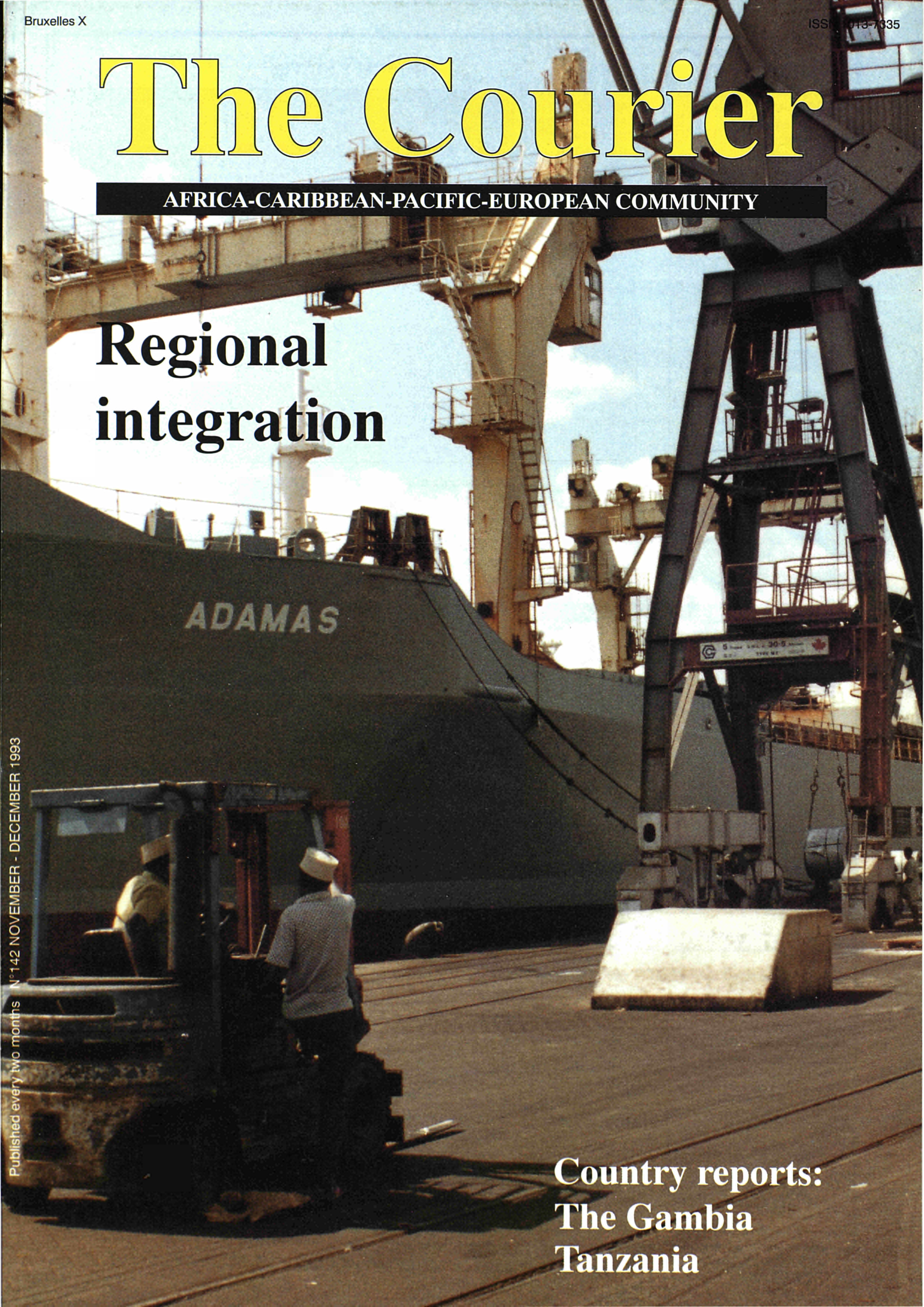
Bruxelles X

ISSN 1013-7335

The Courier

AFRICA-CARIBBEAN-PACIFIC-EUROPEAN COMMUNITY



Regional integration

Country reports:
The Gambia
Tanzania

Published every two months N°142 NOVEMBER - DECEMBER 1993

THE EUROPEAN COMMUNITY

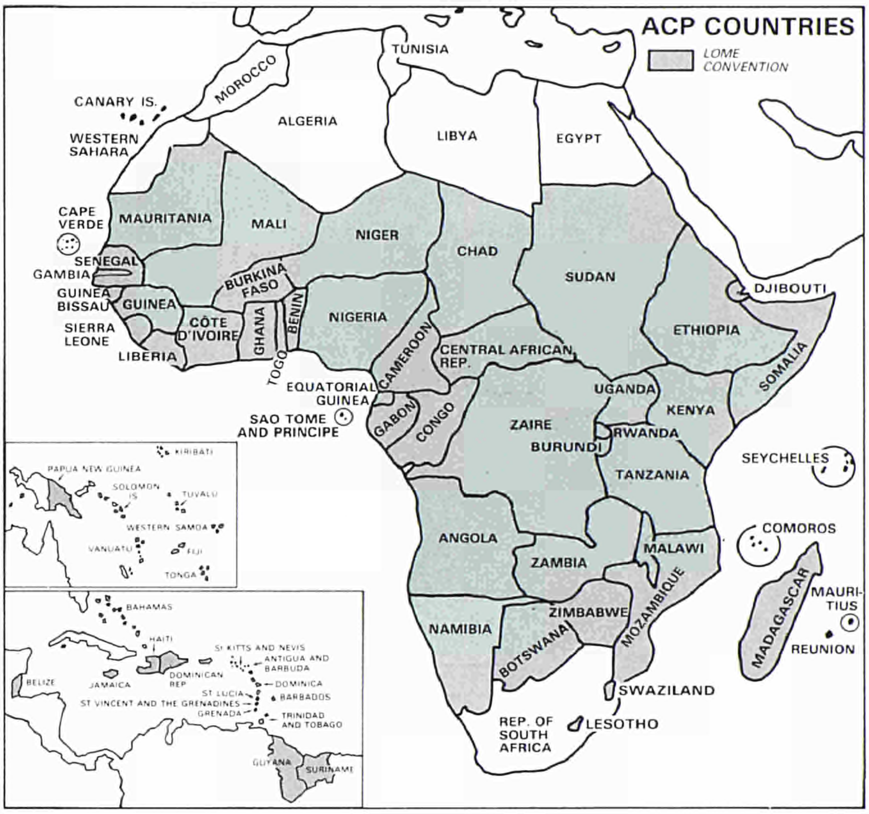
BELGIUM
DENMARK
FRANCE
GERMANY
(Federal Rep.)
GREECE
IRELAND
ITALY
LUXEMBOURG
NETHERLANDS
PORTUGAL
SPAIN
UNITED KINGDOM

General Secretariat
of the ACP Group
of States

Avenue Georges Henri, 451
1200 Brussels
Belgium
Tel.: 733 96 00

THE 69 ACP STATES

ANGOLA
ANTIGUA & BARBUDA
BAHAMAS
BARBADOS
BELIZE
BENIN
BOTSWANA
BURKINA FASO
BURUNDI
CAMEROON
CAPE VERDE
CENTRAL AFRICAN
REPUBLIC
CHAD
COMOROS
CONGO
CÔTE D'IVOIRE
DJIBOUTI
DOMINICA
DOMINICAN REPUBLIC
EQUATORIAL GUINEA
ETHIOPIA
FIJI
GABON
GAMBIA
GHANA
GRENADA
GUINEA
GUINEA BISSAU
GUYANA
HAITI
JAMAICA
KENYA
KIRIBATI
LESOTHO
LIBERIA
MADAGASCAR
MALAWI
MALI
MAURITANIA
MAURITIUS
MOZAMBIQUE
NAMIBIA
NIGER
NIGERIA
PAPUA NEW GUINEA
RWANDA
ST. KITTS AND NEVIS
ST. LUCIA
ST. VINCENT AND
THE GRENADINES
SAO TOME & PRINCIPE
SENEGAL
SEYCHELLES
SIERRA LEONE
SOLOMON ISLANDS
SOMALIA
SUDAN
SURINAME
SWAZILAND
TANZANIA
TOGO
TONGA
TRINIDAD & TOBAGO
TUVALU
UGANDA
WESTERN SAMOA
VANUATU
ZAIRE
ZAMBIA
ZIMBABWE



FRANCE

(Territorial collectivities)
Mayotte
St Pierre and Miquelon

(Overseas territories)
New Caledonia and dependencies
French Polynesia
French Southern and Antarctic Territories
Wallis and Futuna Islands

NETHERLANDS

(Overseas countries)
Netherlands Antilles
(Bonaire, Curaçao, St Martin,
Saba, St Eustache)
Aruba

DENMARK

(Country having special relations with Denmark)
Greenland

UNITED KINGDOM

(Overseas countries and territories)
Anguilla
British Antarctic Territory
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.

The *Courier* uses maps from a variety of sources. Their use does not imply recognition of any particular boundaries nor prejudice the status of any state or territory.

Cover page: *The Port of Dar es Salaam.*
Ports play a key role in regional integration. (Photo The Courier)

The Courier

AFRICA-CARIBBEAN-PACIFIC - EUROPEAN COMMUNITY

No 142 — NOVEMBER-DECEMBER 1993

CONTENTS

MEETING POINT: Paul Frix

Industrial policy has an essential role to play in the development of ACP countries — it is not enough to rely solely on commodities. This is the firm view of Paul Frix who is the Director of the Centre for the Development of Industry (CDI). In an interview with *The Courier*, Mr Frix expands on this theme and describes how the CDI works to encourage industrial development in the ACP countries.
Pages 2 to 6.

COUNTRY REPORTS

THE GAMBIA: Ever since independence in 1965, The Gambia's leaders have gone for a democratic system — a considerable asset nowadays, as it spares the country the political upheavals taking place in most African countries undergoing democratisation. President Jawara and two of his Ministers, Bakary Dabo and Omar Jallow, as well as the principal opposition leader, Shariff Dibba, talk about the progress achieved and the difficulties of a democracy which, when all is said and done, is alive and growing. **Pages 13 to 31.**

TANZANIA: Like the rest of Sub-Saharan Africa, Tanzania is in the midst of political and economic reforms. Unlike others, though, it is finding it particularly tough going transforming a 'socialist' one-party state into a free market multiparty democracy. Constrained by a number of factors, including a certain lack of political commitment within the ruling party, the Government is proceeding cautiously with reforms, the pace of which is, accordingly, slow — too slow for some of the country's principal donors. **Pages 32 to 47.**

DOSSIER: Regional Integration

Due to the limited size of their internal markets, African countries need to combine their efforts if they want to develop their economies. This necessity is recognised and accepted in theory, but so far, all attempts at integration in practice — whether at the institutional or the market level — have failed. In our Dossier, we examine the reasons for this failure and explore some interesting avenues for the future. **Pages 48 to 90.**

PAUL FRIX

Director of the Centre for the Development of Industry

A coherent industrial strategy to attract outside investors

The Courier

The Centre for the Development of Industry (CDI) has the task, under the Fourth Lomé Convention, of helping 'to establish and strengthen industrial enterprises in the ACP States, notably by encouraging joint initiatives by economic operators of the Community and the ACP States'. The current Director of the CDI, which is based in Brussels, is Paul Frix, who took up the post in 1990. Mr Frix studied economics and management in Leuven and Brussels before embarking on a career in development cooperation — a career which has included service in his country's embassies in Kinshasa and Algiers, and in the Belgian Development Cooperation Administration (AGCD).

Regular readers of the Courier will be familiar with the CDI's initiatives, which are reported in the 'Industrial Opportunities' feature of the magazine. In this interview, Paul Frix looks at some of the wider issues affecting industrial development in the ACP countries and considers, at the outset of the negotiations for the second phase of Lomé IV, how the CDI may be adapted to meet future challenges.

▶ *Among the various sectoral approaches to development, what part do you think is played by industrial policy?*

— I think that industrial policy is becoming increasingly vital for many ACP countries. They cannot effectively ensure development unless they are able to develop their industry in general. It is not enough to rely on commodities — and I mean by this agricultural products as well as minerals. Having said this, even as regards industrial development, the ACP countries have an interest in developing specific sectoral policies. Such policies make it possible for states to organise their available resources so as to exploit any genuine comparative advantages that they might have in particular areas. It is easier as a result to carry product processing to a more advanced stage, thereby maximising local value added. With a coherent industrial strategy, it follows that a favourable climate can be created by the countries involved, with the legislation being adapted to the needs of a given sector. On that basis, they also gain the added advantage of better coordinated international aid. Without a policy of this kind, it is the investors at the end of the day who, having been invited, then discover that there is neither a secure framework nor the kind of back-up that they need.

Then of course, there is no doubt that sectoral approaches give the CDI various advantages. They enable it to focus on activities which are mutually supportive and to increase its experience of the way particular sectors work, both technologically speaking and from the point of view of the market. Of course, the CDI uses these sectoral approaches when there is a demand for them at national, regional or international level. Our aim at the moment, in fact, is to capitalise on the experience we have obtained in certain sectors and regions and to adjust and transpose it to other parts of the ACP group. Lastly, as I said before, it obviously makes sense to coordinate international aid and make sure the various forms complement each other, on the basis of specific plans in the countries concerned. Logically, it should mean better results all round.

▶ *Targeted, state-run industrial policies are disparaged nowadays but they have been known to produce positive results. Where do you stand on this issue?*

— A deliberately targeted public sector policy can be the best thing or the worst thing in the world. In the past, we have had examples of governments going too far in wanting to replace the private sector; seeking to do what private businesses should be doing and setting up public companies that they could not manage effectively. It didn't take very long for these policies to fail, with the result that we see today — countries forced to embark on uncomfortable structural adjustment programmes. On the other hand, without specific public-sector policies, it will be difficult to create a context which provides companies with sufficient promise and incentive. The crux of the matter, in fact, is to define the interrelationship between public-sector initiatives, where the task is to create the right business climate, and the private sector's role, which is to develop the actual industrial schemes.

'Investments can be guided to where there are prospects of making a profit'

▶ *The OECD's Development Assistance Committee has just released figures showing that the developing world as a whole is receiving more private financing than ODA at the moment, although a closer look shows enormous variations between different regions. Private money clearly does not allow itself to be dictated to like ODA. What can the CDI do in this area?*

— As you say, investments cannot be dictated, but they can ultimately be steered and guided, where there are sufficiently good, genuine and stable prospects of making a profit. Hence the importance of offering compensatory advantages to investors in problem areas of the world, particularly in the early stages of their investigations, when they are looking out for partners for subcontracting, or seeking markets for their products. It is important of course, to act speedily in steering them towards the right partner and the right country; those genuinely offering business conditions which are at least acceptable, if not positively attractive. And, since international opportunities have become much broader and competition is far greater than it was a few years ago, this is an area where an institution like the CDI can — and often does — provide the determining factor. We can finance the first contacts, cofinance identification surveys, help negotiate a balanced partnership, seek the right sources of financing and provide technical assistance with management training when businesses open up. It is a fact that although European businesses may still be prepared to spend time looking in places like Africa, they are increasingly unwilling to invest risk capital there — hence the importance they attach to having a backup in partnership operations, without having to contend at the outset with discouraging or unnecessary financial uncertainties.

▶ *Regarding the back-up measures you mention, the problem of investment protection is one which is far from being resolved in many countries. The EC Commission (through the Lomé Convention), the World Bank and many bilateral agencies are all working on this. What is the stance of the CDI in relation to protecting investors and what can you do in practical terms?*

— Investment protection agreements are decisive in the chain of measures required to attract and safeguard investors. But though vital, they are not sufficient in themselves to trigger the foreign investment process in the countries concerned: the local framework has to be right too. However good the agreements, they never offer protection against commercial risks, which are influenced by a whole host of factors related perhaps to the country's politics or social situation, so there have to be additional guarantees.

▶ *Africa is still one of the most difficult continents as far as investor protection is concerned. How can we help to create an*

Farming cut flowers in Gambia

Gambia, with its fertile soil and mild winter, is well-placed to supply the European market with a wide range of specialised horticultural products. Some companies have already experimented with exporting tropical fruits while one local entrepreneur, with the help of the CDI and other international organisations, is on the way to successfully pioneering a new crop: flowers.

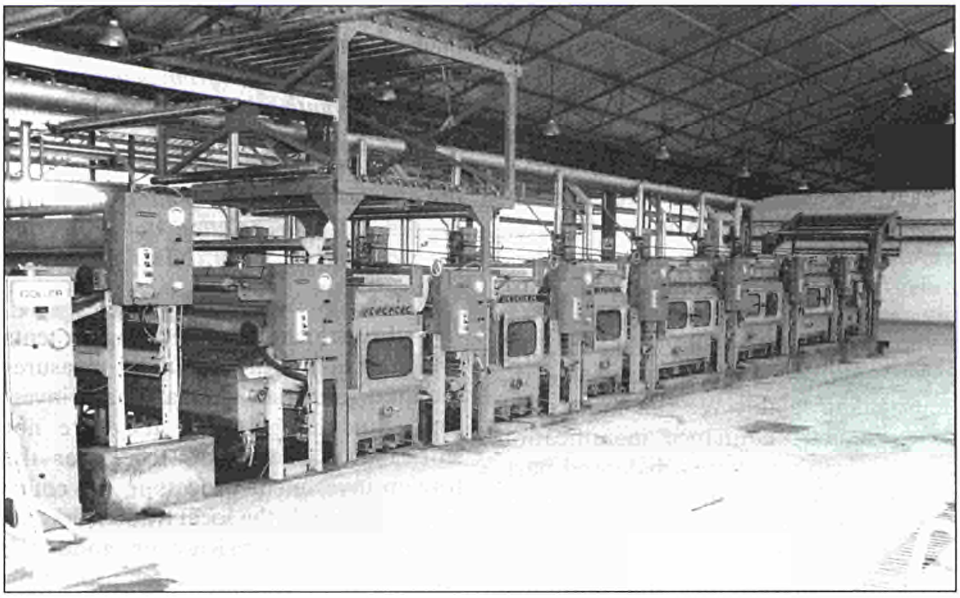
The entrepreneur, together with the Commonwealth Development Corporation (CDC), established Makumbaya Farms in 1991. The venture also subsequently received a loan from the African Enterprise Fund, an offshoot of the International Finance Corporation. The 15-hectare development aims to develop a chrysanthemum farm for exports to Britain, the Netherlands and other countries in Western Europe.

By the time the CDI became involved, the partners were in the final stages of negotiating a partnership arrangement with a British company. Under this agreement, the UK partner was to provide both technical and management assistance as well as a substantial marketing network throughout Europe. However, paying for the on-site British management team proved too expensive, so the company, with support from the CDC, asked the CDI to finance the production manager's stay from October 1991 to October 1992.

In that time, the production manager oversaw a great deal of the farm's establishment, from organising logistics and transport to planting trials and quality control. He also began training local personnel to take his place when he left.

The farm, which now employs more than 30 people, has already begun exporting, with very promising results, and expects to reach an annual turnover of more than ECU 2.4 million by 1994. The CDI is currently considering a request from the CDC to continue its support on the production management side.

At the Makumbaya Farms



A textile factory in Guinea
'The real fabric of regional integration is business'

African business class, coaxing them away from speculation and into an enterprise culture? Does the CDI have a recipe for 'making' African business people?

— The CDI has no single recipe, although it does have part-recipes for business people. You are right in your analysis: the industrialisation process in many African countries has been founded largely on exploiting a (to some extent) good position on the raw materials market, or on the fact that they are in a monetary zone which has provided a degree of protection or mutually privileged access. These things do not automatically foster an enterprise culture. But the world about us is changing fast and traditional forms of income are being eroded. The countries concerned are in a critical situation, particularly in view of the constant increase in population pressures. There are more and more people to provide with jobs and, if possible, with a better standard of living as well. Given this situation, there is absolutely no argument that outlooks have to be changed and new categories of entrepreneur have to be encouraged in new sectors and areas of activity. They must then gradually be familiarised with healthy competition, in which the best of them must be given the opportunity to boost their comparative advantages.

But creating new business people is not something that you can improvise. You cannot just wave a magic wand and expect it to happen. They have to be introduced to the idea and then given proper backing in their work and, while that is going on, be induced to develop the basic reflexes which will enable them to create and — most important of all — develop viable businesses. And this is exactly where the CDI comes in. Our job is to tune in to the business person. We are not a financial organisation. We do not provide money for investment. But we do help entrepreneurs to solve the technical problems which arise while an investment is being set up, operations are being launched or companies are being restructured.

▶ *How can the private sector become more involved in regional cooperation? Is there a role for the CDI here?*

— The real fabric of regional integration is business. Businesses operating in the same sector accordingly need to be brought together in technical fora, although they must be carefully selected at the outset so as to ensure that the meetings are as productive as possible. This sort of approach can and must be used to assist the regional integration process, although of course it is only one aspect of a whole series of measures and strategies that need to be brought into play. In the context of regional strategies — notably in Africa where the industrial fabric is particularly weak or run down — business-people should certainly be able to rely on regional groupings which enjoy enough protection to enable them at least to take medium-term investment decisions and, thereby, create a regional network of industries which complement each other. Clearly, the politicians have to encourage this by taking their own responsibilities seriously. This may well involve rising above the self-centred nationalism which encourages states, for example, to hang on at all costs to their customs import revenue, something which is often vital to the national budget. It is not easy, either politically or psychologically, to transfer this to a supranational organisation, but it has to be done. And when these regional units are big enough, and offer sufficient protection, investment companies capable of rationalising industrial sectors throughout a given region should be set up, operating across the region rather than on the basis of individual countries.

A range of regional investment companies needs to be set up. I welcome the fact that the West African Development Bank has, for example, recently decided to embark on this road with just such a venture. But there is scope for several initiatives in this area because investment companies can benefit, both from specialisation and by engaging in healthy competition with each other, where the field of operations is sufficiently large. As for the CDI, it needs to work in parallel with such schemes, setting up regional and local service companies.

