.A. Project on appraisal. Date foreseen for financing July 92.
ALA SAL 9218 A8h

National programme for vocational training. EEC Contribution 5.500 mECU. Supply of equipments, T.A., training and lines of credit. Project on appraisal. Date foreseen for financing July 92.
ALA SAL 9219 A6d

GUATEMALA

Rural development programme in the Huehuetenango department. Resp. Auth.: Ministerio de Desarrollo Urbano y Rural (MINDES) and local and european co-directors. EEC contribution 12 mECU. Supply of T.A., infrastructures, equipments and vehicles. Works by acc. tender. Supplies by int. tender. Project on appraisal.
ALA GUA 9121 A3a

HONDURAS

Credits and T.A. to the rural micro-enterprises (PROCATMER). EEC contribution 9.6 mECU. Project in execution.
ALA HO 91/24 A3a

INDIA

Kerala Minor Irrigation Project. Resp. Auth.: Irrigation Dept. of Kerala State. EEC contribution 11.8 mECU. Improvement of irrigation systems. Tank and lift schemes. Supply of equipment and T.A. Training, environmental impact studies. Project in execution.
ALA IN 9111 A3a

Sidmukh and Nohar irrigation project. Resp. Auth.: Kajasthan State Government. 45 mECU. Extensive irrigation network. Works in irrigation and associated agro-forestry and livestock activities. Work, by acc. tender. Supplies (equipments and vehicles) by int. tender. T.A. for project monitoring, agricultural development, animal husbandry and forestry and evaluation. The EC financing, except for expatriate expertise and contingencies, will be transferred as counterpart funds of commodity aid in a fast disbursement procedure (38 mECU). Project on appraisal.
ALA IN 9135 A3a

INDONESIA

Irrigation and water supply programme in Bali North. Resp. Auth.: Directorate General of Water Resources Development (DGWRD), of the Ministry of Public Works. EEC contribution 10.300 mECU. Drilling works and supply of equipments. Specialized T.A. and training. Works by acc. tender. Supplies by int. tender. Project on appraisal.
ALA IND 9119 A3e

IRAN

Rebuilding of the Manjil and Abbar Tarum Hospitals. Resp. Auth.: Ministry of Health and Medical Education. 13 mECU T.A. for architectural and technical studies and work supervision. Building and equipment by int. tender. T.A. by Studio Bichara ((I)). Project in execution.
ALA IR A7a

MONGOLIA

Strengthening of the Veterinarian Services. Resp. Auth.: Ministry of Agriculture. Dept. of veterinarian medicine. EEC contribution 2.3 mECU. Purchase of equipments by int. tender. T.A. and training. Project on appraisal. Date foreseen for financing May 92.
ALA MNG 9209 A3a

NICARAGUA

Agricultural reform and integrated rural development in the Rio Blanco region. Resp. Auth.: I.N.R.A. Instituto Nicaragüense de Reforma Agraria. EEC contribution 13.500 mECU. Transport and communication infrastructures, rehabilitation and creation of built-up areas, schools, health centres, administrative and technical infrastructures. Supply of equipments, vehicles, materials. Line of credit. T.A. Works by acc. tender, supplies by int. tender. Project on appraisal.
ALA NI 9136 A3a

PAKISTAN

Rural roads in the Buner Area. Resp. Auth.: Provisional Government's Construction and Work Dept. (C & W) and District Council. 5 mECU. Construction of new sections of rural roads, upgrading of existing roads. Works by acc. tender. Supervision by European Consultant. Project on appraisal.
AIA PK 9106 A2d

Rural Electrification in Punjab. Resp. Auth.: WAPDA Project Management Unit. EEC contribution 21 mECU. Electrification of 540 villages. Equipments by int. tenders, T.A. and training. Project on appraisal. Date foreseen for financing May 92.
ALA PK 9211 A2ai

PANAMA

Rehabilitation of Santo Tomás Hospital. Resp. Auth.: Ministerio de Salud. EEC contribution 4 mECU. Works, supply of equipment and T.A. for maintenance, training and management. Project in execution.
ALA PAN 9017 A7a

PANAMA — COSTA RICA — NICARAGUA — HONDURAS — EL SALVADOR — GUATEMALA

Regional programme for the collection and treatment of the hospital waste. Resp. Auth.: Ministry of Public Health in each country. EEC contribution 4.900 mECU. For the town-capitals hospitals in each country. Supply of equipments, incinerators, vehicles and tools. Training and european T.A. Supplies by int. tender. Project on appraisal.
ALA REG 9133 A7a

Regional support programme to the Phyto-Sanitary Health. Resp. Auth.: O.I.R.S.A.-Organismo Internacional Regional de Sanidad Agropecuarias in San Salvador. EEC contribution 6.4 mECU. Supply of equipments, vehicles, tools by int. tender. Works by direct labour or acc. tender. T.A. long and short term. Training. Project on appraisal.
ALA REG 9137 A3a

PARAGUAY

Rural settlement. San Pedro and Caaguazu. Resp. Auth.: Instituto de Bienestar Rural. 10.4 mECU. Settlement of 4 000 families. Basic infrastructure, equipment, training and T.A. Project in execution.
ALA PAR 90/24 A3a

PERU

Micro-enterprises - Informal sector. Resp. Auth.: Banco Central de Reserva del Perú (BRC). EEC contribution 13.200 mECU. To improve capacities of the micro-enterprises. Lines of credit, revolving funds, T.A. and training. **Project in execution.**
ALA PE 9124 A8d, c