'Systematically developing closer links with the financial institutions'

▶ *The CDI, as you say, helps promote investments without having funds of its own to contribute to their financing. Isn't that a barrier to success? And, more generally, what is your strategy for current and future CDI activity?*

— It is clear that industrial development in the developing countries is based on two things. The first is having the right kind of financial resources, especially risk capital. The second is having technical and managerial support that is sufficiently effective and close to the business. You have to have both and they have to be properly organised, otherwise it won't work. Having said this, the CDI has no desire to become a financial institution. What it should be doing is working more and more closely with financial institutions that have confi-

Burundi: the ALCOVIT project for a cattle fodder factory

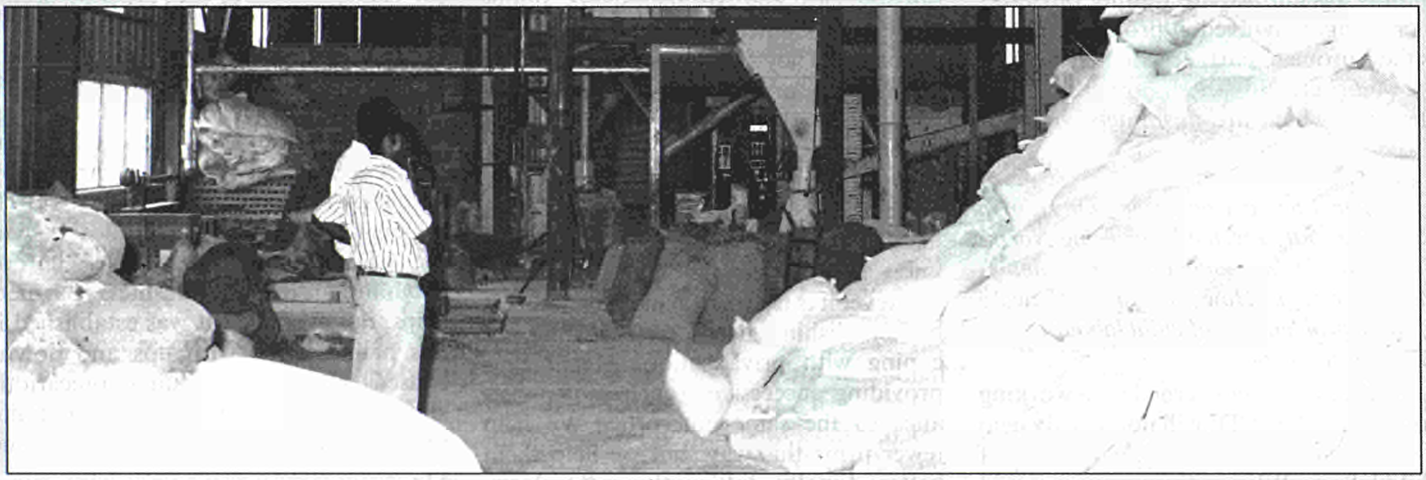
ALCOVIT, a semi-public company under private law in which the Burundi government has a 90% shareholding, first received CDI assistance in 1988 for the purpose of starting cattle fodder production in Bujumbura using local raw materials. However, as it was unable to maintain the quality of its products, the company gradually lost the confidence of livestock farmers. By 1991, production had tumbled from 10 000 tonnes to 2200 tonnes a year, resulting in an operating loss and shortages of funds.

In 1991, with the backing of the CDI, the Belgian firm VDS — an SME specialising in ready-mixed cattle fodder and with extensive experience of the sector in Africa — stepped in to diagnose ALCOVIT's problems. VDS then signed a two-year contract with ALCOVIT to provide technical and marketing assistance in order to improve the company's performance.

In addition, since ALCOVIT is in the process of privatisation, VDS intends to acquire a majority shareholding in the firm. The CDI provided assistance with the negotiations and met one third of the cost of the rehabilitation programme, which totalled ECU 102 000. Another third came from the Belgian development agency, which has been a member of the CDI's network of European partner institutions since 1991. The balance was met by VDS (ECU 21 000) and ALCOVIT (ECU 12 000).

VDS introduced far-reaching changes in the production process, including more stringent criteria for selecting raw materials, purchase planning, improvements to storage practices and production processes to reduce wear and tear on equipment, and reorganisation to obtain a better performance from both staff and machines.

ALCOVIT products have now regained the confidence of livestock farmers. VDS has put in place a policy of reduced operating costs and more rigorous administrative and financial management across the board. Market research has been carried out to identify potential customers and, in October 1992, ALCOVIT opened a second sales outlet.



ALCOVIT facilities in Burundi

dence in it, and believe in the services it has to offer. That is our current strategy. So we are systematically developing closer links with the financial institutions, starting with the EIB. Their risk capital has an essential part to play, despite the fact that it is being used relatively little, or too slowly, at the moment, in particular because the business promotion and back-up schemes which would have enabled more people to go to the financial institutions with sound projects have not been methodically catered for.

The next stage, coming soon, is to create service companies which are managed by the CDI but have the main national and foreign financial institutions working for local industrial development as board-members and shareholders. These service structures will be free to make judgments and analyses independently of the bankers but they will still be an instrument in which those bankers can have confidence because they will have a great deal of say in how they are run. If the CDI submits a good project and a good promoter to a financial institution which is not familiar with either, it will not get a financing decision. The proposal will fail however high the standard of work that went into it. So, to go about it the right way, the financial institution needs to know that we do things properly.

Hence the idea of perhaps giving them the right to check and control the standard of the services they may use. This, after all, is a vital factor for credibility. These are the lines we are working along: arguing, in fact, for a double assessment of projects which should be evaluated independently by the funder — in other words, the banker putting up the money — and, with equal independence, by a business support organisation. They have different but complementary approaches and if they reach the same conclusion in the end, agreeing that the project is a good one, then the chances of seeing that good project materialise as a viable undertaking are very sound indeed.

► *Are you able, by looking at examples of successful CDI-supported projects, to formulate a favourable set of conditions which can serve as a model?*

— Firstly, success rests on having a promotor who has at least a basic minimum of assets and resources. These may be technical, financial or human (in the sense of assets of psychology or character). To have all three would obviously be an added bonus. I believe that a person's ability to adapt to the changes and constant challenges of a private company is the essential thing. A second element is an ability to find the technologies which are properly adapted to the needs: something which is neither too big, nor too expensive, nor too sophisticated. Lastly, and I should perhaps have started with this one — although frankly, for me, the priority is on the person — there is the availability of a market. There has to be a local, regional or external market. Given that many of the ACP countries we are talking about have debt-related financial problems, are looking for foreign exchange from any available source and are anxious to become part of the international trading system, we are finding ourselves increasingly involved in projects where it is the European partner who is providing the market. So these are the three elements which are absolutely vital for success.

▶ *The Vienna Conference on Human Rights recently revealed a growing North-South divide in production and employment conditions. How far is the CDI aware of these problems — of child labour and so on — in its work?*

— Yes, we are concerned with working conditions. The CDI will not usually help a firm which, for example, makes use of child labour. Whenever we can, we avoid this kind of project and we certainly do not support schemes which would only work if they did use child labour. They would be ruled out automatically. Having said this, the reality is often more complex and can be at variance with the theory. In many ACP countries, problems of human rights and human dignity are linked with extreme poverty and we are often faced with dilemmas. If these countries are to put their poverty behind them, the development process has to be set in motion and providing jobs is all-important. The first priority is for people to be able to live in a dignified manner. That means we must be pragmatic in our efforts to trigger self-sustaining economic development. I should say that in those countries where the European Community has decided to suspend aid because basic human rights are not being respected, we recognise this fact and call a halt to any active seeking-out of projects. In such circumstances, our role is effectively a passive one — receiving proposals submitted. If they turn out to be viable, we will support them, however. In the final analysis, what counts is the long-term view of the problem.

'The CDI has reached an absolutely crucial turning point'

▶ *The Lomé IV mid-term review is about to be carried out. As head of the CDI, do you plan to make any alterations to the Centre's role? Have you had any requests, from Europe or the ACPs, to change the way in which the CDI operates over the next five years?*

— I think that the CDI has reached an absolutely crucial turning point. With the implementation of Lomé IV, we embarked upon quite a fundamental reform of our policies and strategies. As things stand, the Centre focuses on the ACP countries. They themselves mobilise significant amounts of resources which are combined with CDI resources to back up coherent industrial promotion policies. We deal with medium and long term projects. We do not aim to give aid and just leave it at that, but rather, once we know a firm, to help it make a success of whatever it is trying to achieve, whether it be establishing itself, restructuring, or coping with privatisation. This means providing successive tranches of assistance to the same enterprise. We help fewer firms this way, but we help them better. Finally, taking the sectoral approaches which I described to you earlier, we seek to capitalise on experience gained in particular fields. We can then gradually apply that experience elsewhere, allowing us to be more effective overall.

Parallel to this policy of focusing assistance, we have now embarked upon a policy of decentralising our work. The idea is to create support structures that are close to businesses, independent of local political influences and flexible, with as little red tape as possible. So we have fixed on the idea of service companies, set up jointly with financial institutions as well as both bilateral and multilateral funders who are interested in using them as local operating agencies. What we are doing, in fact, is pooling the potential of organisations that are interested in having proper coordination of their efforts in a particular country or region. So the set-up we are moving towards is one in which external aid is coordinated through systems created and managed by the CDI. I believe that this is a truly forward-looking approach. We have, accordingly, made a lot of changes to the CDI. It currently has two operational divisions: one network for the ACPs and one European network. The interface is the committees, where projects are assessed or examined critically from every angle to investigate the finances, the quality of the promotors, the standard of the technology, whether there is a market and so on.

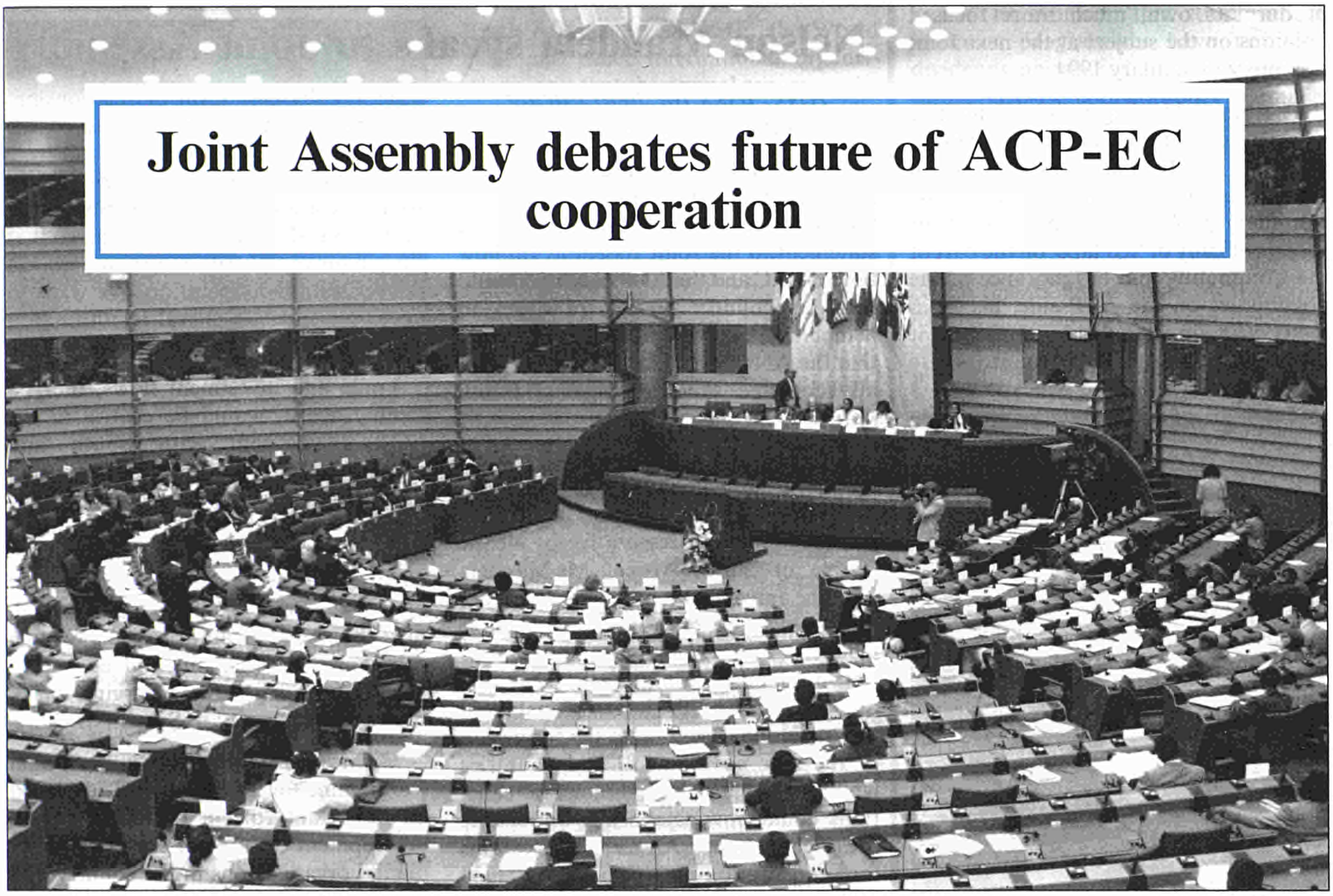
In practical terms, this means that the CDI has, since 1991, been undertaking some far-reaching changes. These have been comparatively difficult to implement and it will certainly be some time before they are completed. The process is fully in line with the recommendations of Commissioner Marín and of the ACP Secretary-General, Dr Berhane, that the Lomé instruments should be updated and strengthened.

Sooner or later, we are also going to be faced with the question of the continuing existence of the CDI. Can its present policies reasonably be carried through by an institution which is still only an EDF regional programme? The idea behind the CDI is an excellent one: that of promoting ACP-EC business partnerships, but ever since it was established it has had to cope with ups and downs caused by its continuing precarious status, notwithstanding the very definite progress that has been made under Lomé IV.

If the aim really is for the CDI to become an efficient tool, geared to meeting today's and tomorrow's challenges, perhaps the time has come to consider ways of giving it the status of a joint international organisation operating more predictably and transparently and better able to take on work and pursue policies for the long term. Speaking purely for myself, I wonder whether sooner or later we ought not to give the CDI itself — meaning the headquarters in Brussels — the same status as that of the service organisations that we are busy setting up in the ACP countries. Without wishing to pre-empt the political decisions which will eventually determine its future, the CDI is always ready to take part in the joint task of forward thinking which it views as desirable and necessary before the forthcoming renegotiation of Lomé IV's second financial protocol. ○

Interview by Dominique DAVID

Joint Assembly debates future of ACP-EC cooperation



The most recent ACP-EEC Joint Assembly, which was held in the newly-built parliamentary chamber in Brussels from 4 to 7 October, was dominated by discussions about the future shape of ACP-EC cooperation. The debate has been prompted by the impending negotiations on possible amendments to the fourth Lomé Convention. The Convention, in contrast to those which preceded it, was concluded for a ten-year period commencing on 1 March 1990 but there is provision at Article 366 for either of the parties (the ACP Group or the EC) [1] to propose amendments at the half-way stage. Negotiations would, in any case, be necessary on the financial arrangements, which are dealt with in a separate Protocol to the Convention and are only valid for five years.

In general, the atmosphere at the Assembly was morose, with occasional outbursts of tetchiness. It is true that the members gave a warm welcome to the new King of the Belgians, Albert II, who attended the formal opening session, and rewarded Nelson Mandela, who spoke on the Thursday, with a standing ovation (see box article), but worries about the future surfaced regularly in the various working sessions.

The main focus of the Joint Assembly's concern was a Commission document which, arguably, they should not have been discussing at all. In the context of the above-mentioned possibility for 'mid-term review' of the Convention, the Commission has prepared a draft negotiating directive for the European Community side, which includes proposals for changes to certain Lomé provisions. This text, which is not a public document, has been presented to the (EC) Council of Ministers but the mandate has yet to be finalised and it will be some time before formal negotiations begin. Despite this, several European members of the Joint Assembly were exercised by the fact that they had not initially received a copy of the text in question. Perhaps surprisingly, nobody questioned the propriety of having a joint institution examine — and by implication, seek to influence — the internal processes of the Community leading to the establishment of its common position. (The European Parliament, in its own right, could legitimately claim an interest.) There was no discussion of the ACP's negotiating mandate.

Spirit of transparency

In fact, Vice-President Marín made it clear that the Commission wanted an open debate on the issues and he made a plea for constructive ideas to be put forward. It was in this spirit of transparency that the substantive elements of the draft mandate were subsequently made known to members. The Joint Assembly had been due to discuss the future of Lomé IV in any case, and it was presumably far better that it should do so with up-to-date information about the key areas which are likely to arise in the negotiations. This should allow it to

[1] Under international law, the Lomé Convention is a multilateral instrument involving 81 contracting parties (69 ACP and 12 EC). The provisions of the Convention, however, which reflect the existence of the two *groups* of states, are often more bilateral in nature. Common positions must be arrived at by each group in advance of negotiations with the other. Thus the ACP and EC groups are also 'parties' within the meaning of the Convention.

produce its own, much more focused opinions on the subject at the next Joint Assembly in January 1994.

The Assembly began its substantive work by considering an interim report, drawn up by Mr *Paula Sotutu* of Fiji, on future relations between the ACP and the Community. Although the rapporteur spoke critically of 'red tape' on the part of the Community and of ignorance of the possibilities on the ACP side, his main focus was on the wider development problems facing the ACP countries. He laid particular stress on education. 'It is

The Courier

King Albert II of the Belgians leaving the Joint Assembly after the formal opening session

rather staggering,' he said, 'to discover that there is one ACP country with a literacy rate of only 17%' while many others are still below 40%. He also took a sanguine view of the role of aid. 'Aid is not the sole answer,' he claimed. 'At best it should be used as a catalyst for development.' He went on to deliver a stark message — 'we must learn to live within our means and recognise that there is no such thing as a free lunch!' Mr Sotutu also identified a number of priorities for the future which are set out in his interim report. These include the removal of illiteracy, development of the private sector, strengthening regional institutions and tackling the problem of debt.

In the debate which followed, *Henri Saby* (Socialist), who chairs the European Parliament's Development Committee,

Nelson Mandela speaks to Joint Assembly

ANC asks for help during transition to democracy

On 7 October, the President of the African National Congress (ANC) of South Africa, Nelson Mandela, made a statement to the Joint Assembly on how both the EC and the ACP countries could help his country on its transition to democracy, and reminded the Assembly that the ANC had called for the lifting of all economic sanctions against South Africa.

Although the white minority government which remained in place should not be granted recognition and treated as though it were representative of all the people of South Africa, Mr Mandela said, the agreement reached in September to establish a Transitional Executive Council (TEC) would provide appropriate mechanisms for interaction between South Africa and the international community in the period up to the formation of the new government, and countries which had maintained diplomatic sanctions could now establish a diplomatic presence in South Africa. The elections for a constitution-making body to be held in South Africa in April next year would require rapid voter education (of the 22 million people entitled to vote, 18 million will be voting for the first time, and nine million live in isolated rural areas), and the ANC were asking the EC 'to step up its capacity to monitor the election process and the election itself to ensure that no single organisation can make the election unworkable or refuse to accept the election results'.

The destabilisation caused by apartheid had destroyed the economy of the region, the ANC President went on to say, and the role of the European Community in aiding reconstruction and development required continuous expansion.

The ACP and EC countries and the ANC had been discussing the most appropriate form in which South Africa might join the Lomé Convention, and Mr Mandela hoped that the EC mission to South Africa and the TEC would share ideas on the best form of relationship. 'We are determined,' he said, 'to ensure that South Africa plays its full role amongst the developing countries of the ACP. We are keen that our contacts and discussions should be speeded up, so that we can move towards active preparation for our future cooperation. We want to develop, as well, bilateral relations with members of the ACP group.'

Trade and investment flows, the Assembly heard, would be central in the EC's engagement with South and southern Africa, and the ANC expected that these flows would increase as the normalisation of South Africa's international relations gained momentum. Company security and repatriation of after-tax profits would be guaranteed, but the ANC would expect foreign companies 'to seek out and engage in partnerships with the emerging black business community in South Africa'.

Mr Mandela said the EC's Special Programme for South Africa had played an important role in the creation and development of some of the nongovernmental organisations in the country and urged support for NGOs to continue. Until governmental and parastatal institutions had been transformed ('a long and hard battle'), some development cooperation resources should continue to be channelled through NGOs, both local and European.

EC Commission committed to helping with elections and reconstruction

The following day, Nelson Mandela met the President of the EC Commission, Jacques Delors, and the Vice-President, Manuel Marín, who assured him of the Commission's determination to give both financial help and the benefit of its direct experience in the holding of the elections in April 1994 (it has already been involved in 54 such projects in some 20 countries this year alone, as part of its support for democracy and human rights in the developing countries). The EC had already sent a mission to South Africa to

The Courier

A warm greeting for Nelson Mandela from Janey Buchan, Member of the European Parliament for Glasgow

explore ways of helping to monitor the elections, had committed ECU 5.2 million to a voter training programme and financed the setting-up of an Independent Forum for Electoral Education via church leaders.

Since its establishment in 1985, Mr Delors and Mr Marín said, the Commission's Special Programme for South Africa, which works through nongovernmental organisations, had financed 623 projects worth a total of ECU 299 million in areas such as education, health and housing. Under the Lomé Convention, the Community had also earmarked ECU 1.8 million for aid to southern Africa in 1985-90.

EC lifts sanctions against South Africa and promises help with transition to democracy

The EC Council of Ministers meeting on 4 October confirmed that sanctions still in force against South Africa would be lifted. These concerned the exchange of military attachés and the freezing of official contacts and international agreements in the field of security. The ban on any new cooperation in the nuclear sphere and on exports of sensitive equipment for use by South Africa's police or armed forces was to be discussed by the Council in November.

As a positive sign of support for the changes in South Africa, the Ministers confirmed that the Commission office in the country would be turned into a delegation, that the EC would promote the normalisation of relations between South Africa and the IMF, the World Bank and other international organisations, and that the annual report on the code of conduct of European companies operating in South Africa would be suspended. The only sanctions remaining in force will be the UN embargo on exports and imports of arms and paramilitary equipment and the ban on military cooperation.

Terms for South African accession to Lomé

At a news conference in Brussels during his visit, Nelson Mandela was asked if the ANC had a view on whether South Africa should seek full membership of the existing Lomé Convention or look for a special relationship. There were problems, he said, with deciding whether South Africa was or was not a developing country. The white section of the economy was developed and industrialised, but the majority black population was living in a developing country. 'In our view — and this is a proposal we are examining — it is necessary to look at South Africa as an economy in transition.' The question of whether to join Lomé was under discussion.

Turning to the democratisation of South Africa's institutions, Mr Mandela said that, in tackling the urgent needs of the majority in the areas of unemployment, shortage of housing, illiteracy, disease and lack of education, 'we cannot rely exclusively on the present civil service, army or police force, because they were established and developed for the purpose of protecting white minority rule. We have to reorganise the existing services to make sure that they now defend democracy.' The Belgian Foreign Minister, Willy Claes, confirmed that the EC, whose chair is currently held by Belgium, was ready to develop retraining projects, especially for the police.

Mandela and De Klerk win Nobel Peace Prize

The Norwegian Nobel Prize Committee announced on 15 October that Nelson Mandela and President F.W. De Klerk of South Africa had been jointly awarded the 1993 Nobel Peace Prize for their work in dismantling apartheid. ○ R.R.

said that there were some omissions from what was otherwise an excellent report. He also took the opportunity to launch a vituperative attack on the structural adjustment process undertaken by the Bretton Woods institutions. 'All of us know,' he claimed, 'that structural adjustment programmes have not paid dividends anywhere.' On the subject of future ACP-EC cooperation, *Christopher Jackson* (European People's Party) referred to the widespread anxiety among ACPs that the current system was under threat. This was a theme echoed by *François Guillaume* (European Democratic Alliance), who noted the new commitments being made by the Community in Latin America and elsewhere. 'We should be under no illusions,' he warned. 'This will simply be a redistri-

The Courier

The Prime Minister of the host country, Jean-Luc Dehaene, welcomes Joint Assembly members to Belgium

bution of existing meagre resources — not an increase.' In a similar vein, the representative of *Côte d'Ivoire* said, 'we are convinced that we are being abandoned' and cited in evidence the situation in respect of commodities, where 'we have not been given access to processing.' *Mali's* representative echoed this general sentiment when he referred to the 'marginalisation of the whole continent' of Africa.

The speaker from *Lesotho* approved of the trend towards support for democratisation but stressed that the new democracies were facing severe economic

The Courier

Rapporteur Sotutu of Fiji
'We must learn to live within our means and recognise that there is no such thing as a free lunch'

problems. He continued: 'Unless helped, these democracies will not survive. We need your support, sympathy and unshakeable solidarity.'

Among the more specific points raised in the discussion, the possibility of changes to the working of the Joint Assembly was condemned by *Brigitte Ernst de la Graete* (Green). *Francis Wurtz* (Left Unity) was worried about the suggestion that there might be additional discretionary elements in future funding arrangements under the Convention. 'If you truly want to consolidate democracy,' he proclaimed, to applause from a number of members, 'then you must allow the elected leaders of the new democracies to work properly.' The representative of *Cameroun* criticised the existing procedures for the allocation of project funding which he described as 'slow and cumbersome'. He also drew the Assembly's attention to the high cost of technical assistance — which comes mainly from Europe — and argued for a new form of South-South cooperation, in which the expertise available in one ACP state could be used to further development in another.

Agostino Mantovani (EPP) and *Wilfried Telkämper* (Green) both raised concerns over new forms of 'colonialism' with the latter warning against the loss of the partnership model which had hitherto characterised ACP-EC relations. The representative of *Jamaica* also took up the theme of partnership and spoke in detail about bureaucratic delays in the implementation of aid projects.

Changes needed... but not a wholesale revision

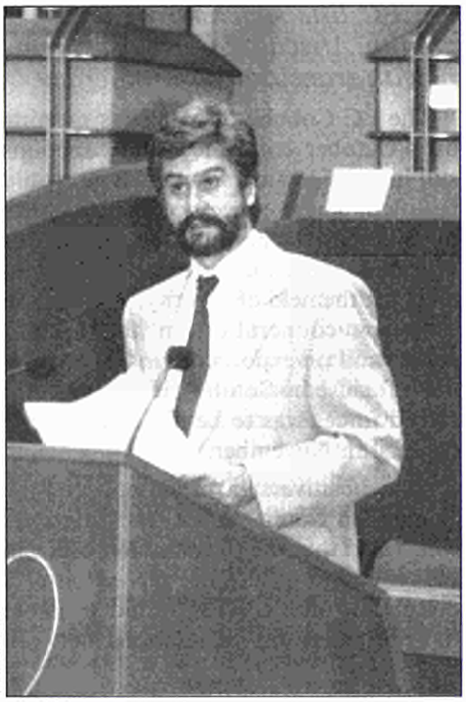
Speaking in a personal capacity, *Eric Derycke*, the Belgian Minister who currently presides over the Development Council, said that he did not believe the Lomé Convention needed to be revised 'from top to bottom'. It did, however, require changes designed to make it more effective and, in this context, he spoke of simplified and shortened decision-making procedures, greater management transparency, better definition of responsibilities, measures aimed at ensuring democracy, the rule of law and basic freedoms, and recognition of the importance of the private sector. Significantly, he approved of the idea of linking institutional reforms in ACP states to 'financial incentives'.

Commission Vice-President *Manuel Marín*, who spoke twice during the debate, sought, in his first intervention, to allay the fears expressed by members by stressing his determination to preserve the spirit of Lomé based on the contractual approach. He also spoke of his wish to see the relationship take on an added political dimension with EC and ACP ministerial troïkas meeting to discuss wider issues which did not currently fall within the scope of the Convention. Acknowledging problems of 'red tape', Mr Marín referred to the need to revise procedures to make the system more effective, but, on the positive side, he pointed out that ECU 2 billion had been disbursed under the Lomé Convention during 1992. 'Never in the history of the Convention have we managed to disburse so much,' he asserted.

On the key question of the Convention's future, the Commissioner argued forcefully that 'the only possibility of saving (it) is to update it — and breathe new life into it.' He concluded with a plea to his critics to come up with new ideas and alternatives.

Replying, at the end of the debate, to further points raised by members, Mr Marín outlined the timetable for discussions on possible changes to the Convention. The Community's mandate, he said, would be agreed by the Council in December, leaving a full five months for discussion before the formal negotiations begin in May 1994. Reiterating his commitment to transparency and dialogue, the Commissioner also announced that instructions had been sent to all delegates in ACP countries to ensure that the ACPs would be constantly briefed about developments. He also firmly rejected Mr Telkämper's accusation that the Community was in danger of moving in the direction of 'neo-colonialism'.

It was perhaps unfortunate that the cohesiveness of the debate on the central issue of future ACP-EC cooperation was undermined by the rather disjointed way the subject was dealt with in the Assembly's agenda. In addition to the debate on the Sotutu Report, which was held over two days with an interruption for Council questions, there was a separate discussion later in the week in the form of a progress report by the 'Working Party on the Second Phase of Implementation of the Fourth Lomé Convention'. *Margaret Daly* (EPP), who is the rapporteur for this Working Party, took the unusual step of holding a press conference prior to the debate, in which she strongly attacked the Commission's (now



The Courier

Vice-President Marín
'The only possibility of saving the Lomé Convention... is to breathe new life into it'

Would the real representative of Togo (or Zaire) please stand up?

Just as the proceedings of the Joint Assembly were drawing to a close, on the Thursday afternoon, an argument broke out over the representation of Togo at the meeting. The problem arose because this country was 'represented' by two delegates from competing political factions.

The main point of contention was not whether one of the delegates had a better claim than the other, but whether speaking rights should be extended to both of the gentlemen concerned (the view taken by a number of European members) or neither of them (the ACP position).

The MEPs who intervened based their argument on 'democratic principles', insisting that each of the delegates should be given the opportunity to state his case and that the Assembly should not 'hide behind its rules.' This provoked irritation among some ACP representatives, who regarded the problem as a matter solely for the ACP Bureau, which is responsible for accreditation of ACP representatives. The Bureau had apparently decided that both delegates should be allowed to attend the Assembly, although without speaking rights.

After some heated debate, the proceedings had to be suspended to allow the Bureau to meet again to discuss the situation. When the session resumed, it was announced that the two Togolese delegates had both agreed to withdraw. In return, the Assembly agreed to send a mission of inquiry to Togo to assess the situation there.

Earlier in the week, a similar dispute arose in connection with the representation of Zaire. A number of members have expressed the view that the accreditation rules should be clarified to prevent similar difficulties at future Joint Assemblies.○ S.H.

widely circulated) proposals. Once again, the concern surfaced that an 'equal partnership' was about to be replaced by one in which 'he who pays the piper calls the tune.'

Financial aspects neglected

In the debate on the floor of the Assembly, the representative of *Burkina Faso*, who chairs the working group, began by explaining its working methodology. It is presumably not a coincidence that he should have chosen to stress the 'dialogue' aspect. Mrs Daly, in a speech which was more restrained than the one she had delivered at the press conference, nevertheless listed a series of objections to the Commission's approach. These covered, among other things, trade aspects, the approach to programming of aid, democratic criteria and institutional matters. She also thought it odd that no-one seemed to be talking about the financial aspects, given that the renegotiation of the financial protocol was central to the forthcoming negotiations.

The representative of *Ghana* expressed the view that the Convention was 'good as it is' and that there was no need for any fundamental changes. Praise for the existing system also came from *Jamaica*, while the *Ugandan* speaker pointed out that the ACPs had received constant assurances that the ACP-EC relationship would not suffer as a result of changes elsewhere in the world. The *Barbados* representative raised concerns about possible alterations to the arrangements on technical cooperation and project programming.

Replying for the Commission, Deputy Director-General *Philippe Soubestre* reiterated a number of the points made earlier in the week by Mr Marín, including the fact that there was still plenty of time for interested parties to contribute to the debate. He was anxious, however, not to prejudge the outcome of the discussions which had just begun on the Community side.

It is clear from the wide-ranging discussions, both in the Chamber and on the fringes, that most members of the Joint Assembly are worried about the future direction of ACP-EC cooperation. On the positive side, the Commission seems genuinely to want a wide debate on the issues, involving all interested parties, and members of the Joint Assembly have lost no time in laying out their stall. But the fact cannot be ignored that the two institutions — while claiming to share a common commitment to the 'spirit' of Lomé — seem to have diverged on many of the important, substantive issues. The next Joint Assembly is scheduled to take place at the end of January in Libreville (Gabon). By then, the terms of the EC's negotiating mandate, and presumably that of the ACP Group as well, will have been clarified. The debate will doubtless increase in intensity and more fireworks can be expected.

Hearing on crisis situations

Despite its preoccupation with possible forthcoming changes to the Convention, the Assembly also found time to discuss a variety of other subjects during the course of its four-day session. A public hearing on crisis situations in the world was addressed by senior officials from the United Nations Department for Humanitarian Affairs, the Emergency Relief Division of the World Food Programme, the International Committee of the Red Cross, Médecins Sans Frontières, Caritas, the Organisation of African Unity and the UNHCR. There were debates on AIDS (see box article), fisheries and on the specific situation in a number of ACP countries. Among the last-mentioned, the Assembly had what has now become almost a traditional event — a debate on Sudan. As in the past, European members bitterly condemned the human rights situation and the Sudanese Ambassador once again invited the Joint Assembly to send a delegation to come and see what is 'really' happening. Questions to the Council and Commission on Sudan elicited the usual 'diplomatic' responses and prompted the usual indignation from MEPs who felt that a stronger line should be taken. It was all a depressingly familiar ritual!

In connection with question time more generally, Vice-President Marín drew praise for his efforts to respond in detail to the wide range of questions (32 in all) submitted for oral response. Mr Derycke of the Council was also thanked for his frankness (Sudan notwithstanding). As an exercise in accountability, the two question times clearly serve a useful function. Unfortunately, as Mr Marín pointed out, *all* of the questions had come from European members. He urged ACP representatives to participate more actively in this aspect of the Assembly's work. It should be stressed in their defence that the procedures for tabling questions are not necessarily well-known to ACP members, particularly since the majority now come from elected Parliaments rather than the Brussels embassies. It was agreed that ways of improving communication should be looked at to allow for more active involvement by ACP members in the work of the Assembly.

It was announced that *Marcel-Eloi Rahandi Chambrier* of Gabon would succeed *Erskine Simmons* of Barbados as the ACP co-Chair of the Joint Assembly as of the end of the current session. *Maria Luisa Cassanmagnago-Cerretti* will continue to serve as the European co-Chair. ○ Simon HORNER

Newspaper attacked over reporting of AIDS in Africa

In recent months, the Sunday Times of the UK has published a number of stories on AIDS with a particular emphasis on Africa. An underlying theme of these stories, which have had headlines such as 'The plague that never was' and 'Babies give lie to African AIDS', is that the impact of the disease on the continent has been exaggerated. Doubt has even been cast by the newspaper on the central proposition that HIV infection leads to the development of full-blown AIDS.

In a feature published on 29 August 1993, the paper's Science Correspondent, *Neville Hodgkinson,* presents the 'evidence' of a hospice in East Africa for HIV-infected children, who 'health experts say are condemned to die', but who are nevertheless 'very much alive.' The children there are apparently thriving on a diet of good food and 'a big dose of TLC (tender loving care)'. Without making any claims himself, the author conveys the impression that the AIDS figures may have been overstated by doctors, 'encouraged by WHO-funded units and numerous non-governmental organisations involved in the fight against AIDS in Africa'. It is also alleged that 'political factors' may play a part, with at least one country attempting 'to win back donor sympathy' by making a crisis announcement on AIDS. In another story, Mr Hodgkinson reported on two AIDS workers who, after spending five years at an AIDS 'epicentre' on the Tanzania/Uganda border, had concluded that 'there are no orphans and no AIDS'.

These articles, together with others in a similar vein, have been condemned by politicians, and by scientists and practitioners working on the AIDS problem. At the recent meeting of the ACP-EEC Joint Assembly in Brussels, *Janey Buchan* (Socialist) accused the Sunday Times of 'trying to undermine the efforts' of those who were struggling to combat the disease. 'I have seen a lot of despicable things done in the mass media,' she asserted, 'but nothing as despicable as this.' She cited a letter which had been sent to the newspaper by *Professor James Neil,* veterinary pathologist at Glasgow University. In his letter, which was not published, Professor Neil attacked the suggestion that HIV does not cause AIDS, saying that this was 'no more than a fashion followed by a very small number of eccentrics and publicity-seekers, none of whom is held in respect by mainstream scientists.'

Mrs Buchan's anger was echoed by other speakers in the debate on AIDS. One of the most telling personal contributions came from Ugandan representative *Dr George Kagonyera,* who is a Professor of Microbiology. He told the Assembly that he had buried four brothers, a nephew and a niece — all victims of AIDS — in recent years. 'If this is a myth,' he asked, 'then what is reality?' At a later press conference, he expressed his 'shock as a scientist' that a newspaper he had hitherto respected could produce such 'sheer rubbish'. He continued, 'I did not realise there was so much abuse of press freedom in 'civilised' countries, and cannot believe that the people responsible for this information are well-intentioned.'

As for the possible impact of the Sunday Times coverage, Dr Kagonyera gave a bleak prognosis. Such reporting, he pointed out, would undermine educational efforts aimed at getting people to alter their behaviour. 'I am one hundred percent certain that more people will die as a result.'

Dr Lieve Fransen, who is Public Health and AIDS advisor for the European Community, referred to the press coverage as a 'disgrace'. She accepted that it was not possible to know exactly how many people were infected but 'there is clearly an epidemic' with between ten million and fifteen million victims to date. On the issue of whether HIV causes AIDS, she was unequivocal. Although it can take up to 12 years, the 'tragic reality is that most of those who are HIV-positive will develop the disease.'

Mr Hodgkinson, whom *The Courier* subsequently contacted, sought to answer some of the criticisms made at the Joint Assembly, by arguing that there were new scientific findings that nobody else was reporting. Challenged about headlines which appeared to support the 'AIDS is a myth' theory, despite the greater weight of contrary medical opinion, he insisted that the AIDS workers featured in one of above mentioned stories had indeed 'exposed a myth'. As for the personal testament of Dr Kagonyera, which the Sunday Times had not reported, he argued that 'comment like that does not contribute to the scientific debate'. He continued: 'An assertion by an individual that six relatives have died of AIDS could simply be part of the misapprehension that millions are under currently.' Disputing Dr Kagonyera's view that 'more would die' as a result of this kind of coverage, he stated that 'people are dying as a result of the misapprehensions that have been induced over HIV and AIDS' although he did not elaborate as to how this was happening.

Following the latest Sunday Times article, a report has appeared in the weekly journal 'West Africa' entitled 'One myth is exploded', in which the author appears to accept, without criticism, the British newspaper's line. This publication circulates widely in parts of English-speaking Africa.

According to Neville Hodgkinson, 'If the HIV theory of AIDS turns out to be flawed, scientists may prove to have done Africans, more than any other people, a huge injustice.' But what if the theory turns out to be correct — in keeping with the overwhelming weight of contemporary scientific opinion? Then the mantle of responsibility will fall heavily on those who used the power of the written word to lull people into a false sense of security. ○ S.H.

THE GAMBIA

The Courier

Gambian lorries held up at the Senegal frontier in September 1993. Tension between the two countries has increased recently following the abrupt closure by Senegal of the Gambian affiliate of BICIS (Banque Internationale pour le Commerce et l'Industrie du Sénégal). This incident underlines the fragility of The Gambia's entrepôt trade

Diversifying production to develop the economy still further

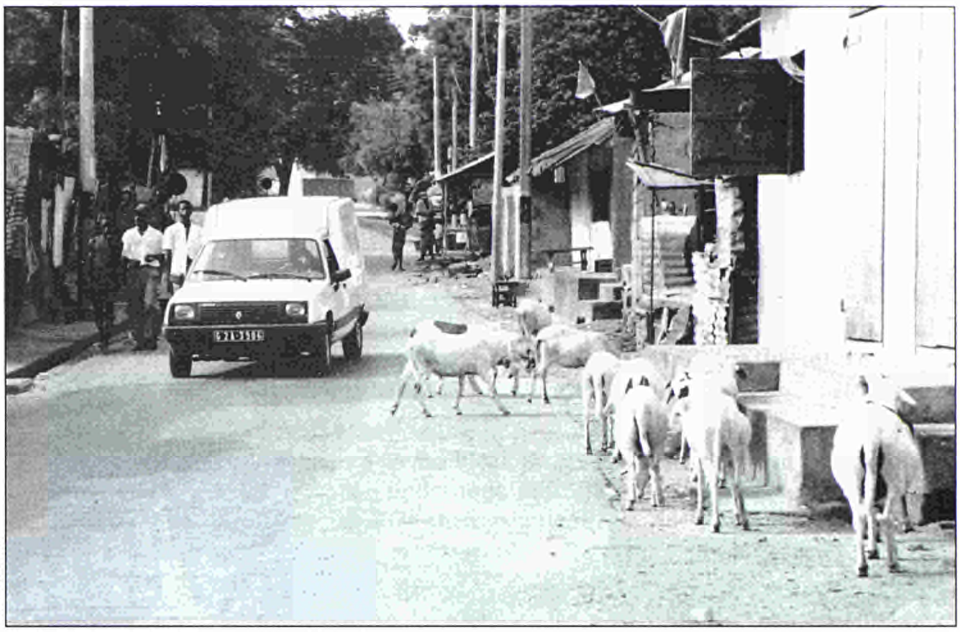
The Gambia, a narrow strip of land on either side of the river of the same name and a virtual enclave surrounded by Senegal, is one of Africa's smallest and most densely populated states.

The Gambia's political (though not economic) history since independence has departed from the pattern set by most of the rest of Africa, in that it opted for a democratic system of government — a brave move by President Dawda Jawara (see below), who was virtually a lone voice in a continent committed to the one-party system as the only means of developing and cementing the unity of peoples between whom the basic link was no more than a rejection of the powers which had once ruled them. In The Gambia, these powers dated back to the mid-17th century, when the British first established a presence at the mouth of the river, going on to develop Bathurst (now Banjul) from its foundation in 1816 onwards.

President Jawara has left a deep imprint on the politics of The Gambia since independence. In 1959 he founded the country's first political party, the Protectorate People's Party; it subsequently became the People's Progressive Party (PPP), and won the 1962 elections which preceded independence, within the Commonwealth, in 1965. Mr Jawara (who was knighted in 1966) became Prime Minister of the new state, with Queen Elizabeth II as Head of State until The Gambia was proclaimed a republic, following a referendum, in 1970.

President Jawara is genuinely popular and respected at home and abroad because he has always done his best, since being in power, to act in the interests of all Gambians and abide by the democratic rules. The feeling in Banjul is that although Sir Dawda belongs to what is numerically the biggest ethnic community, he has consistently steered clear of the favouritism and nepotism which are inevitably encouraged when the same people hold and exercise political power for too long.

There have been occasional slip-ups in the government's record, but basically its legitimacy has never been called into question. Gambian elections are regarded, by and large, as fair, even though the leader of the Opposition, Shariff Dibba, in the interview included in this country report, disputes the tendency of some to paint a picture of Gambian democracy which makes it out to be more representative than it is. The leader of the National Convention Party (NCP), which was founded in 1975, maintains that the country does indeed display all the main features of democracy in theory, but that the day-to-day practice of it is a different matter — 'not necessarily through the fault of President Jawara,' he says, but because of a tendency to conform or because of sociological constraints whose effect is that people give their first allegiance to the powers that be. Another grievance of the Opposition's is the erratic way in which sanctions are applied. Here again, he puts more of the blame on the leaders of the PPP than on the Head of State himself — although he points out that Sir Dawda is still the party's General Secretary.


The Courier

Livestock in the streets of Banjul.
The rational organisation of economic activity is one of the main difficulties facing the Government in the implementation of its programmes

The Opposition's sometimes virulent criticisms reflect the thriving nature of Gambian democracy, a form of government to which the people seem profoundly attached, especially since the collapse of Mr Sanyang's attempted military coup in 1981 and the maintenance of democratic government by Sir Dawda and the PPP when it could well have been sorely tested by the coup, as has so easily happened elsewhere on the continent.

Any force which ventured to hold democratic government up to question in Gambia in 1993 would be courting serious risks, and that is a solid achievement for The Gambia's people and politicians at a time when most African countries are still trying to get their democracies off the ground or are going through the painful and seemingly never-ending process of transition to democracy. The country's democratic achievements are also a considerable asset when it comes to the government's policy of economic development and cooperation in today's international context, when democracy and human rights — there are no political prisoners in The Gambia — are becoming deciding factors for donor countries committing support to the developing countries' economic programmes.