Drinking water / Pueblos jovenes / Lima. EEC contribution 7.8 mECU, France 2.350.mECU. Works by acc. tender. T.A. by France. Project on appraisal. Date foreseen for financing April 92.
ALA PE 92/7 A2b, A7

PHILIPPINES

Western Samar - Agricultural Resources Development Programme (WS-ARDI). Resp. Auth.: Department of Agriculture (DA). Department of Environment and Natural Resources (DENR). Department of Public Works and Highway (DPWH). EEC contribution 15 mECU. Works, supply of equipments, agricultural inputs, vehicles long term T.A., training, evaluation. Project on appraisal. Date foreseen for financing July 92.
ALA PHI 9215 A3a

SINGAPORE

EC - Singapore Regional Institute of Environmental Technology. EEC contribution 2.7 mECU. T.A. and Staff; Director, 1 Head of Division, part-time expatriate services. Project on appraisal. Date foreseen for financing May 92.
ALA SIN 9202 A8f

SRI LANKA

National Irrigation Rehabilitation. Resp. Auth.: Project Coordination Committee. Total estimated cost 41.5 mECU. EEC 3.34 mECU, World Bank 24.67 mECU, counterpart funds from EEC Food Aid 7.59 mECU, local 5.9 mECU. Works, supplies and T.A. Project in execution.
ALA SRL 9107 A3a

YEMEN

Fourth Fisheries Development Project. Resp. Auth.: Ministry of Fisheries. EEC contribution 13.900 mECU. Construction of access roads, facilities for fish handling, supply of equipments, engines and fishing gear. T.A. Project in execution.
ALA ROY 9122 A3a

ASEAN

EC-ASEAN Radar Remote Sensing, ER S-1 Project. Resp. Auth.: European Space Agency (ESA). EEC contribution 3.9 mECU. To improve radar data acquisition for receiving stations. Supply of equipment by int. tender. T.A. for training and management. Project on appraisal.
ALA/ASN/REG 9128 A1g, A8f

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La déforestation en Afrique, situation et perspectives (Deforestation in Africa — situation and outlook) Jean-Roger MERCIER, Edisud — 183 pages — 1991

The author is a civil engineer, specialising in rural engineering, waterways and forests, who advises local, regional, national and international organisations on environmental management — a range of activities which enables him to investigate deforestation in Africa as such and set the problem against the more general background of the continent's dwindling heritage, as Jacques Giry makes clear in the preface. Not only are the forests deteriorating. The land is declining too, losing its fertility, while the number of Africa's children doubles every 25 years. The only way to survive is to eat into the capital. Deforestation is one of Africa's serious problems and has to be tackled without delay.

Part one of this book diagnoses the situation, stressing that, although the (particularly primary) forests there are declining less spectacularly than in Amazonia, they are doing so just as fast. Deterioration may well even be speeding up, to the point where the major forests of the continent could have disappeared by 2040 or 2050 if nothing is done about it over the next few years.

The causes, which have a lot to do with agricultural, herding and energy schemes, and the consequences, which are ecological, economic and sociological, are diverse.

Part two suggests ways of dealing with the main dangers to trees in the South, ie excessive use of timber in building and industry, land clearance for farming, brush fires and the chopping down of firewood, a clear problem in view of all the conflicting interests involved.

The general conclusion, however, is that success is to be found in a broader framework and that Africa's recipe for a successful future should be a 'clever cocktail of democracy, community economic development, respect for local culture and environmental protection and management'. It is impossible not to endorse the author's closing lines: 'The final message is that competition is of course needed to make an economy work properly, but solidarity is vital to life on earth'. ○

Alain LACROIX

○○○

'The Energy Dimension; a practical guide to energy in rural development programmes'; Christopher HURST & Andrew BARNETT; 166 pp.; Intermediate Technology Publications Ltd., 103-105 Southampton Row, London WC1 4HH. (Also

available in French) 'Le réflexe énergie; guide pratique de l'énergie pour les programmes de développement rural des pays en développement'; 189 pp.; Sussex Research Associates Ltd., 33, Southdown Avenue, Brighton BN1 6EH

As claimed in its title, this is a practical book aimed at all those concerned with the design, implementation and management of rural development projects. Its practicality is evidenced from the outset: already in the preface, the authors say they appreciate that those most likely to have need of the book's advice are also those least likely to have the time to peruse the whole volume at their leisure. Guidance is therefore given on how to 'speed-read' the text in order to extract the particular advice sought.

Practicality is also evidenced by the check-lists provided of questions to be asked (and answered!) in order to achieve the successful integration of energy questions into rural projects. This in fact represents the overall thesis of the book, viz that rural energy should not be treated as a separate issue but rather as an integral component of coherent rural programmes. The authors therefore

recommend a form of 'Affirmative Action' analogous to that aimed at improving the account taken of women in development.

The authors are also realistic in their treatment of practical difficulties e.g. in the distribution of diesel fuel to outlying areas. Fortunately, they do not confuse practicality with an obsession with the purely mechanical aspects. Thus they avoid the classic engineers' blinkered viewpoint limited to the machines of their trade e.g. rural electricity generators and networks, or experimental Alternative Energy machines.

There is only one shortcoming of which this reviewer would complain and that is that the authors restrict themselves to consideration of inanimate energy (i.e. that provided by fuels plus that from sun, wind and water) whereas, in the rural environment, a substantial part of energy required is provided by muscle-power, be it human or animal. However, that represents a purely personal opinion; this book does cover all energy questions as more usually defined. ○

A.B.

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