The Courier

A street in Serekunda, a suburb of Banjul, where the rising crime rate is causing concern to the authorities

Diversifying the economy and laying firm foundations for development

When he tabled the 1993-94 budget before Parliament in June, Bakary Bunja Dabo, Minister for Finance and Economic Affairs and one of the Government's rising stars, said that The Gambia's economy was in decline. 'Real economic growth in 1992-93 was about 2.1%,' he announced, in comparison with the 4.2% of previous years, and all areas of the economy were affected, particularly farming and tourism, the driving forces. 'Poor performances' by state-run agricultural concerns, despite good weather conditions, were to blame for this, he said, as was the recession in the countries which supplied most of The Gambia's tourists (the UK, Germany and Sweden), combined with competition from other tourist destinations. A particular problem was the rising cost of imported food, which cut into profits in the tourist sector, despite the fact that the Gambian Dalasi was holding up well against the main foreign currencies and inflation had fallen sharply from 12% in 1991-92 to 6.5% in 1992-93. The decline had of course been reflected in dwindling commercial activity (commerce, and re-exports expecially, accounting for a large percentage of the country's trade balance), which was down to 3.2% from the overall 12% of previous years.

Generally discouraging economic and social indicators were of course no justification for being overly pessimistic about the future. Quite the contrary, Mr Dabo maintained, for the Government's policy was to diversify the economy and stress the new sectors which were emerging alongside and, in some cases, replacing traditional sectors, so as to give the Gambian economy a firmer foundation in the Programme for Sustainable Development (PSD) with which the Government was replacing the Bretton Woods-inspired Economic Recovery Programme.

SENEGAMBIA
A lost cause

The geography, economy and population of Senegal and The Gambia seemed to dictate a union between the two countries and the idea was in fact mooted shortly after independence in the 1960s.

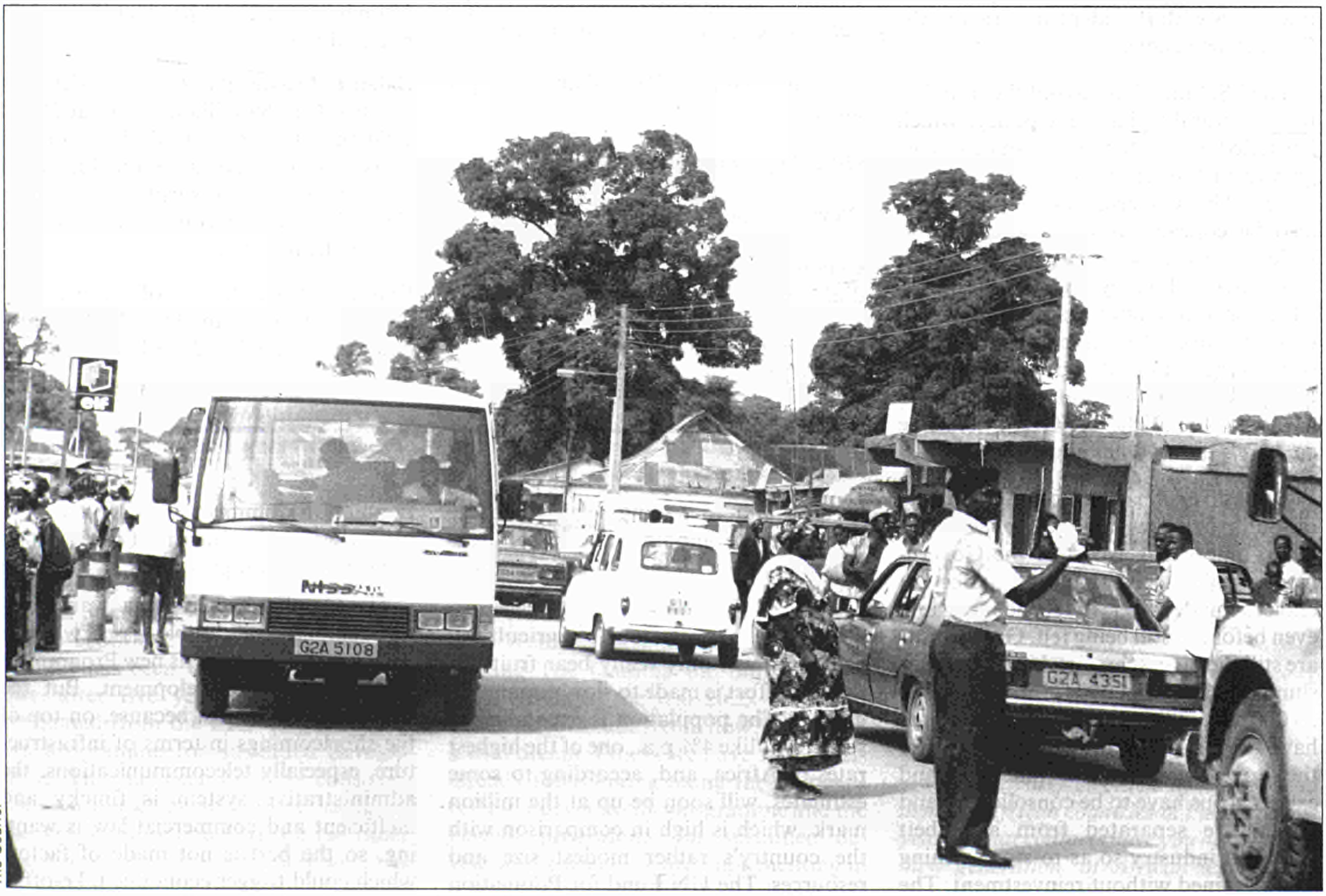
However, despite a cooperation agreement with Senegal in 1967, the Federation of Senegal and The Gambia, also called Senegambia, failed to survive the political (and possibly cultural) divergences which assumed greater importance than the two countries' community of interests. To take just one example, how far could the British-style administration of Banjul have dovetailed with the centralising system of Dakar?

Senegal was keen on union mainly for economic reasons, for as well as substantially reducing the unchecked entry of imports across virtually fictitious frontiers, the Federation could have been an opportunity to extend its linguistic territory.

Was The Gambia worried about its neighbour's power over it and, above all, about the negative economic consequences which would have deprived Banjul of the benefits of a hitherto flourishing re-export trade?

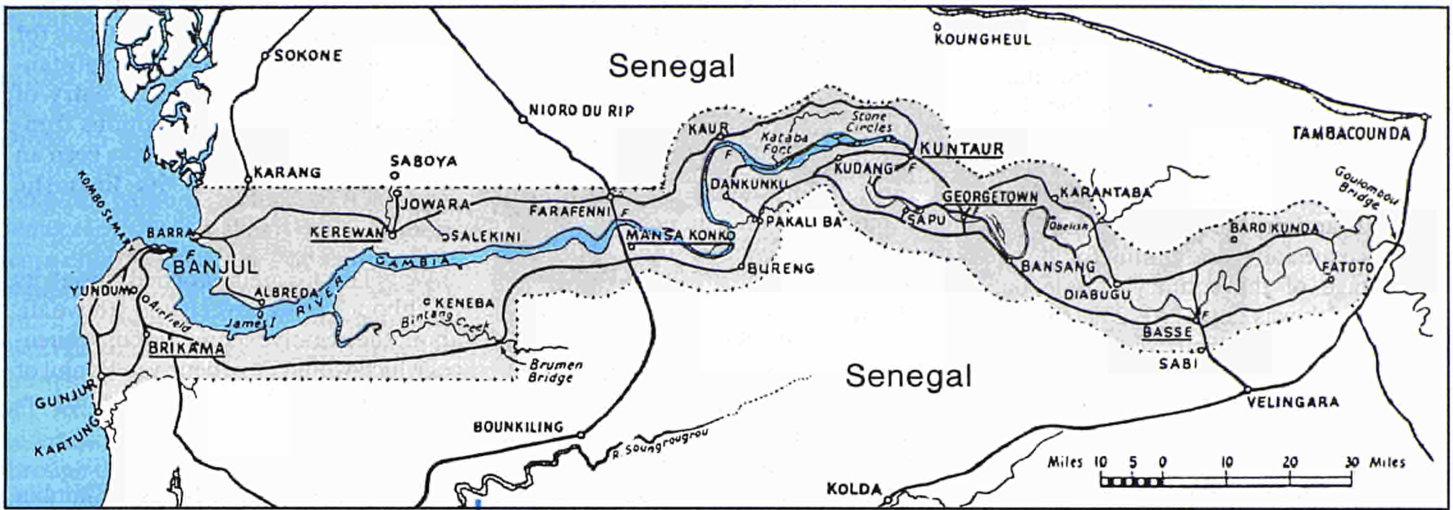
The development of Senegal-Gambia relations now reveals the collapse of Senegambia to be the collapse of a great idea. But could it have been otherwise in a region of such contrasting economic and international interests? ○ L.P.

With the PSD, the Government's economic strategy was to aim for tighter coordination of the individual sector policies, a stronger position for The Gambia on the international scene and greater emphasis on the private sector as a means of reviving a flagging economy. For this last aspect of the Government's economic policy, Bakary Bunja Dabo, who does not think that State firms have



The Courier

A policeman directing the traffic in Banjul. Like the British 'bobbies', the Gambian police are not armed



been a success, has launched a large-scale privatisation programme whereby the State will pull out and be given the resources to concentrate on organising and setting up the infrastructure, especially transport and telecommunications, needed for the new service activities which are the basis of the Singaporean model to which the Gambian authorities will be looking in the coming years (see interviews with President Jawara and the Finance Minister).

The PSD must also avoid the pitfall of the structural adjustment policy, which has failed in its ultimate aim of economic growth in this as in most other African States. The Government will therefore also be concentrating on teaching and training, to raise the generally poor standards of literacy and technical skill which prevent Gambians from making a really active contribution to achievement of the targets in both agriculture (which occupies 75% of the rural population and accounts for 22% of GDP) and the country's embryonic industry.

The diversification of agricultural output, particularly on the export side, is a very important aspect of the Government's policy, given that the effect of choices made after independence, and even before, is still being felt. Groundnuts are still the biggest export, but output has slumped (from 84 000 t in 1991-92 to 55 000 t in 1992-93) and world prices have been slipping for several years. So the Government believes that food and export crops have to be consolidated and agriculture separated from an albeit emergent industry so as to stop farming being drained without reinvestment. The rationalisation drive will also extend to herding and to fishing, which has developed more smoothly than other areas (see interview with the Minister of Agriculture).

But the Government's agricultural campaign will only really bear fruit if a parallel effort is made to slow population growth. The population is expanding at something like 4% p.a., one of the highest rates in Africa, and, according to some estimates, will soon be up at the million mark, which is high in comparison with the country's rather modest size and resources. The UN Fund for Population Activities (UNFPA) and the National Population Commission (NPC) are looking for ways of containing The Gambia's rapid population growth.

The Gambia has democracy and political stability, a double asset when it comes to carrying out its new Programme for Sustainable Development. But the benefits could be lost because, on top of the shortcomings in terms of infrastructure, especially telecommunications, the administrative system is finicky and inefficient and commercial law is wanting, so the best is not made of factors which could trigger economic take-off.○

Lucien PAGNI

PROFILE

Size: 10 700 km^2 and 24-50 km wide.

Population: 900 000.

Birth rate: Growing at the rate of 4% p.a. (and more, according to ongoing census sources), giving a density of 204 people per km^2, one of the highest in Africa.

Capital: Banjul (450 inhabitants per km^2).

Other big towns: Georgetown and Basse.

Working language: English.

Commonest national language: Mandinka.

Currency: Dalasi (GMD): Ecu 1 = GMD 10.70.

GDP: GMD 3490 million in 1992-93 and an estimated GMD 3825 million in 1993-94.

Main exports: Groundnuts, cotton and fish.

Main imports: Food products, especially rice and beverages.

Balance of payments: Running a deficit of about GMD 69 million or about 2% of GDP in 1991-92 (minus SDR 33.7 million if external transfers are not included and an SDR 0.4 million surplus if they are). There has been a considerable drop in income from services.

External debt: 22.4% of exports and services revenue if the IMF-IBRD transfers are included and 20.1% if they are not.

Interview with Sir Dawda Jawara
'Making The Gambia the Singapore of West Africa'

In the following interview, President Jawara of The Gambia explains the achievements of his 28-year administration since the independence of the country.

The Courier

Sir Dawda Jawara
President of the Republic of The Gambia

▶ *Mr. President, to start with the economy, what do you think have been the achievements of your government in the 28 years since independence? Despite all the progress, the criticism has been made that in terms of social conditions, things have stood still. The economic and social indicators are not perhaps as impressive as they could be.*

— Well, it is a long story to narrate. The progress that we have made since independence includes, first of all, the important fact that we have managed to maintain national unity in the country. We have also improved the infrastructure: areas such as roads, schools, hospitals, the airport and so on. We have spent a lot of our national revenue on social infrastructure and, more specifically, on education, training and manpower, with good results. You say that we have been criticised because the social and economic indicators are not impressive. Well, they may not be so impressive but I am glad you talk about things standing still and not deteriorating because, in many parts of Africa, the problem is that they are going backwards. But in any case, I don't agree that things have just stood still here. I think our economic and social conditions have in fact progressed beyond what we inherited at independence.

On the economic side, I would remind you that in 1985 we embarked on a structural adjustment programme or, as we call it here, the economic recovery programme (ERP). Since then, the macro-economic performance of the country has been very successful and, in fact, after five years of this we have graduated from the ERP to the PSD — the programme for sustained development. This has been done by consensus between ourselves on the one hand and the World Bank and IMF on the other, and it has been going extremely well. One area where our socioeconomic performance is perhaps less impressive than it could have been, of course, involves the rate of population growth. This has resulted not just from the natural growth in the country but also from the influx of people from the neighbouring countries, although the latter is a reflection of the socio-economic atmosphere which we have been able to maintain here since independence.

▶ *One hears much talk these days — and I understand this is government policy — of making The Gambia into an African 'Singapore' before the end of the century. What will this mean in practice? Are your ministers thinking of services or manufacturing or both and how will the skilled manpower be developed?*

— Well yes, there has been a dream of making The Gambia the Singapore of West Africa by the year 2025. That is in about three decades from now. This is not a wild dream. I think we have some basis already for thinking along these lines. I refer to our economic programme and the current programme for sustained development which we are implementing in collaboration with the World Bank and the IMF. This has gone so successfully that we feel we have now created a good atmosphere for investment. You ask whether we are going to go specifically for services or manufacturing. In fact, we have to go in for a little bit of both, but starting with services. We feel that we have got the macro-economic climate for this and have already laid down the necessary legislative basis. We have passed acts for setting up offshore banking, offshore registration of companies, registration of ships and so on. We have worked through a massive list of legislation to enable the country to perform in the services area for many generations to come. Of course we would also welcome investment in the manufacturing sector, particularly light manufacturing.

'Democracy will prevail in the end'

▶ *Multiparty elections have been held in many African countries in the past three years. What contacts have you had with the 'new generation' of African leaders and how do you think they will shape up compared to their predecessors?*

— I have had some contacts with what you call the new generation of African leaders who have emerged in the last three or four years as a result of democratisation: for example, President Soglo of Benin, who, in fact, is the current chairman of ECOWAS. I don't know if you count President Sam Nujoma of Namibia as among this new crop — I have also met with him.

▶ *Well, he is certainly following a democratic path.*

— Yes, he gained independence and established a democracy in Namibia, which was a pleasant surprise to most people, considering the very bitter experiences they had with South African domination. I have met a number of these new leaders. How do I think they will shape up? Well, I am sure that the ones I have mentioned will be successful but there are some where I am a little bit more doubtful, because of the incomplete way in which the transformation of their countries from the one-party system into the democratic system has been undertaken. Because of that there may be certain doubts about how successful they will be. But I do think democracy will prevail in the end. So on the whole, I believe that those of them whose countries have managed to transform from single-party systems into democratic ones will succeed, although there will be some difficulties here and there.

▶ *A question which I should perhaps have asked earlier — The Gambia has largely been spared the upheavals that have afflicted most of your neighbours at one time or another. How have you managed this? Was there ever any temptation to turn to the one-party system that seemed to be the model elsewhere?*

— Well, I think the main factor in avoiding the upheavals was the fact that, right from the start, we opted for democracy, respect for human rights and the practice of tolerance. In addition, we always tried to promote national unity. I think this must be seen as the basis for our success in this regard. Of course there have, from time to time along the road, been temptations to turn to the one-party system. In the sixties and seventies Africa had a lot of charismatic leaders operating under such a system. But we resisted those temptations and stuck to multi-party democracy with an emphasis on human rights and the rule of law, and I think the stability we now enjoy must be ascribed to this.

▶ *Did you have any particular economic, political or personal reasons for resisting those temptations or is it simply that you consider that democracy is the only way to run a country?*

— I personally feel that it is the best way to run a country. One thing I kept saying, particularly in the early days of independence, at political rallies and so on, is that we did not want to win independence from the colonial power only to impose ourselves on the rest of the people as colonialists. In other words, to deprive the people of the independence which together we gained from the colonial power. I believe that all those who supported me in this believed in democracy as the best way of running a country. So we stuck to this conviction that democracy is the best way forward, despite the temptations of the one-party system which we saw in Africa and, indeed, in many other parts of the world.

▶ *The opposition here nevertheless considers that democracy is not working very well. What are they blaming you for?*

— Well, you know you can only expect the opposition to oppose. They will find some reason for opposing. I am sure the vast majority of people in this country agree that there is a genuine democracy here and that it is working well. And I think a good deal of the opposition themselves believe this as well. In fact, I have been given a report from a conference on democracy which has just been held in Windhoek, in Namibia. We were represented there by the Vice-President and two members of the opposition: the Vice-President from the PPP, which is the ruling party, a representative of the GPP and a representative of the independent opposition members. And I understand that the opposition members spoke more highly of democracy in The Gambia than our own representative. So even if opposition spokesmen sometimes suggest otherwise, it is well-known that this is a multi-party democracy and the opposition can say what it likes.

'An extremely slow process towards economic integration'

▶ *People have been talking for a long time about African and West African integration, but very little has been seen in the way of concrete and tangible results. You have been a key figure in this process over the years. What has gone wrong? Have mistakes been made in the past and what is your view about the future of West African integration?*

— I entirely agree that the process towards economic integration has moved extremely slowly and so far has not, in terms of achieving concrete results, really fulfilled our expectations. When, in 1975, we founded the ECOWAS in our subregion of Africa, we had high hopes that, by now, the integration process would be well advanced. In fact, the 16 member states went ahead and laid down the legal basis in the form of agreements, protocols and so on. All that was properly done and all that remains now is implementation. But implementation has proved to be very difficult.

I think that this is due principally to the state of the economies of the countries in the subregion. There are other contributory factors, of course — the instability and conflict such as we have in Liberia, for instance, which has spilled over into Sierra Leone and elsewhere. But overall, I think it is economic difficulties that have prevented us from making progress with ECOWAS.

▶ *And what about the future of ECOWAS?*

— The future will depend on the improvement of the individual economies of the member states. The will is already there, as I have said — all the agreements have been discussed, debated and signed and are lodged with the secretariat. In fact, we were supposed to have liberalised trade by 1 January 1990, but this has not been implemented. There are many other agreements concerning free movement of persons, goods and services, all beautifully elaborated in agreements and protocols. But implementation has been problematic and will remain so as long as the member states are experiencing economic difficulties and there is subregional instability in places like Liberia.

▶ *Do you think there may also have been a lack of political will to push forward with decisions aimed at integrating the region?*

— I would say that, had it not been for the economic difficulties that have been encountered, there would have been sufficient political will to implement the main provisions of treaties and protocols.

▶ *There is a lot of anxiety these days about currency instability and especially about the future of the CFA franc. How does this affect your country? Do you envisage more close cooperation between The Gambia and Senegal in the aftermath of the present CFA crisis?*

— The current CFA crisis is bound to affect us very deeply and not only us but the whole subregion — both the members of WAMU, the West African Monetary Union, and the non-members. This is because the CFA franc was the currency of subregional trade. We have just been talking about economic integration. Well, the main pillar of such integration is trade and the currency crisis is hitting that directly. I have no doubt that private businesses, both in the WAMU countries and in those like The Gambia, are finding ways of continuing to trade, perhaps using other convertible currencies, but it is not so easy. We will have this difficulty until the CFA franc comes back into its own as a convertible currency or until the commercial operators find a way of providing some other convertible currency to lubricate trade in the subregion.

The Courier

The Central Bank of The Gambia

The CFA crisis 'may be the event that makes its necessary for us to expedite the question of having a common currency for the ECOWAS countries'

'We have to find some way of having a currency that will enable trade to continue...'

▶ *If the situation does not improve, do you intend to suggest any proposals to the neighbouring countries with which you trade, designed to find some kind of solution to the problem?*

— Of course we will have to wait and see how the CFA crisis evolves. You never know. The situation may or may not resolve itself. In fact, it may be the event that makes its necessary for us to expedite the question of having a common currency for the ECOWAS countries. This has already been on the books for quite a while. Studies have been carried out and, if the CFA franc remains unconvertible for a period, I am sure the idea will have to be revived. We have to find some way of having a currency that will enable trade to continue because, if there is no trade, we might as well forget about economic integration.

▶ *Turning to cooperation with the European Community, some sharp criticisms of the Lomé Convention have been made recently. Yet this used to be praised as a model for cooperation between North and South, with its emphasis on equality between the partners and stable contractual relations. How do you see the future of cooperation between Europe and Africa? Is Lomé still the right approach or should we now be thinking of something completely different?*

— On the whole, I do not support the criticisms of Lomé III and Lomé IV to which you refer. But it is in the nature of things that an arrangement that has lasted 20 years needs to be reviewed so that improvements can be made to the system. One complaint we often have here concerns STABEX. We have had a lot of criticisms about how it is operating. Sometimes, you come up against a brick wall. You make claims and, whether because of bureaucracy within the EC or because of policy changes, the expected disbursements do not materialise. So we have criticisms to make of STABEX. But this does not mean that we should write off the Lomé Convention altogether. I think the Lomé arrangements have been good. Compared, perhaps, to other forms of cooperation between North and South, they have been very good.

Here in The Gambia we had, under Lomé III, the integrated development of the Upper River Division. For a time, this was the main thrust of EC assistance to this country and I think it was a very successful formula for channelling aid from North to South. Of course there were many other quite successful projects prior to that. This approach has now been extended to the north bank of the country and it is an excellent form of cooperation, because it goes straight to the areas for which the aid is meant with hardly any channelling through intermediaries. This is not to say, of course, that we should not look for improvements to the Lomé system in certain areas.

'A high degree of tolerance'

▶ *It has often been said that one reason for The Gambia's fortunate and almost unique political stability and calm has been your own presence on the scene. What does the future hold? What advice would you offer to your successors?*

— Well, this is very flattering to me. I thank you for that sentiment. As far as the future is concerned I am very, very optimistic. We have such a long tradition of democracy, respect for human rights, respect for the rule of law, commitment to national unity and, I think, a high degree of tolerance, that I do not have any fears of instability here, whether I am involved in the administration of the country or not. I am optimistic that this country's stability and atmosphere of democracy will continue, having become rooted in the culture of our administrative system. ○ Interview by L.P.

'Public enterprises have failed to live up to expectation'

The Gambia's economic structure makes it particularly vulnerable to currency instability beyond its borders. How has the national currency, the Dalasi, reacted to the current crisis affecting the CFA franc which plays an important part in regional trade? Can the country's traditional entrepôt trade survive the turbulence and the crisis measures which Senegal and other nearby countries have been forced to adopt? *Bakary Dabo,* who is The Gambia's Minister of Finance and Economic Affairs, gives his assessment of the situation to The Courier and talks about other important issues including relations with neighbouring Senegal, the Lomé Convention and his country's new liberal economic agenda.


The Courier

Bakary Dabo, Minister of Finance and Economic Affairs
'I would like to see improvements in trade cooperation'

'Since 1986, the Dalasi has been left to float freely and its movements depend on the health of the economy. So we do not normally have to worry about it being overvalued. It can move either downwards or upwards against other currencies in line with market conditions. But as regards the current instability affecting the CFA franc, I should say that this is a source of considerable concern given the importance of the re-export trade. This is a significant area of economic activity for us. A sizeable volume of the total that we import is then traded onwards to neighbouring countries and that trade is financed to a very large extent by the CFA franc. This means that measures such as the one adopted recently by the West African Monetary Union countries, whereby CFA francs re-exported from non-member countries such as The Gambia are not convertible, clearly pose difficulties which are potentially serious from the point of view of our trading activity. How serious the difficulty will turn out to be remains to be seen. We can only talk in theoretical terms at the moment but it is possible to foresee a situation in which the traditional markets for the re-export trade are adversely affected. What, for example, will happen if the CFA franc is no longer acceptable to Gambian traders? Will the people who buy on our markets from other countries be able to come up with other currencies instead. It is a situation we need to watch closely. There are those who think that it will be difficult — perhaps even impossible — for other currencies to fill the gap, but I don't think this is necessarily the case. The situation we are in at the moment, barely a month after the announcement of the new restrictive measures, is one of watching and assessing how the trading system adjusts to the shock. Only time will tell.

'There has, of course, been a second shock, in the form of the severe economic austerity measures recently announced in Senegal. To some extent, these could also have an impact on The Gambia by affecting the trade that takes place between our two countries. If the measures are restricted simply to what has been announced, that is to say, severe austerity in terms of salary cuts, increased duty on some imports and the continuing suspension of trade in certain products, then I would say that there will be an indirect impact on The Gambia. To the extent that some of the import requirements of Senegal are met through The Gambia one could foresee a drop in the demand for such imports because of reduced purchasing power. In a direct sense, however, the Senegalese measures should not really affect us. It is their own internal affair.

On the prospects for increased economic cooperation with Senegal at government level, since the demise of the Senegambia Federation

'We have to make a distinction between the political will on the one hand, and what goes on on the ground, on the other. As regards the first of these, I would say that the will exists for institutionalised economic cooperation between The Gambia and Senegal. It is true that with the demise of the Federation, we lost, as it were, one framework which had been put in place. But we did not lose any time in agreeing on a substitute one. We have signed a treaty of friendship and cooperation — an alternative arrangement which, like the earlier confederal proposal, provides for economic cooperation, among other things. So the goodwill is there and has been expressed. What we are doing is to proceed to negotiate bilateral protocols with Senegal which come under the broad umbrella of this treaty of association, and we are looking forward to having the economic area covered by one of these protocols. It is only practical reasons that have prevented us from progressing more quickly, but the goodwill is there on both sides to proceed along those lines.

'So much for the political will. As for what is happening in practice, the situation at the governmental level reflects 'to a considerable extent face the broader difficulties which our two countries'. We are both Sahelian, sub-Saharan countries with all the problems that that geopolitical situation implies. We both face serious economic difficulties. And there are all the other structural difficulties that inhibit economic cooperation in Africa which you know about. In these circumstances, even when the goodwill exists, it is not always easy to translate that into specific measures. But as I say, we have the goodwill, the broad framework arrangement has been put in place and we are now committed to a programme of sectoral protocols including the important one relating to economic cooperation.

'At the popular level, of course, things do not change. Here, the contacts and the cooperation goes on as usual and I think it is a healthy thing.'

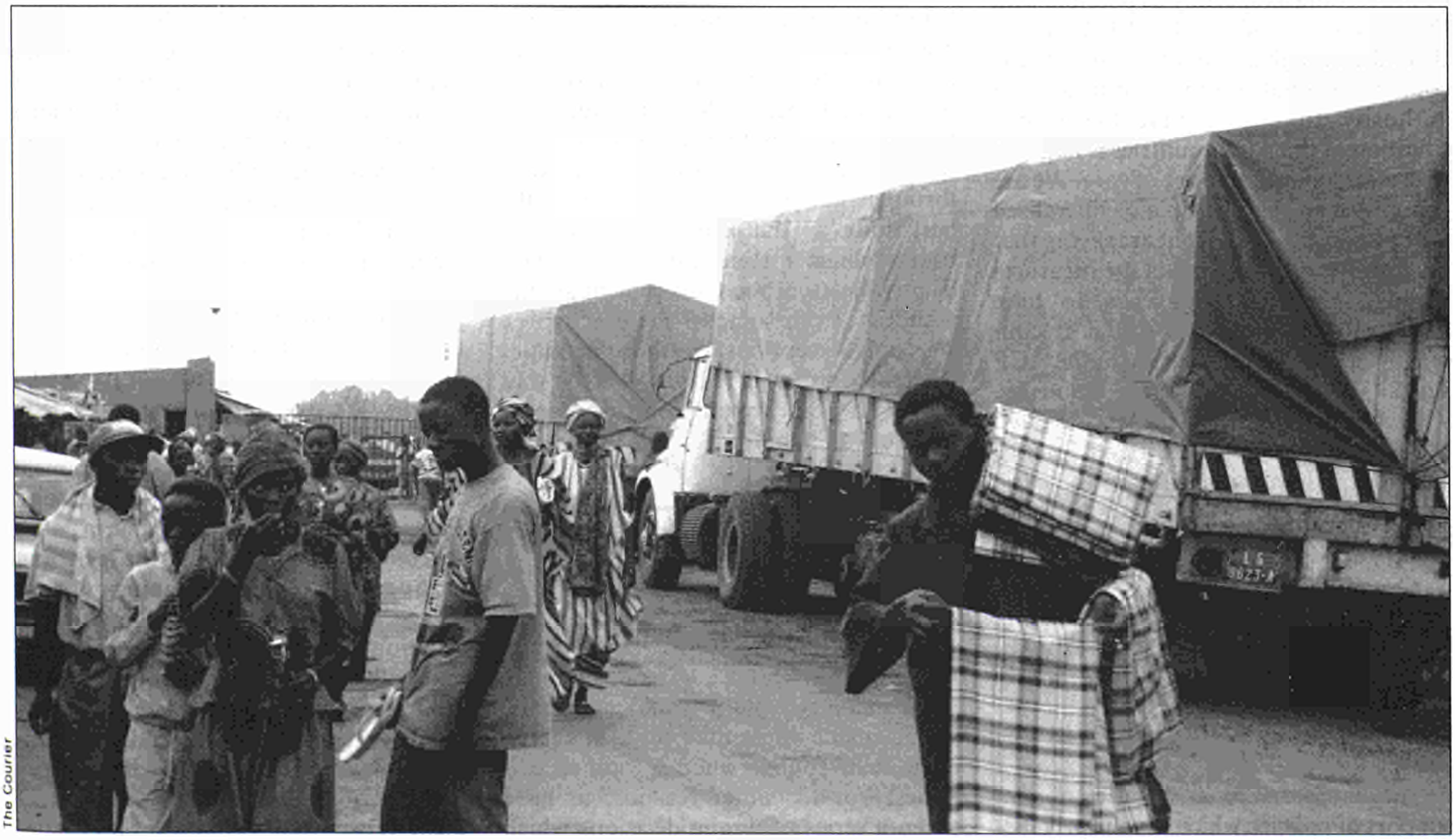
On the Government's perception of the European Community as a partner in both development cooperation and commercial matters

'The European Community, bringing together 12 western states, some of which have a long history of relations with African countries, represents, as a bloc, an interesting and potentially very important trade partner for us. In matters of development and trade cooperation, experience and common traditions are extremely important. Over the years, a number of these countries — Spain, Portugal, the UK and even Germany — have built up considerable experience of our African realities. We in turn, as ex-colonies of some of these countries, have taken on board a lot of their traditions and aspects of their systems. This constitutes a very useful foundation which means that the ACP and EC countries are, in principle, ideally-suited partners in development and trade.'

'Looking at the experience of The Gambia in this area, I should, to be fair, record our appreciation of the positive aspects before talking about the shortcomings. In terms of resources for development, the amounts that The Gambia has received under the various Lomé Conventions have been quite significant. This is not to mention the trade benefits, which are perhaps even more important. So I want to place on record our appreciation and to emphasise the effectiveness of these interventions. And I think is it worth mentioning that, as we learn from past experience, we are making these inputs more and more meaningful and increasingly efficient.

On the possible shortcomings of the current system and the appropriateness of the Lomé Convention as a model for ACP-EC cooperation

'As regards the shortcomings, I would say that there is some cause for concern about Stabex which helps to stabilise our export receipts. In recent years, we have seen a progressive decline in the percentages allowed under the scheme. We



The Courier

Lorries heading for Senegal
'The re-export trade is a significant area of economic activity for us'

hope very much that the Stabex system will not only continue but also be revived.

'More generally, assuming that development resources continue to be provided — perhaps even increased to some extent — I would like to see improvements in trade cooperation. I would also like to see the ACP-EC framework being used to promote private investment from developed partners in the North to developing partners in the South. After all, the basic objective of cooperation is development and it is now the case that an increasing number of ACP countries are committed to expanding private enterprise. They have been putting in considerable effort to make their countries — notably their political and economic environments — financially attractive for private investment. And they are doing this at a time when there is a lot of competition. I think that if we use a bit of imagination, there is no reason why we should not devise ways of giving a special boost to investment flows from the EC to the ACPs, and of enhancing cooperation at the private sector level, under the framework of the Lomé system. Alongside this, improvements are needed in the area of trade, in particular the terms of trade. We should be proceeding as speedily as possible with the conclusion of the GATT Uruguay Round although at the same time, the EC countries should use their influence and authority to ensure that the fragile situation of the ACP countries is handled with a reasonable amount of care. We are committed to the principle of liberalised trade under the GATT but are saying that the introduction of some of the measures could usefully be staggered to take account of the extremely difficult economic situation faced by some of the ACP states. We hope that the EC countries, with which we have been associated longest, will stand by us as friends and see to it that, without reneging on the basic principles of the Uruguay Round, special arrangements are made for the ACPs because of their special circumstances.

On increasing the role of the private sector in the new Gambian economic structure

'We have arrived at our position in support of policies which favour privatisation and private sector-led development, on the basis of conviction. We made a genuine attempt with a mixed economy approach, with considerable participation by the state in a range of activities — financial services, trading, marketing of agricultural products and so on. And our experience of this approach has not been very different from that of many other countries, both developing and developed, in that these public enterprises have failed to live up to expectation. They have not been uniformly bad — some have had good results in some areas — but generally speaking, it has not been a helpful experience. Instead of making a positive contribution to the budget they have usually been a drain on our resources and their wider contribution to the economy has tended to be negative rather than positive. So we have come through that process to accept that the best thing on the production side is to have a 'slimmer' state and that, by means of privatisation, the Government should withdraw from some of these activities. The only exceptions are those activities where, for strategic reasons, it is felt that the state should retain control in some form or another.

The Courier

The entrepôt trade through Banjul may suffer as a result of the CFA franc crisis

On whether the problems of former state-controlled enterprises was due to mismanagement

'Mismanagement? I would call it mismanagement where the people in charge have been found, whether out of dishonesty or for other reasons, to have taken a series of wrong decisions which have damaged the organisation. On this basis, I would not say that mismanagement was the reason in all cases. There have been instances of it, but some of the parastatals have suffered from other difficulties as well. For example, there is the question of the culture under which they operated. State enterprises are usually staffed and run in accordance with Government-imposed procedures. They are often run by civil servants whom we try to turn into managers. But the environment in which the operators work should, in fact, be a purely commercial one. So sometimes, even with the best efforts on the part of those involved, there is a problem, because those running the organisation are used to a different work culture. By my own definition, I wouldn't necessarily call that mismanagement. So there are a variety of reasons but irrespective of this, we came to the conclusion that the best thing was for the government to pull out, as far as possible.

'In this context, I think it should be understood that privatisation was only one element in our strategy for parastatal reform. We also introduced reforms in respect of those organisations that we felt should be retained under Government control, for strategic or other reasons. This involved the introduction of a scheme which we refer to as the 'performance contract'. While remaining publicly-owned, the managements of the entities in question are given more responsibility and both short and medium-term targets are set for them. These relate to specific attainments in qualitative and quantitative terms. And this approach has been proving quite successful. A number of them have been producing far better results than was the case before the reforms were put in place. ○

'People have to be able to provide their own food'

Omar A. Jallow, Minister of Agriculture

The Gambia, like other African countries, imports most of its food. The Minister of Agriculture explains.

▶ *Minister, can you outline your agricultural policy? Or, if you prefer, what does The Gambia live on?*

— First of all, it should be stressed that 80% of the Gambian population directly or indirectly depends on agriculture as a means of living. So, the current agricultural policy of The Gambia is to see how best we can diversify the agricultural base, moving away from the monocultural policy we formerly had. This was based on peanuts as the main cash crop and all the emphasis was for the farmers to go into this. Now we are trying to diversify into other areas. We have an open and liberal economy and are trying to translate this into effective agricultural development whereby farmers see themselves not just as subsistence growers but as commercial agriculturalists. Therefore, the policy is not only based on providing food for the farming community but also to see how best we can tap the areas which have the potential for export-oriented agriculture.

So there are effectively two areas — the cash crops or export-oriented area, and the 'produce for food' one. In the area of cash crops we are still producing peanuts, cotton and, of course, horticulture products, which have a lot of export potential. Livestock is now also being exploited, in particular poultry and some of its by-products. On the food side, we are producing rice and other cereals like maize and corn. There is a lot of emphasis on trying to develop them in parallel. Without the second of these areas, the food security we are talking about would be non-existent. People have to be able to provide their own food if they want to get the maximum benefit from the export-oriented crops which can then be used for the development of their living standards — educating their children and so on.

▶ *Given that you are undertaking diversification, what sort of quantities are you producing now?*

— As regards cotton, we produced about 2000 tonnes last year. This was below target — the target was 3000 tonnes, but the reason for this was that the farmers were not very happy about cotton. Fortunately, it has now been privatised and a new company has been established. In the area of horticulture, production is increasing because more companies are becoming involved. There are a lot of private investors coming into this area. New storage facilities have been opened at the airport and more cargo space has been provided by the airlines. Exports have risen from about 200 tonnes four or five years ago to the 2000 tonnes which are now being exported every year.

▶ *Where do you export to?*

— Our horticultural exports go mostly to Europe: Britain, Belgium, France and so on.

We also have a lot of exports in the fisheries sector, including products like shrimps and lobsters. These have also been rising steadily in the last five years. As regards other food products such as cereals, we are producing enough to cater for local demand. These are not really intended for export although on the traditional export routes between us, Senegal and Mali there is a lot of trade going on. There are the traditional Sunday markets where a lot of the buyers of our local foodstuffs come from Senegal and Mali. But we don't have any reliable data as to the amounts involved.

▶ *What is the balance between your food imports and your exports of agricultural products?*

— In the area of rice, which is the main staple food, we import more than we export. But there is an added dimension to this which is that there is a lot of re-export trade in rice. So if you check the data at the port of entry, you need to recognise that the figures do not reflect the true picture of what is really happening. 70% of the rice we bring in is re-exported to surrounding countries. We bring in perhaps 60% of the rice we need for our own national consumption with the other 40% being produced locally. We need about 60 000 tonnes every year to meet our own requirements. But the amount imported is far higher than that because of the very big export trade in rice — and also in sugar and other commodities — with the surrounding countries.

The Courier

Maize production in the Upper River Region of The Gambia

'The current policy of The Gambia is to diversify the agricultural base, moving away from the monocultural policy we formerly had'

The Courier

Omar A. Jallow
Minister of Agriculture

► *Do you supply the international or tourist hotels in The Gambia?*

— Local companies supply the hotels with some products, notably in the horticultural area, but in the main area of livestock products, the bulk is imported. This is because the livestock sector is not yet developed to the level where we can meet the demand. And we do not have a very sophisticated or up-to-date abattoir to provide the particular cuts of meat required for this market.

► *Are you planning to upgrade the abattoir or build a new one?*

— Yes. We have the LMB, the Livestock Marketing Board, which is on the verge of being privatised. There are some people and companies who are interested in buying it, improving on it and bringing in new equipment. We hope that when this happens, it will then be able to meet the requirements of the hotel industry, in terms of product type and quality.

► *You make frequent references to privatisation. Is everything now to be privatised?*

— Not everything, but we think we have put the right policies in place. We are not privatising education or health, for example, but we are privatising parts of the agricultural sector, although, even here, our agricultural service provides farmers with some facilities and assistance. But we thought that the area of livestock development was one which had potential for private-sector involvement. If this works well, we will not only be able to fulfil our local needs but also to generate export activity. Before the problems in Liberia, we were actually exporting a lot of live cattle to that country. Now negotiations have started between The Gambia and Ghana, because they also want to import meat from us. There are other countries on the West Coast, in the ECOWAS region, that need meat and livestock. So if we can organise this sector efficiently and develop the market outlets, it will go a long way towards fulfilling our aspirations for this sector.

'The Government will never interfere in the prices ...'

► *What kind of incentives do you offer to farmers? I am thinking about prices. Do you intervene in this respect?*

— No, of course not. As I said, the economy has been totally liberalised. The government will never interfere in the prices of either commodities or any other products sold in this country. They have to find their own level in the market. Of course, as you know, the prices of some international commodities are determined by the world market and government cannot effectively intervene. We only intervene in two senses. Firstly, we provide farmers with advice and the information that is needed for them to improve their skills, their husbandry methods and so on. Secondly, we have a crop protection unit. Chemicals are provided free and so are the services of the unit's staff, which include activities in the research field. There is a lot of 'on-farm' work being done by our research department. Officers meet and discuss with farmers and undertake practical research activities on the farms themselves, transferring knowledge and technology to the farm level in the process. These are the kinds of incentives we offer.

As regards seeds, the European Community has really assisted us this year. We are getting a better variety of seed: a new strain, for example, with a short growing cycle and some resistance to drought conditions, which produces the same quantity at the same quality. That is really helping us after the drought of recent years. We can now change the whole seed system of the country, tying in to the type of rainy season that we are nowadays experiencing.

► *I have visited a number of countries where the Community, for instance, has spent substantial sums of money in helping people to produce rice. I have also seen a lot of locally-produced rice in storage because there were no buyers. At the same time rice was being imported from Thailand and elsewhere because it was cheaper than the local product. With this in mind, I wonder whether the liberalisation of the economy, which in broad terms must be a good thing, can help farmers who may not be able to compete on equal terms with imported products.*

— Yes, that is a problem that needs to be thought through. As far as quality is concerned, the local product is far better. The rice imported from Thailand is sometimes 100% broken — the worst quality that you can have. But, because it is cheaper, people tend to buy it. So we need to educate the people to purchase the better quality. It is the responsibility, not just of the government, but also of the private sector to educate the people in this regard. We have a unit which is going round educating people on the type of food and the quality of food they should eat. One of the things it is doing is to compare the imported rice with the rice produced in this country, in terms of quality, nutritional value and so on. The time will come when people will recognise the importance of high-quality food for their own health and that of their families.

▶ *You have already referred to cooperation with the European Community. What has this cooperation brought you that has really proved useful to The Gambia in the sector you are responsible for?*

— The EEC is one of the main financiers of one of our most important projects which involves the planning department of the Ministry of Agriculture. This is where we collect and assess all the agricultural data: how much acreage is under cultivation and how many farmers are involved in each of the crop varieties that are planted in this country. From this information, we can plan for the amounts of seeds, fertiliser, pesticides and chemicals that are needed. Secondly, as I have just mentioned, there are the seeds that have been provided by the EEC. They have saved the situation this year. There was a severe shortage in this area and by providing us with the short duration variety, the Community is helping to ensure that the farmers reap the benefits of the crops that they have planted. Last year the seeds were planted but unfortunately the rains stopped too early. This year, we are hoping that this will not happen. Of course, I am talking here just about agriculture. The EEC is also involved in other areas such as health, education, industry, works and communications. All in all, the EEC must be seen as one of our major development partners.

The Courier

Cotton farm at Basse (Upper River Region)

▶ *How many acres are under cultivation?*

— That is a difficult question. I think we have about three to four thousand hectares of rice. As regards peanuts, I would have to check the figures.

▶ *But it is higher than rice?*

— Oh yes, far higher than rice. Rice and cotton are the smallest. Groundnuts, maize and other cereals represent a much higher percentage of the total area under cultivation.

▶ *In general, would you say that you are taking full advantage of the Community's cooperation with The Gambia?*

— Of course. I should also mention the fisheries agreement that has just been signed with the EEC. This increases the benefits that are going to be derived from the fisheries sector. Then there is STABEX, which has been fully utilised in the last few years. So we have been making full use of all the facilities that are provided by the Community.

Overall, I should say that, since the establishment of the EEC office in this country, things have been improving steadily and we have been building on the good relations which already existed between The Gambia and the EEC. ○

Interview by L.P.

The Courier

Groundnut farming

The Community is helping to ensure that the farmers reap the benefits of the crops that they have planted

'We are in a very precarious position'

Shariff DIBBA, leader of the opposition National Convention Party

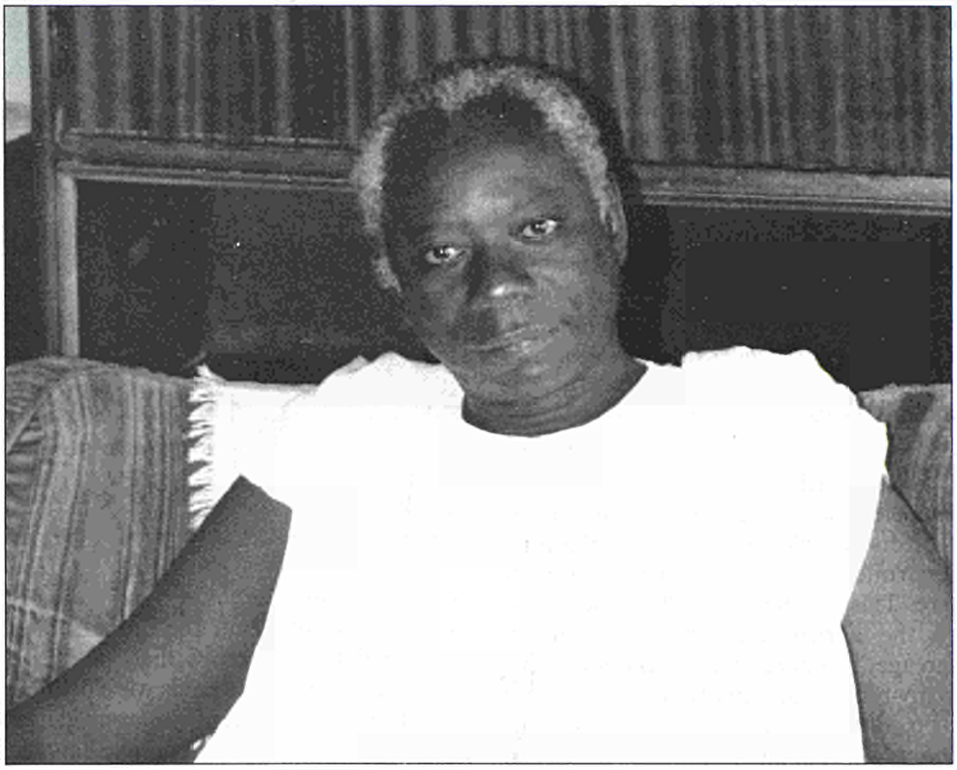
▶ *Mr. Dibba, as a leader of the opposition, what is your view of the way democracy works in this country?*

— We all call it a multiparty system of parliamentary democracy but it has its imperfections.

▶ *How do you mean?*

— Well there is certainly freedom of speech, freedom of association and freedom of the press in this country. There is absolutely no doubt about that. But democracy does not end there. It has to be practised to the full. Let me give you an example. When there is a general election, the opposition parties are at a great disadvantage. All the personnel responsible for organising the elections are civil servants. And being civil servants, they owe their allegiance to the government of the day, which is run by the ruling party. There is also the fact that the views of the traditional rulers in the rural areas carry a great deal of weight. And during elections of course they participate on behalf of the ruling party. This is one of the things which gives the current ruling party an edge over the opposition parties. There is also the fact that financially, the opposition are at a great disadvantage. You find that in most African countries. The ruling parties are sponsored by the business community to the exclusion of the opposition parties. This is a major problem. And then, if you look at the length of The Gambia's border — as you know, we are surrounded entirely by Senegal, except for the part on the Atlantic coast — we have discovered that a great many aliens have successfully got themselves registered. And when the time comes for elections they are allowed to vote. I lost my seat for ten years and this was mainly attributable to foreigners crossing the border to come and vote in the elections. Apparently, a member of the ruling party arranged for some of these people living on the other side of the border to register as Gambian voters when in fact they are not Gambian citizens.

▶ *As an MP what proposals have you made to the Government on this issue?*



The Courier

Shariff Dibba
'The civil servants owe their allegiance to the Government of the day, which is run by the ruling party'

— It has been raised on a number of occasions in Parliament. After the elections in 1992, my opponent went to the courts to file a petition against the result. During the court proceedings it was discovered that he himself, the ruling party's candidate, had registered at least 55 people who never appeared on the scene. I would call them absentee voters. They were living in other areas, possibly in the Republic of Senegal. He got them registered and this was proved in court. That is a major defect.

▶ *What is the President's position on this?*

— Well, I am sure he must have read the judgment. It was so glaring, so evident, that I thought the leader of the ruling party should have taken measures to cut this sort of thing out. Is it the ruling party that is responsible for the situation or the President of the Republic? I would say the ruling party. But he is the General Secretary and leader of that party. If I were in his position, I would have taken corrective measures. Or at least I would have instructed the law officers to do so.

▶ *Have you approached him directly yourself as an MP, or as leader of the opposition, about these very serious difficulties?*

— As far as this particular case is concerned, everybody in the country read about it. The judgment was published for all to see. So it was not necessary for me to talk to him on this subject.

▶ *Turning to economic matters, I understand that the indicators are not very impressive, especially as far as social aspects are concerned. What is your feeling about the way the economy is going?*

— I think that we are in a very precarious position. The Government has embarked on structural adjustment, which is assisted by the IMF and the World Bank, and I think that, to some extent, this has had a positive impact. But I personally am worried that we tend to be neglecting the agricultural sector. And I consider this still to be the backbone of the economy of this country. For example, when we recently had the buying season for groundnuts, most of them found their way to Senegal. That situation, in my view, is bound to affect the economy generally.

Furthermore, I think it is a very dangerous situation for a country to depend so much on the re-export trade for its economic survival. We see this with the restrictions imposed on the circulation of the CFA franc recently. The Government derives the bulk of its revenue from this re-export trade to other countries, but it looks as if the Senegalese Government is now applying the brakes. I understand that they are not allowing the goods to be transported onwards to Mali, Guinea Bissau, Guinea Conakry and Mauritania. This puts us in a very precarious situation and we should start thinking seriously about it. We can't continue to depend on this re-export trade.

▶ *What proposals do you have to tackle this?*

— I believe we should concentrate more on agriculture and agriculture-related activities. I think this country stands to gain a lot from this kind of approach. The government should also think about providing desirable incentives for people who might be prepared to invest in certain types of industries, for export purposes. Obviously we don't have the market for industrialisation, but if we can encourage private entrepreneurs to invest in industries that could export their products, bearing in mind that the labour costs are relatively cheaper here than in most neighbouring countries, this would, in the medium and longer term, help the economy of the country.

'You need to control corruption in high places'

▶ *Does this mean that you support Mr Dabo's idea which is to make The Gambia the 'Singapore of Africa' in the 21st century?*

— No, I think that is a dream really. Singapore started building from the moment they achieved independence We have been independent since 1965 and yet it is only now that we are starting to talk about such a process.

You need discipline, you need to control corruption in high places and you need hard work to be able to achieve the status of Singapore. These are the essential ingredients.

▶ *How do you explain the fact that Gambians, like most Africans, do not want to work hard in order to earn more?*

— A lot depends on the type of leadership we have. If the leadership is prepared to show the required example, the people are bound to follow. The leaders of Singapore did it. Lee Kuan Yew set the example and the people followed him.

▶ *Turning to tourism, which I understand is very important here, what are your views about the organisation of this sector?*

— Tourism has prospects provided we follow the right path. But I am becoming concerned about the crime rate. This is something which can seriously affect the industry. You read in the newspapers that people are attacking tourists, robbing them at gunpoint. This is a frightening situation. And if the government does not do something to tackle the law and order problem, I am afraid that this will affect the tourism industry.

▶ *To what extent do Gambians participate in the economy of the country?*

— Gambians do participate.

The Courier

A busy street in Banjul, a city whose crime rate is becoming a 'concern'

▶ *Do you think that education is involved here? People in The Gambia have not had explained to them the necessity of working hard from the time of primary education onwards. Do you think more should be done in this area?*

— Well, education has a part to play, but we are talking here mainly about improving technical education. The government has done something in this respect but they need to do more. We need to improve the infrastructure for the achievement of technical know-how in our institutions. I think this vitally important.

▶ *Do they invest?*

— You would need to look at the statistics but I think it is mainly foreigners who are the large investors in this country. People come from all parts of the world to invest here.

▶ *Could it be, perhaps, that Gambians do not really feel involved in what is going on?*

— It may be that they lack the capital, or the know-how. But in all of this, it is my view that the Government should take the lead, discussing with Gambian

The Courier

'I personally am worried that we tend to be neglecting the agricultural sector'

entrepreneurs and encouraging them to come together, establish businesses and show confidence in each other.

The case of the Gambia Commercial & Development Bank

▶ *Looking at the issue of access to loans for example, how easy is it for a Gambian who would like to invest, or start a business, to get funding?*

— I am afraid our track record in this area has not been very good. I don't know whether you know, but the Gambia Commercial and Development Bank was established to facilitate the granting of loans to businesses and entrepreneurs. Unfortunately, the resources of the bank were misused. As a result, we have at the moment more than 300 million dollars in outstanding loans which have not been paid back. In view of the failure of the bank, the Government decided to sell it to private enterprise. It may be that that is in the best interests of the country. If we have our own citizens to run institutions and they can't run them efficiently or productively, then it is better for private enterprise to take over.

▶ *Is it a question of mismanagement or expertise?*

— My view is that it is definitely mismanagement.

▶ *What are your feelings about cooperation between The Gambia and the European Community — in particular, about the EC's involvement in the economic, social and other sectors?*

— I took part in some of the negotiations between the ACP and the EEC, although I am not completely *au fait* with the current Convention. I think it is a very good example of international cooperation that should be emulated by other countries in the world. Overall, I believe it has been a success although there might be room for some improvements.

About the Lomé Convention

▶ *You may not be aware of the fact, but there are more and more criticisms being heard about the Convention — indeed doubts whether the agreement as a whole can be regarded as a success.*

— No agreement can be 100% successful. Every human endeavour must be based on the principle of give and take. Otherwise there can't be any agreement. But I think that on the whole, the relationship has been successful and that we all benefit from it. I also believe that the ACP countries, particularly those who manage their economic affairs in the best way possible, are benefiting from the investments being made by the EEC.

▶ *What do you think about World Bank policy in Africa, and more particularly in The Gambia?*

— If it were not for the World Bank we would be in the doldrums. Our economy would be in tatters. Because of the assistance that has been extended by the World Bank and the IMF and because of the expertise that has been offered, in terms of advice to the Government as to how to run the economy, we are in a better position.

'Our success in democracy depends on what the leadership is able to do'

▶ *Going back to the question of democracy and notwithstanding what you said earlier, most people believe that, compared with many other African countries, elections here are fair. What do you say to this?*

— In Africa, we have yet to learn how to put real multi-party democracy into practice. You still have intimidation. You still have people whose jobs are threatened if they support an opposition party. You still have the ruling party making use of the government infrastructure. The opposition parties have no access to that. These are issues which it is absolutely necessary to tackle if you are talking about genuine multi-party democracy.

▶ *So the status of the opposition has to be worked out?*

— Yes, it has to be reviewed. You see, in Africa, people regard an opposition as an enemy, which it is not the way it should be. What it simply means is that we have different opinions and put forward different views. To be in the opposition does not mean that you are my enemy, but this is the perception that people have. I feel our success in this area depends to a large extent on what the leadership is able to do: how we are able to educate our people, and to tell them what multiparty democracy is all about.

Let me give you an example of the difficulties we have faced. When we founded the NCP, about 18 years ago, we had a lot of problems. There were times when people wanted to attack us physically. I would go to a village to hold a meeting, and the villagers would start insulting me. They would even use physical violence against me. This is not democracy.

▶ *I have heard that in some countries where there is a multi-party system, there is nevertheless a 'one-party-system mentality'. Are you suggesting that something like this exists here?*

— No, I would not say that. But it is the case that people who are loyal to the ruling party believe they have a privilege that nobody should threaten. The ultimate objective of an opposition party is, of course, to gain power. Some supporters of the ruling party would see this as a threat to the privileges that they enjoy. Therefore, they will want to counter this threat by whatever means. This is why I say that it is up to the leadership to educate the people as to what multi-party democracy really means. ○

Interview by L.P.

The Gambia and the European Community

by Robert COLLINGWOOD *

Among the curiously shaped colonies that emerged from the European powers' scramble for Africa, none was more curious than The Gambia. This tiny West African country, independent since 1965, is the result of a tortuous compromise agreed over a century ago, between three of the Member States of today's European Community. Over 500 kilometres long, but for most of that length under 30 kilometres wide, she almost cuts her only neighbour, Senegal, into two parts. The Gambia herself is indeed cut in two, by the river whose name she shares. It is significant that this great river, once the principal navigable waterway of the region, was never fully exploited and has today lost nearly all its traffic, one more casualty of the political geography of West Africa.

A country that is different

Surprisingly, The Gambia's unlikely frontiers have not kept her from developing a clear national identity and strong sense of independence. Sometimes described as an Anglophone island in a Francophone sea, she is strikingly different from all her neighbours in the Sahel region. Even if the Gambians now drive their cars on the right, and play cricket less than they used to, these differences remain profound. They extend not just to language and culture, but also to the legal system, to commercial life, and to the whole structure of education. Even though economically and geographically implanted in the CFA franc zone, The Gambia has shown no interest in becoming a member. The differences continue into political life. In contrast to many of her neighbours, the Gambian government has tended to avoid state intervention and strong direction from the centre, and generally preferred a pragmatic and laissez-faire approach.

All of these factors have had their effect on The Gambia's economy, and thus on its cooperation with the European Community. Like others in the Sahel zone, the country still lives by its agriculture, which becomes more precarious each year with the trend towards lower rainfall and the steady and very visible loss of vegetation. The Gambia's case is, however, especially acute, by reason of her size and configuration. Her agriculture is strikingly dependent on one or two crops. The pressure of her growing population on dwindling land resources means her ecosystem is deteriorating even faster than elsewhere. Her relative economic isolation makes marketing of agricultural production difficult and expensive. These special problems continue outside the agricultural sector. Attempts to diversify the economy are too often frustrated by the chronic shortage of skilled labour, compounded by the absence of almost any natural resources and by the obvious difficulties of transport in The Gambia. In summary, the economy, in spite of the great efforts made in the direction of adjustment and recovery, continues to be precarious and unbalanced. All this has led, inexorably, to an unusually high level of foreign indebtedness and a remarkable dependence on international aid; the indicators for both are among the highest in Africa.

Priority for rural development

It is against this background that development cooperation with the European Community, in the 18 years since The Gambia signed the first Lomé Convention, has tended to concentrate on a few key areas, even though the emphasis has shifted over time as the economy has evolved and the development challenges have changed.

The consistent priority throughout the period has certainly been rural development, if this is interpreted in the broad sense. In fact only quite small sums have been spent on agriculture itself, and even livestock and forestry have received relatively scant attention. This choice is a reflection of government priorities. There is little history of direct state intervention in agriculture in The Gambia, and the few projects that have been financed with overseas aid have been generally disappointing. As a result, many of the rural development projects financed by the European Development Fund have been — and continue to be — in the fields of water supply and rural roads, with a concentration, under the two recent funds, on the most remote and ill-served parts of the country: Upper River Division (extreme east) and North Bank Division (extreme north-west). The social sectors have benefited from the construction and equipping of health centres and primary schools. Finally, growing emphasis is being placed on support for community-based initiatives, at village level, under an innovative approach known as VISA (village-initiated support activities). This scheme differs from similar attempts elsewhere by its ultra-decentralised character, by its insistence on proper planning of development priorities at the level of the village and then of each larger administrative unit, and by the obligation for the beneficiaries to make a substantial contribution in cash to each project to be supported by the European Community. The VISA approach was introduced in 1991 in the Upper River Division under the sixth EDF and has been, in the great majority of cases, highly successful. It has now been extended to the North Bank Division (under the Divisional Development Programme financed by the seventh EDF). If the success is maintained, the Government has indicated that VISA could be extended to the whole of the country.

Prior to the introduction of VISA, the European Community had been supporting village-level micro-projects for many years in The Gambia, especially in the western part of the country. Particular mention should be made of the Artisanal Fisheries Development Project benefiting six coastal villages. The EDF's support evolved under three successive projects over a period of 12 years starting in 1977, with total funding of ECU 6.6 million. A particular feature was the involvement of women in many of the project's activities, notably the curing and smoking of the fish, and in its marketing. The project was handed over to the villagers in 1991 and continues to flourish.

Support has also been given to the Women's Vegetable Gardens Project, principally in the same western part of the country, where good opportunities exist

* Head of EC Delegation, Banjul (The Gambia).


The Courier

Mr Bakary Dabo (r.), Minister of Finance and Economic Affairs, with Mr Robert Collingwood, Head of the EC Delegation in Banjul

for marketing the produce, both locally and in Europe. The EC support has been in the form of making available quality seeds, fertilisers and other inputs, credit, water supply and fencing, backed up by training, demonstrations and advice from technical assistants and volunteers. The project has been incorporated into the ongoing Divisional Development Programme and should continue to expand for at least a further two-year period.

Investing in water

If rural development has been the first priority of the European Community's support to The Gambia throughout the period, the second has undoubtedly been the key sector of water. The Gambia is already an arid country, situated in the Sahel zone with a steadily declining rainfall. Water is of vital importance to the population. The reliable supply of clean and safe water is a major concern for the Government, as well as for a number of its development partners including several EC Member States. EDF support to the sector has been in a number of areas, mostly targeted at the supply of drinking water for human consumption, although horticultural production and the watering of livestock have also benefited.

Mention was made above of the village water supply component in rural development activities financed by the EC, particularly the Upper River Division Integrated Programme (URDIP) under the sixth EDF and the follow-on Divisional Development Programme (DDP). A considerable variety of approaches has been adopted, depending on the situation and type of each village community as well as on the technical factors: boreholes, shallow wells, elevated tanks, hand-pumps, piped supplies. Photovoltaic cells are now being used in certain villages to power electrical water pumps, under the regional CILSS solar energy project. Particular emphasis is placed on training, village organisation and maintenance. It has been found that the most cost-effective way for the maintenance mechanics to move around is by the use of horse and cart. The EC is thus financing horse technology and photovoltaic technology inside the same project.

Independently of village water schemes, the EC has been financing a multi-phase project to improve the water supply to the seven main provincial centres (secondary towns) outside the capital. This project, completed in April 1993, has involved the drilling of boreholes, the supply of pumps, electrical generators, tanks, treatment equipment and piping, as well as the training of staff. The seven independent systems, under a novel arrangement for West Africa, have been handed over to a government-owned holding company but will be managed by a private operator on purely commercial lines. Initial results of this arrangement are encouraging.

Since 1981 the EC has been supporting the massive scheme in Banjul for the improvement of the capital's sewerage and drainage. The final phase is being handed over in 1993. This project is complemented by the Greater Banjul Water Supply project, to which the European Investment Bank has contributed capital of ECU 10m. Both these projects are to be operated commercially under the management leasing arrangements described above.

Also in the water sector, the EC has provided a series of short-term consultancies, at the request of the government, with particular reference to the institutional reform of the former public utilities company and the management of water resources. A study has been carried out into groundwater availability, including the design of a computer model and the training of specialised technicians in its use.

Groundnuts and STABEX

Mention should be made of the large transfers that The Gambia has received from the Community under the STABEX scheme, in compensation for the progressive decline that it has suffered in receipts from the groundnut crop, at one time the mainstay of the country's economy and almost its only source of foreign earnings. Since 1978 nearly ECU 40m — more than one third of all EDF monies received — has been transferred. A large part of these resources has been used to try to reform and restructure the Gambian groundnut sector, which is now well-equipped to profit from any upturn in the volatile world market for oilseed products.

Structural adjustment

In parallel with its project-oriented aid, the Community has, since 1988, been supporting The Gambia's efforts at structural adjustment, initiated by the Government as the Economic Recovery Programme. This support has taken the form of financing of a substantial part of the country's import requirements of petroleum products. These are sold in The Gambia in the usual way, with the resulting counterpart funds being applied to development purposes as a complement to the funding of EDF projects. In the light of the successful implementation of the earlier tranches of the EC's support, the procedures have been progressively simplified, so that under the latest programme the counterpart funds were paid directly into the Government's Consolidated Revenue Fund in support of recurrent expenditure, with emphasis on the budgets of the health and education sectors. This arrangement is intended to mitigate the effects of structural adjustment on the poorer and more vulnerable sections of the population, by ensuring that the basic social services are maintained.

The regional dimension

The final major theme of EC cooperation with The Gambia is that of regional cooperation. This theme is of course of

Table 1: The Gambia: Allocations from different instruments under successive EDF Funds 1976-1992

	EDF 4	EDF 5	EDF 6	EDF 7	TOTAL
Indicative Programmes	11.32	14.00	18.00	21.00	64.32
Import facilities	0.00	0.00	3.00	2.00	5.00
STABEX facility	7.52	18.15	13.72	0.35	39.74
EIB Capital	2.36	0.00	5.70	4.30	12.36
Emergency aid	0.75	0.05	0.20	0.00	1.00
Regional programmes	1.00	2.81	3.89	0.00	7.70
TOTAL	**22.95**	**35.01**	**44.51**	**27.65**	**130.12**

Table 2: The Gambia: Allocations across different sectors under successive EDF Funds 1976-1992 (%)

	EDF 4	EDF 5	EDF 6	EDF 7	TOTAL
Rural excluding water	39	23	32	30	31
Water supply	2	39	20	33	25
Education & training	41	19	5	3	13
Import programmes	0	0	24	17	13
Artisanal fisheries	14	13	15	0	10
Other/Unallocated	4	6	3	16	8
TOTAL	**100**	**100**	**100**	**100**	**100**

particular interest to the European Community itself. A large part of the support has been directly connected with the grouping of nine Sahelian countries in the CILSS, whose main purpose is the control of desertification in the region. Four major projects in this area have been implemented under the sixth EDF regional fund: the solar energy project mentioned above, the butane gas promotion project, the DIAPER crop monitoring system and the TIPE environmental education scheme. Together they constitute an impressive initiative in support of the combat against desertification in the region.

Other regional projects of particular interest to The Gambia have been the PARC animal health project, the new collaborative research programme into trypanosomiasis, the anti-AIDS campaign and the design and construction of the Banjul-Ziguinchor-Bissau regional highway.

Strengths and weaknesses

After this rapid and selective overview, what conclusions can be drawn regarding EC cooperation with The Gambia, and what have been its strengths and weaknesses?

In the first place, on the quantitative level, the EC is responsible for an unusually high share of Official Development Assistance (ODA) to the country. Latest UN figures show that the EC, disbursed $19 million out of the total of $109m ODA in 1992, making it the largest donor in that particular year, without including the substantial bilateral programmes of the EC Member States. This situation could be said to reflect the high dependence of The Gambia on overseas aid, as well as the close linkages of its economy with that of the EC countries. It also results from a rate of disbursement of EDF funds in The Gambia that is consistently faster than the average for the ACP countries. Thus by December 1992 total funds from the fifth, sixth and seventh EDFs were already 94% committed and 58% disbursed. This satisfactory result comes, however, at a price, which is the high level of technical assistance employed in the implementation of development projects.

The EC projects are in no way exceptional in this respect. The phenomenon is general in all development programmes in The Gambia and reflects the shortage of specialised personnel in the country, as well an unusually small public service. The situation, however, gives cause for concern, and, unless remedied by increased attention to specialised training and human resources development in general, it could in the long term greatly reduce the impact of development assistance to The Gambia.

In qualitative terms, the Community's cooperation has shown the characteristics of the Lomé Conventions on which it is based. On the credit side are the partnership approach, the contractuality of the aid and the thorough programming in accordance with national priorities. The choice of sectors — rural development, water supply, balance of payments and budget support — certainly corresponded with the Government's development objectives whilst taking account of the specific strengths of other aid agencies. Perhaps on the debit side would appear a certain rigidity, which may have contributed to the limited success of EC support for the productive sectors of the economy. In addition, although coordination among donors to The Gambia is by no means lacking, it could certainly be improved and intensified, to the benefit of the effectiveness of the aid supplied.

Prospects for the future

As for the prospects for the future, it is still a little early to foresee what direction EC cooperation with The Gambia will take after the present programme has been completed in two years' time. Initial discussions have confirmed the Government's keen interest in the VISA approach to community-based development, which fits in well with its policy of decentralisation as well as supporting its strategy for poverty alleviation. In general it would seem most probable that the concentration on rural development will be maintained. This could include renewed emphasis on rural roads and other transport infrastructure, currently a major constraint on the relaunching of the agricultural sector. Finally, it would seem vital that the Community should join The Gambia's other development partners in continuing to support the development of the country's human resources, without which all other initiatives will, in the long run, be difficult to sustain. ○

R.C.

TANZANIA

A slow process of reform

The Courier

Port of Dar es Salaam

Transforming a 'socialist' one-party state into a free-market multiparty democracy is proving an extremely complex undertaking for Tanzania. In Dar es Salaam the watchword is 'caution' and the pace of reform is accordingly slow — too slow for some of the country's international backers.

Fortunately for the Government, Tanzanians are a patient if not docile people, a characteristic that may have been induced by nearly three decades of one-party rule, peace and stability. Indeed, although there were some internal agitations, the real pressure for change, came from outside, a fact clearly reflected on the political front where a gradual programme of transition to multiparty democracy has been put in place and accepted by everyone: while the process of registration and recognition of political parties takes place, municipal elections are scheduled for next year and legislative and presidential elections for 1995. No one seems to be particularly in a hurry.

Tanzania's Constitution was amended only last year to allow the existence, alongside the ruling CCM (*Chama cha Mapinduzi*), of other political parties under certain conditions. These include stipulations that for a party to be registered, it must be neither tribally nor religiously nor racially based and must submit a list of at least 200 members from each of the country's 25 regions and two of these regions must be from the seven regions of Zanzibar and Pemba. These requirements are necessary, the authorities say, in order to safeguard national unity.

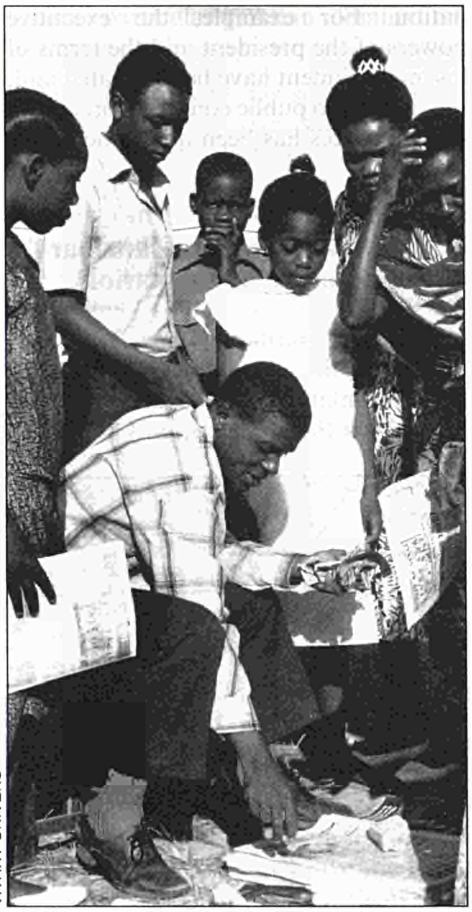
All the political parties which were formed immediately afterwards were provisionally registered. At the time of *The Courier*'s visit, ten had been scrutinised and definitively recognised, one had been disqualified and more were being processed. The Constitutional Commission's recommendation for a separation of functions between the CCM and the government and for the transfer of party properties to the government is, to some extent, being implemented. The Government, furthermore, is examining another of the Commission's recommendations that 40 laws in the Constitution should be abrogated or amended as they are deemed inappropriate in a multiparty state.

An Electoral Commission is in place to conduct and supervise the electoral process. It was at this Commission's initiative that the municipal elections, which were rescheduled for October this year, were postponed for one year, it said, to allow opposition parties enough time to organise themselves and for electoral officials to be trained in the management of the polls. It was also instrumental in the provision of financial assistance to the two parties (CCM and TPP — Tanzania's People's Party) which contested the first by-election under the multiparty system in a constituency in Zanzibar in April. This is expected to be the norm for all recognised political parties contesting the elections.

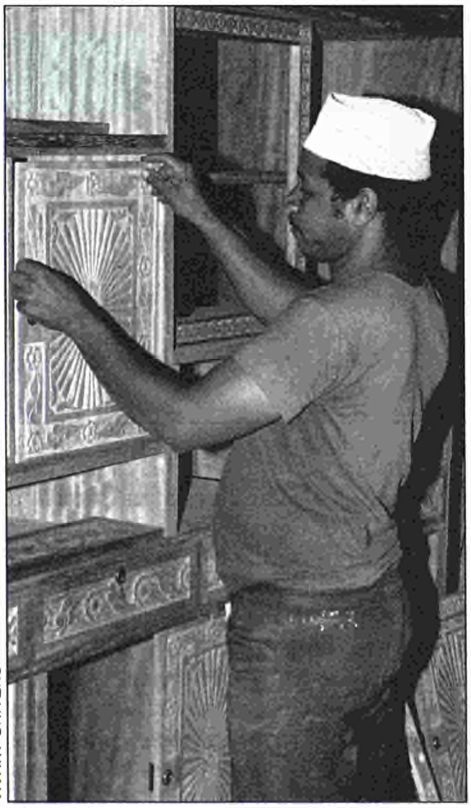
On the institutional level, at least, everything is being done in a transparent manner. Although the Government deserves credit for accepting some of the recommendations, especially that relating to the postponement of the municipal elections (going for early elections would almost certainly have ensured early victories for the ruling party), it is increasingly being accused of dragging its feet on a number of issues and not doing enough to create the right environment for multiparty democracy and for free and fair elections. Opposition parties complain of harassment by activists of the ruling party (who obviously have difficulty accepting the new political order), of not receiving enough permits to hold public meetings and of not being given access to the national radio, which is crucial in a country as vast as Tanzania, where more than 90% of the population live in the rural areas and can only be reached through this medium (see the interview with Mr Edwin Mtei, leader of the opposition party Chadema). It should be noted that the bed-rock support of the CCM is in the rural areas.

While some political pundits see the timetable for elections as also providing enough time for Tanzanians generally to be educated in the principles of multiparty democracy, it is doubtful whether by 1995, when the legislative and presidential elections are due, the rural areas will have understood its workings and its implications for their lives. In the urban areas, the political education of the public is taking place satisfactorily not only through meetings but also through the numerous newspapers that have sprung up since the liberalisation. Most of these papers are opposed to the government. The concern for public enlightenment, for example, emerged last June at a three-day seminar organised by the University of Dar es Salaam on the subject of democracy. The conference, which was well attended (including by representatives of all the political parties), recommended the establishment of what it called 'a committee for education for democracy' although its organisers could not agree on whether it should be independent or attached to the Electoral Commission. So follow-up action is unlikely.

One thing, though, which the opposition realises, is that it has to have an electoral alliance if it is to put on a serious contest in the polls. Learning from the experience of opposition parties in Kenya, they are already talking of a single presidential candidate, although rivalry among the leaders, which many believe is serious, could affect the mode of alliance.


VIVANT UNIVERS

Newspaper distribution in Dar es Salaam
The political education of urban dwellers is also taking place through the newspapers


VIVANT UNIVERS

A carpenter in Zanzibar
The union between mainland Tanzania and Zanzibar is increasingly being questioned in the new climate of political freedom

Greater parliamentary freedom

Despite the opposition parties' current ineffectiveness in shaping the politics and the political agenda, and the existence of a law (believed to be intimidatory) which requires any member of the current parliament who joins another political party to resign his or her seat, the political liberalisation is already having a significant impact on the way the government does its business. Parliamentary debate has, since last year, become much more lively, with members now able to speak more freely. The Constitution, in consequence, has come under close examination. For example, the executive powers of the president and the terms of his impeachment have been debated and, in response to public concern, corruption in high places has been questioned.

Political freedom, Zanzibar and unity of the nation

Political freedom, however, has brought with it a number of problems hitherto unknown in Tanzania — problems which threaten not only the peace and stability the country has enjoyed for so long, but also its national unity. Racial and religious tensions have increased as the ethnic make-up of the country has come to the fore in public debate. Asians, accused of exploitation, have been attacked; Islamic fundamentalism is on the rise (this culminated in April in an attack on three pork butcheries in Dar es Salaam by groups of Muslims); and the union between mainland Tanzania and Zanzibar is being called into question. The old name of the mainland — Tanganyika is increasingly being used.

It is important to recall that Tanganyika and Zanzibar became a single country (Tanzania) in 1964 when they signed an Act of Union. Despite this, Zanzibar retained its own separate administration while playing a very important role in national politics and government (75 of the 225 members of parliament and vice-presidents). Under the Act, foreign affairs, home affairs, defence, finance and higher education are the exclusive responsibilities of the national government.

Resentment in mainland Tanzania of the preponderant influence of Zanzibar on national life has always been beneath the surface. It erupted early this year following Zanzibar's unilateral decision to join the Organisation of Islamic Conference (OIC), which was judged to be in violation of the Constitution. Although Zanzibar has a historic relationship with the Arab world, its decision to join the OIC was apparently made for economic reasons (It has been in dire economic straits in recent months). The OIC is seen on the island as a means of enjoying greater access to the funds of the oil-rich Arab countries. Opposition to the union, though, is not confined to the mainland. There are Zanzibaris who believe the island would be better off without it.

A separate government for the mainland?

As the debate continues, it is reported that the Government has agreed to mainland Tanzania having its own separate government as well, probably before the first multiparty elections. What shape and responsibilities such a government would have alongside the third, the union government, are yet to be determined, but it goes without saying that it will create an additional financial burden on the country.

Economic transformation: a jigsaw puzzle

If the introduction of multiparty democracy is proving risky and complicated, the transition to a market-oriented development model appears to the authorities more like a jigsaw puzzle.

Tanzania, it should be recalled, was among a handful of African countries which chose the path of socialism for development, albeit 'African socialism'. This crystallised in the 1967 Arusha Declaration, which emphasised self-reliance and egalitarianism. Unlike those other countries whose socialism was restricted to the monopoly of state power and to some nationalisations, Tanzania's was much more profound. It extended to the organisation of society. This, admittedly, was dictated by the scattered nature of the rural settlements which make up more than 90% of the population: peasants were brought together in villages under the policy of *ujamaa* and cooperatives became the bases for development. Industries were nationalised and parastatals mushroomed. Party leaders and senior civil servants were forbidden to have private sources of income: indeed capital formation was stifled, preventing the emergence of an entrepreneurial class.

Except perhaps in the area of education, where significant progress was made (compared to the situation at independence), the policy failed to lift Tanzania up from its status of being one of the poorest and most aid-dependent countries in the world, notwithstanding the argument of its proponents that the deterioration in the international terms of trade was largely to blame. Tanzania, like the rest of Africa, has been badly hit by the dramatic fall in commodity prices, as

The Courier

Peter Ngumbulu
Principal Secretary, Ministry of Finance

President Hassan Mwinyi points out in his interview with *The Courier*. It is having to produce and export more for less income.

Although the villagisation exercise was abandoned late in the 1970s because of its very limited impact on production, a realistic rethink of policy did not occur until 1982 when a three-year structural adjustment, backed by the World Bank and the IMF, was launched. This followed a very serious deterioration in the country's balance of payments position. A disagreement with the IMF in 1985 over policy led briefly to the suspension of assistance. In 1986 another three-year structural adjustment was initiated reflecting the current thinking in economic management, which meant a complete abandonment of the central planning system in favour of the free market.

The reform measures

Under the policy change, Tanzania has to liberalise trade, prune the civil service, privatise the majority of public enterprises, liquidate non-performing assets, re-structure the financial sector, encourage private investment and carry out fiscal reforms — a complicated set of measures to be carried out under conditions of poverty and underdevelopment.

For hardline officials of the ruling party, the reforms constitute an extremely bitter pill to swallow. Their opposition to them has in fact led to fudging: at its conference in Dodoma in December 1992, for example, the party reaffirmed its belief in the basic tenets of the Arusha Declaration and, at the same time, approved the reforms. While there is a justifiable fear of changes resulting in foreign domination of the economy, observers are convinced the authorities are dragging their feet to assuage party stalwarts.

Admittedly the Government has liberalised trade, relaxed the import and export regimes and introduced foreign exchange bureaux which are already making a significant impact on the economy, but on everything else it is either hesitant or slow.

The Courier

Jackson Makweta
Minister of Agriculture

About 50 000 civil servants are to be made redundant over three years (10 000 were expected to go by June this year, 20 000 next year and 20 000 in 1995). By June, fewer than 3000 had actually been retrenched despite the earmarking of Tsh 4 billion in last year's budget for the exercise.

There are over 400 public enterprises to be sold. Although the vast majority are non-performing and therefore unsaleable, privatisation has become an emotive and sensitive issue and is dominated by the question of indigenisation, with many arguing that not enough capital is in the hands of Tanzanians to acquire the assets. Fear of foreign domination, particularly Asian domination, has meant little progress.

The Government has set up an institution to deal with privatisation. It is the Parastatal Sector Reform Commission, which is now believed to have drawn up a 'master plan'. Meanwhile, the National Entrepreneurs Development Fund is to be established with an initial capital of one billion Tanzanian shillings, 'to advance loans to individuals who wish to establish and undertake commercial projects or to acquire shares in existing parastatal organisations', according to the Minister of Finance, Professor Kighoma Malima, in his June 1993 budget statement. The principal secretary in the ministry, Mr Peter Ngumbulu, though, feels that outright sales of some parastatals 'will be desirable' in order to raise funds to pay off mounting bills.

Allied to privatisation is the restructuring of the financial sector, which was ruined by other parastatals. With the blessing of the World Bank (which provided a credit of some US$ 200 million for the purpose), the National Bank of Commerce, the Cooperative and Rural Development Bank, the Investment Bank and the Tanzanian Housing Bank are being relaunched. For this purpose the Loans and Advances Realisation Trust (LART) has been created to clear up the banks' loan portfolios and give them a new lease of life. It is required to pick up the pieces — taking over and recovering debts owed to the banks wherever

The Courier

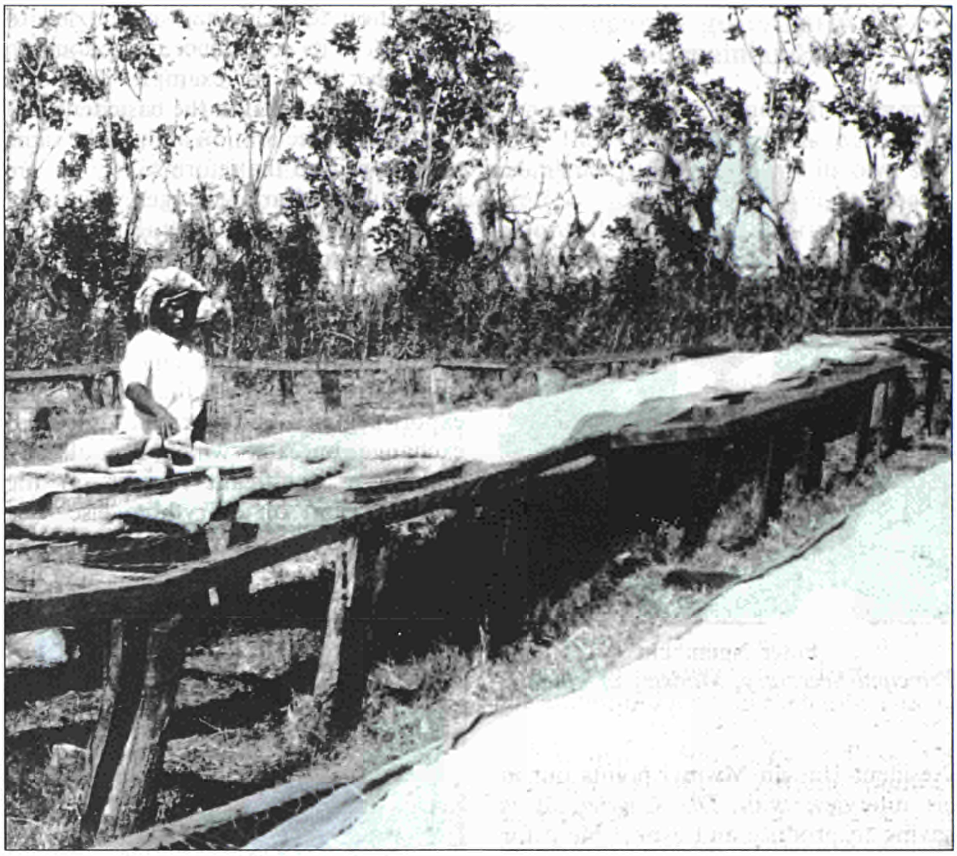
Dr George Mlingwa
Principal Secretary, Ministry of Works

possible and liquidating non-performing parastatals which are a drain on government resources. So far LART has taken over debts worth Tsh 24 billion.

The restructuring of the banks became necessary because of the massive disruption liquidations would have unleashed. The Banking and Financial Institutions Act allowing the creation of private banks was enacted in 1990. Only two banks have so far received licences to operate. It will take quite some time before they provide any meaningful competition to the publicly-owned banks.

Increasing the Government's sources of revenue

On the fiscal side, the Government is required, under structural adjustment, to expand its revenue base and combat tax evasion. In the 1992/93 financial year it ran short of its revenue target by 40% and had to produce a supplementary budget in April to tide the country over. This meant that, instead of liquidating its bank credits as it originally intended to, the Government had to borrow from the banks. Although drought and power cuts played a significant role in the revenue shortfall, sabotage at the customs and a certain lack of commitment to tax collection were largely to blame.



The Courier

Coffee drying
Export earnings from crops like coffee have fallen dramatically

For a long time the country's tax revenue was derived mainly from a small number of manufacturers. For this reason the local income tax base was expanded in the 1992/93 fiscal year. This was further widened with rates adjustment in the June 1993 budget. With the bulk of the Government's income coming from export and import taxation, however, it was necessary to place the emphasis here, especially when it became evident that import duties were being grossly undervalued by corrupt customs officials. Last year the Government engaged two Swiss pre-shipment inspection companies to carry out the task of determining the quality of goods being imported as well as the duty payable on them. This move was not well received at the customs department and the work-to-rule that followed resulted in further loss of revenue. Educating that department has not been easy. Although normality has been restored and the impact of pre-shipment inspection is yet to be seen, the exercise has already revealed the revenue potential of the sector.

The Courier

Bales of cotton in store
Cotton can remain in store for up to two years because of low ginning capacity

The Government, meanwhile, is being criticised, particularly in the press, for not recovering the money owed to it under the Open General Import licensing system (OGL), revenue which would have gone a long way towards making up for the shortfall in the 1992/93 budget. While the Bank of Tanzania has paid the Government the T shilling equivalent of the foreign exchange provided to the Commercial Banks, some companies have so far failed to pay up for the foreign exchange received in 1987, '88, '89, '90 and '91. Only 3 billion of the total Tsh 40 billion owed has been recovered. But, as Mr Ngumbulu pointed out to *The Courier,* ministries and parastatals also owe considerable sums under the system. These debts are again a dead loss to the Government. 'Some of them want me to write them a cheque so that they can pay me,' Mr Ngumbulu said. Nothing illustrates better the weakness of the Tanzanian system where indeed, as Mr Edwin Mtei pointed out in the interview, parastatals have become 'rather parasitical'.

Tanzania's exports and export earnings from 1987 to 1992 and estimate for 1993

CROP	1987	1988	1989	1990	1991	1992	1993*
COFFEE: mt	48.30	38.10	49.90	61.10	52.50	52.70	54.00
Value: (US$m)	109.40	96.39	108.03	84.69	77.25	62.40	75.60
US$/t	2,265	2,530	2,165	1,386	1,471	1,184	1,400
COTTON: mt	42.10	51.70	48.00	46.30	38.70	72.80	60.00
Value: (US$m)	43.90	75.26	64.50	74.55	63.34	97.59	84.00
US$/t	1,043	1,456	1,344	1,610	1,637	1,341	1,400
SISAL (Fibre): mt	13.80	11.20	8.60	7.70	4.80	4.10	5.60
Value: (US$m)	5.90	4.86	4.27	3.95	2.18	1.33	2.80
US$/t	428	434	497	513	454	324	500
CASHEWNUT (raw): mt	11.20	16.30	9.10	7.40	19.00	32.90	38.00
Value: (US$m)	12.40	16.05	7.39	5.60	16.70	25.94	26.60
US$/t	1.107	985	812	757	879	788	700
TEA: mt	14.00	11.20	10.90	14.80	20.90	20.40	18.00
Value: (US$m)	17.70	16.30	16.16	21.45	25.69	23.64	21.60
US$/t	1,264	1,455	1,483	1,449	1,229	1,159	1,200
TOBACCO: mt	8.20	9.80	7.70	5.90	8.60	13.10	19.60
Value: (US$m)	11.90	15.35	12.02	10.59	16.70	28.12	40.38
US$/t	1,451	1,566	1,561	1,795	1,942	2,147	2,060

NB: * Projections.
Source: Customs and Excise Department and Bank of Tanzania.

Impact of structural adjustment

These difficulties notwithstanding, structural adjustment has had a significant impact on some of Tanzania's macro-economic indicators. GDP has grown, on average, 4% over the last six years. And inflation, which once stood at over 30%, has come down to 20% with the Government hoping to bring it further down to 15% by the end of the year 'provided we control the money supply aspect of it', according to Mr Ngumbulu. On a more practical note, the reforms have brought goods flooding back into the shops. A couple of years ago the shops were empty.

EEC food aid to Tanzania being offloaded
In times of drought and poor harvests Tanzania resorts to external assistance

Reduction in foreign assistance

The years ahead will be very difficult. For one thing, Tanzania's main donors, the Nordic countries (Sweden in particular), have given notice of their intention to reduce the amount of financial assistance they give to the country, not only because of the economic difficulties they are themselves experiencing, but also because more demands have emerged elsewhere in the world. At a donors' meeting in Paris last July to review progress in economic reforms, a further US$ 1.2 billion towards the adjustment process in Tanzania was pledged, but this was US$ 100 million less than the authorities had asked for, a fact which observers say constitutes a warning to the Tanzanian Government about the slow pace of reform and the depth of corruption in the country.

With hand-outs becoming rarer, smaller and conditional, never has the self-reliance goal of the Arusha Declaration had more meaning. Working realistically towards its attainment will entail a greater commitment to change than has been seen in recent years. Tanzania, like many African countries, is endowed with certain natural advantages.

Exploiting the tourist attractions

There has to be, for example, a more serious approach to tourism, which has great potential for growth and for foreign exchange earnings. Kenya's attractiveness has in the past adversely affected Tanzanian tourism, as package tours combining the two countries, which were the commonest features of the industry in the 1960s and '70s, were booked and paid for in Kenya or abroad. But Tanzania has itself to blame for not adopting a policy that would have allowed adequate exploitation of assets that equal (if not surpass) those of Kenya: the Serengeti, Monrongoro, Kilimanjaro and numerous white sandy beaches. Take, for example, the requirement of hotels to be built well away from the beaches. Environmentally correct and ahead of its time though the regulation was, it is believed to be one of the factors that kept investors away from the country. The best hotel in Dar es Salaam, the Kilimanjaro, owned by the government, could not have been conceived of by any stretch of the imagination as a place for relaxation. Tourists on package tours which included Kenya usually spent a couple of hours or a day in Tanzania for its wildlife and returned to Nairobi or Mombasa. Correct investments in hotels and promotional campaigns would have ensured higher earnings from tourism over the years. The industry, which declined in the 1980s, though, is beginning to recover. Some 170 000 people visited the country last year, up by over 10% from the previous year. It is expected that with the country's conversion to the free market, appropriate policies will be adopted.

The private sector

A free-market economy is driven by the private sector. The private sector in Tanzania is very small. In fact, it consists essentially of Asian traders. Manufacturing, which is embryonic, is dominated by state-owned factories. Unfortunately, little positive action is being taken to encourage private investment from abroad, especially in the current climate of fear of foreign domination of the economy. Surprisingly, the impression is sometimes given of significant foreign interest. *The Courier* has learned of several investment fact-finding missions which yielded nothing. Yet the thinking in government circles is for foreign investments to be restricted to export-generating concerns and 'some areas of import substitution', as if so many offers have been received that the country can afford to pick and choose.

The informal sector, however, seems promising. A number of international and non-government organisations are in fact concentrating their assistance in this area. The redundancy package handed out by the Government to the civil servants being laid off will encourage its growth.

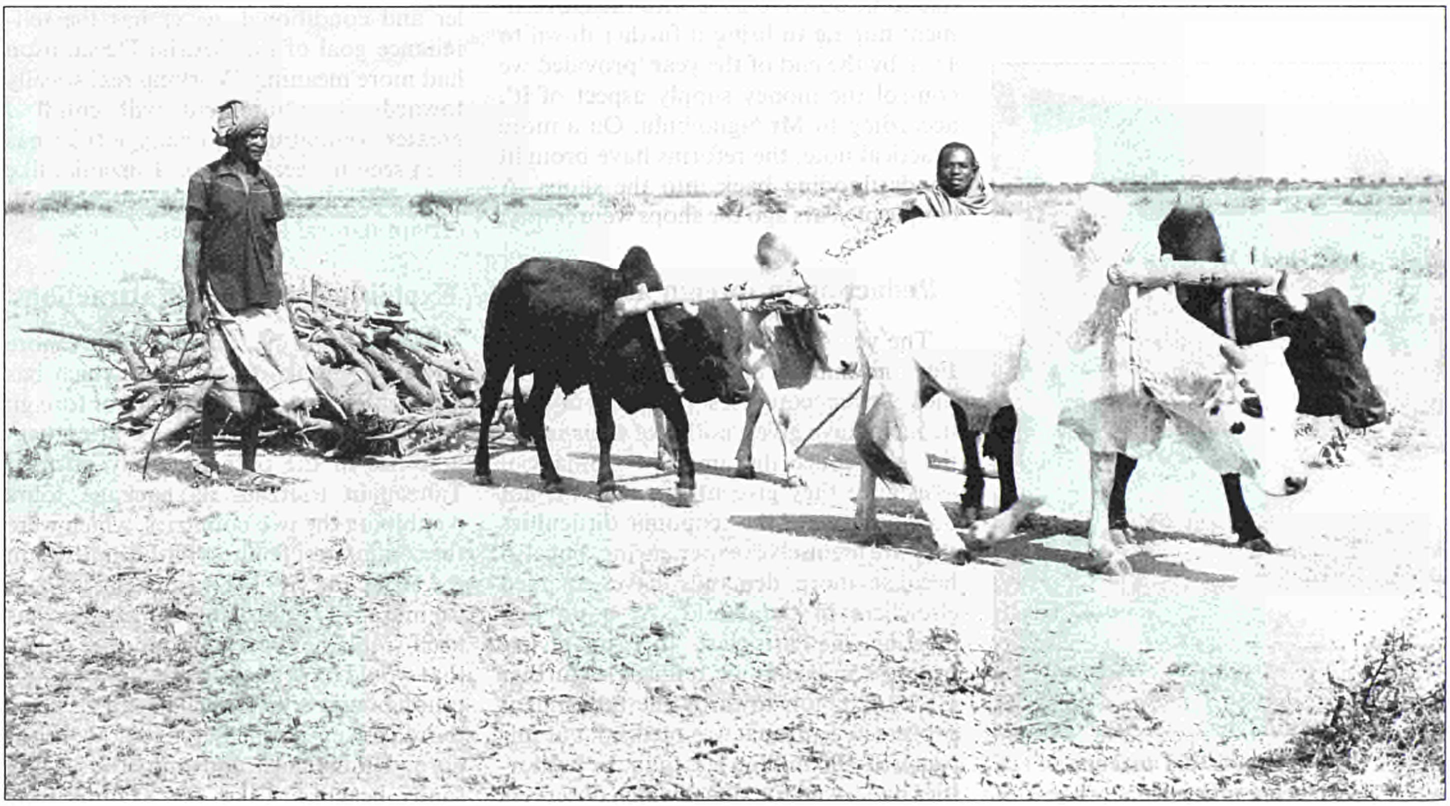
Agriculture: its strength and weaknesses

In the short and medium terms, Tanzania's economic situation will be determined by the strength of its agriculture, from which over 90% of the population currently derive their livelihood and which accounts for nearly 85% of export earnings. In recent years agriculture has been badly hit, not only by the fall in commodity prices, but also by drought.

Good rainfall in the past ten months has resulted in very satisfactory harvests this season. Some 4 million tonnes of cereal are projected by the time everything is gathered in. Cotton output is up (by May, 306 617 tonnes had been purchased from farmers against the 267 009 tonnes bought in the 1991/92 season), and coffee production has gone up from 48 000 tonnes to 59 000 tonnes.

'In a good year, Tanzania can be self-sufficient in food,' Minister of Agriculture Jackson Makweta told *The Courier*. Its varied ecological zones translate into a variety of crops. The most fertile parts are in the periphery where the population is concentrated. Occasional drought means that, from time to time, Tanzania has either to import foodstuffs or depend on food aid. But it should not be so for a country of about 27 million people endowed, as it is, with good rivers and lakes. Its irrigation potential is tremendous. 'We could have reliable food production if we tapped the rivers of the southern highlands, but, as you know, this is very expensive' says Mr Makweta.

The liberalisation of trade in agricultural produce has resulted in better food



The Courier

Making a living out of a soil stripped bare of its vegetation
Cattle grazing is turning the land into a desert

distribution. But Tanzania still has a long way to go to overcome this and other constraints on this sector.

The country's inadequate road network, the poor state of the existing network and high transport costs have given rise to two major problems: loss of substantial harvests, despite the storage facilities built around the country in recent years with FAO and EC assistance, and high prices. Locally produced food is often more expensive in the urban areas than imported food. 'The key question,' says Mr Makweta, 'is the preservation of grains, since, even in the areas with storage facilities, pests destroy foodstuff.' A second problem relates to the ginning capacity of the country, which stands at only 40% of the cotton produced annually. This means that cotton stays in storage for a long time, sometimes for up to two years, delaying export and earnings.

Because of the vital importance of road transport to the economy, road construction and maintenance is an important aspect of the EC's cooperation with Tanzania under the Lomé Convention. The EC has funded and is still funding several projects aimed at improving regional cooperation, communication and trade between Tanzania and neighbouring countries. These roads have enormously improved the utilisation of the capacity of the port of Dar es Salaam.

The EC is also among the 18 donors financing the most ambitious road project Tanzania has known — the IRP (integrated roads project), which is part of the economic reform and recovery programme backed by the World Bank. The project, which involves the reconstruction of both feeder and trunk roads, is aimed at raising their level of utility and efficiency from 10-15% to 50-70% by 1995, according to the Minister of Works, Dr George Mlingwa. Halfway through, its impact is already being felt. Traffic has increased, transport costs have come down and goods and people are moving around faster than before. 'For example, a journey from Arusha to Dar es Salaam which four years ago took 16 hours to accomplish by road can now be done in eight hours,' Dr Mlingwa told *The Courier*.

Since last year, agriculture has been confronted with another serious problem: the provision of inputs, especially fertilisers. Before the reforms, the Government received fertilisers directly from donors for distribution to farmers. As a result of policy changes, all donors' assistance last year was channelled through the OGL system. Minister of Agriculture Mr Makweta claims that this resulted in Tanzania receiving no fertilisers at all before the beginning of the planting season. Emergency action by his ministry averted disaster. This year the country has only 70 000 tonnes of fertilisers instead of the usual 200 000, he said. His attempt to get donors to change this policy has failed. Donors insist on adherence to the free-market principle. With nowhere to turn to, Mr Makweta is urging the government to set up an agricultural input fund from which money can be obtained for the purchase of fertilisers rather than his ministry depending on its annual budget allocation. He fears that if nothing is done, agricultural production will fall drastically in the coming years.


The Courier

Officials from the EC Delegation meet with the Minister of Agriculture to sign the agreement providing for the payment of Stabex funds direct to farmers

It is one thing obtaining inputs, and quite another providing an incentive to farmers who have for some years now been getting a raw deal. Payments are not only low, they are also delayed. The buying cooperatives have the habit of paying advances to farmers from loans which attract high interest rates. The result is that, by the time the cooperatives sell the produce and pay interests on the loans, not much is left to make good final payments to the farmers. It is in response to this situation that Stabex payments are being made for the first time ever directly to the farmers concerned. An agreement to that effect between the Minister of Agriculture and the EC Delegation was signed in Dar es Salaam last June.

Another crucial issue for agriculture, however, is the question of land reform. Socialism has meant land has been free for everybody to use. But 'there can be no sustainable development of agriculture without resolving the question of land ownership,' admits Mr Makweta. As well as giving farmers security of tenure and the incentive to invest, the Minister explains that the issue is one of the reasons why 'this resource-rich country is experiencing serious environmental problems. Cattle from the extreme north are left to roam all over the country, destroying crops, causing soil erosion and turning the countryside into desert because land belongs to everybody and everybody's property is nobody's property.' The plan is to designate areas for cattle grazing (there are 13 million cattle in the country) and areas for farming. Mr Makweta admits, though, that determining who owns what and releasing land for sale in a country with varying customs and traditions over land use will be extremely difficult. There is hardly any area of Tanzanian life in which the reform process does not present similar dilemmas. ○

Augustin OYOWE

We have to be 'cautious' with reforms

Interview with President Hassan MWINYI

Stepping into the shoes of no less a personality than Nwalimu Julius Nyerere must have appeared an awesome task for Ali Hassan Nwinyi when he took over the presidency of Tanzania in November 1985. Eighteen months earlier he was no higher in the national hierarchy than Zanzibar's minister of natural resources and tourism: elected president of Zanzibar in April 1984 and thus vice-president of Tanzania, Mwinyi was placed in a unique position to succeed Julius Nyerere when he retired in November 1985. As the sole presidential candidate in the October election for succession, he obtained 95% of the votes cast.

President Mwinyi may never match the international reputation of Julius Nyerere but, internally, he has proved to be the right man at the right time for Tanzania, courageously overseeing, in these times of changes in the world, a re-direction of both political and economic policy. Reforms aimed at transforming the 'socialist' economy into a market-oriented one are being introduced and Tanzania has been set on the road to multiparty democracy. ***The Courier*** *interviewed President Mwinyi on these changes.*

► *Mr President, critics say the Government was bounced into political reform by donors. Was the decision to democratise therefore a half-hearted one?*

— Our decision to set out on the road to multiparty democracy was not at all a half-hearted decision; we meant it because we could see the changes taking place in the world and we thought changes here too were inevitable, and for us the sooner the better.

What we did in fact when we came to this conclusion was, first, to set up a Commisson headed by the Chief Justice to go round the country and seek the views of the people whether they would like us to go multiparty or retain the single party system. It took him and his Commission one full year to go round the country asking that question and discussing with people. In the end they found that **80%** of the people would rather like the country to remain a one party state, 20% decided that they would like to see a change.

As I said earlier, we saw the need for change, and therefore we had an extra job to convince the 80% of our people to accept the minority view of a multiparty system. So when we started, we started in earnest; we knew what we were doing and we did it deliberately because we knew for certain that one day we had to change. So why delay?

► *Elections are not due until 1995; that is a long way away. What role, meanwhile, do you expect opposition parties to play?*

— Well, opposition parties are opposition parties, aren't they? They do not have to wait for the government to assign them a role. Their main task is to act as the main critics of government activities. They have been doing that effectively since they came into existence. We now have 11 fully-fledged registered parties and more are in the pipeline — not yet fully registered. As a matter of fact these newly-formed parties have ganged together to oppose all the activities of the government. So already they are in tune and do not need to wait to be given any role. And we are glad they are doing so.

► *They complain they have no access to the media. How does the Government intend to rectify this?*

— It depends on what they mean by access to the media. We hear them, for example, every Sunday (I think twice a week) on the airwaves. If they want to monopolise the media that is not possible, because, after all CCM is the ruling party. We issued a manifesto; we promised our people to do certain things and we must use the media, particularly the radio which covers the whole country at the same time. We need the radio to explain to them what we are doing and how far we are implementing the decisions of the Government or their decisions. The Government, of necessity, requires the media to explain itself. Opposition parties are given the opportunity, twice a week, to explain on the radio what their policies are. In addition to that, they operate some 20 newspapers (against two for the Government) through which they propagate their own views.

▶ *There has been some kind of religious extremism expressed in the country in recent months. To what extent is this a threat to peace and stability in Tanzania?*

— Well, with the advent of political liberalisation, the newly-won freedom of speech and expression has brought to the surface elements that never existed before. It is for this reason that Tanzanians appeared shocked at what has been happening; it is the teething experience of the process of democratisation. So we feel it is just a passing phase.

▶ *The union between Zanzibar and mainland Tanzania is increasingly being called into question in both the island and the mainland. How do you see the future?*

— The future is still very bright. As far as I am concerned, the debate on this issue is a healthy thing. In the past when the union was formed — some 30 years ago — the people of the mainland and of the island invested their trust in the decision of the founding fathers. To them, they were very honest leaders who wanted something which was for the good of the mainland and Zanzibar. They trusted them. So nothing was ever questioned. What they said was, 'well, we trust you and if you feel that we should unite, it is a good thing and we will support this'. But now the younger generations (and some of these young people are highly educated) are inquisitive; they ask questions and they like arguing. But I believe they do so for the betterment of the union. So whatever comes out of this discussion and debate can only be to strengthen the union rather than to weaken it.

▶ *Nevertheless, given the new political context, will a revision of the treaty uniting the two parts of the country be necessary?*

— I will not rule that out. It may or may not be done; it all depends on the direction of the debate and the outcome.

▶ *Tanzania has been involved in economic liberalisation for some years now, but the process appears very slow. Why?*

— It is a matter of opinion really. Some people, our donors especially, think we are moving slowly, but we are of the opinion that we are maintaining the right pace. We are at the moment carrying out a series of reform programmes. We not only have political reforms; we have also parastatal reforms, civil service reforms, budgeting and planning reforms, land reforms, etc. We are restructuring our banks, giving them much more freedom than they have had. We have introduced foreign exchange bureaux. In fact there are so many changes taking place at the same time. We need to be careful and we have to be cautious. I would say moving slowly but surely.

▶ *Fine, your economic reforms are obviously market-oriented. Is the Government therefore abandoning the Arusha Declaration?*

— We have to move with the times. That does not mean we are dropping the Arusha Declaration, but we feel that, at the moment, we have to do what is current. We have to go along with the current thinking, we cannot adhere strictly to ideas which may not be profitable at the present time.

▶ *Tanzania is one of the highest recpients of foreign aid in Africa. Is there not a risk of developing an aid-dependency culture?*

— This is an issue we have ourselves discussed on many occasions. We hold seminars, and whenever possible, we discuss it. Of course it is not our intention to be aid-dependent. From the outset, we meant to be self-sufficient and the Arusha Declaration was aimed at doing just that. But the existing world economic climate is not in favour of countries like mine. There are a good deal of unfair practices (if I might put it that way) against Third World countries. We depend, for our development, on commodities — agricultural products whose prices keep fluctuating, and always downwards. I have been in Government for eight years now and in these eight years the prices of commodities have been falling steadily. For example, not so very long ago our coffee fetched some 3000 pounds sterling a tonne, now we get around 600 pounds. Our cloves in Zanzibar used to fetch some 9000 dollars a tonne, they now go for as little as 1100 dollars. And this has been happening with all other commodities. So as long as we do not earn fairly from our products we are forced to be dependent on aid. But we would prefer fair trade to aid.

▶ *Given what you have just said about trade, it is evident that regional cooperation, especially within this region (eastern Africa) will be crucial in the years to come. How do you see cooperation developing between Tanzania and its neighbours? Will you favour the revival of the East African Community, for example? What about SADC and the PTA?*

— We would indeed like to see the reappearance of the Community grouping Tanzania, Kenya and Uganda. In fact, feelers are out and initial discussions have taken place with a view to reviving the East African Community and boosting cooperation and trade. At the same time Tanzania, which is a member of both SADC and PTA, is working to strengthen both organisations, again for the same reason. We feel that one cannot go it alone, we must move with others; we must join hands with others if we are to get the full economic benefit of our efforts.

▶ *Finally, Mr President, given the changes that have taken place in the world in recent years, in particular in Europe, how do you see relations developing between Tanzania and the European Community?*

— We have always looked upon the European Community as a partner in development. We live in a small world and the amount of interdependence between the developing and the developed world is growing every day. We feel it would be to the advantage of both the developing world and the EEC, for example, to work as closely together as possible, because our prosperity will reflect in their own efforts to boost their economies. And our failure will to, a certain extent, be felt in the Community. So, if we can work together it will be for mutual benefit. We depend on them, we feel that we should work with them to help us develop. That is our view.

Interview by Augustin OYOWE

Confident of victory, come 1995

Interview with Horace KOLIMBA Secretary-General of *Chama Cha Mapinduzi* (CCM)

Chama cha Mapinduzi (CCM — Revolutionary Party of Tanzania) came into being in 1977 as a result of an amalgation between the ruling parties of mainland Tanzania and Zanzibar: TANU (Tanganyika African National Union) and the Afro-Shirazi Party respectively. Since then CCM has ruled Tanzania as the sole legal political party. New political parties have now been authorised and in 1995 there will be, for the first time, a multiparty general election. How is CCM adapting to the new situation, having to vie for political power with others? ***The Courier*** *met its current Secretary-General, Horace Kolimba.*

▶ *Chama Cha Mapinduzi describes itself as the party of the masses, but it is yet to test its popularity in a truly multiparty general election. After so many years in power, how confident are you Tanzanians have not had enough of your party?*

— CCM is a mass party in the sense that it is not what they call a vanguard party, i.e. a party of the privileged few. First of all, let me make a minor correction. We have already had one by-election: this took place in the context of the multiparty system in Zànzibar at a constituency called Kwahani. There, the opposition got 211 votes, CCM mustered some 2 600 votes and about 300 ballots were spoilt. So we had a small taste of it. However, we are looking forward to the municipal elections due some time next year and to the general elections under the multiparty system in 1995.

▶ *You refer to the by-election in Zanzibar as a small taste of the multiparty system, but only one party actually took part; the others boycotted it.*

— That was an advantage to the opposition, because the other parties then came together and urged their supporters to vote for TPP, which stood against us.

▶ *You would admit, though, that the CCM has an unfair advantage in being very long established and more financially secure and having the radio at its disposal?*

— Well, we do have historical advantages and historical disadvantages. As you yourself put it, we have been there for a long time. People are now showing interest also in some kind of new ideas and new people. But we have advantages in the sense that we can point to our achievements. We have an organisation which is extensive and which has a good membership. We have assets in terms of houses, vehicles and so on. But these things have not proved an obstacle to the growth of opposition parties elsewhere in Africa. These parties have had to face the same situation and they have fared fairly well. We have recent examples in Africa of opposition parties which have done well despite these handicaps. They can still do well if they organise themselves properly.

▶ *Opposition parties here have alleged their members are being harassed by CCM. What exactly is happening?*

— Speaking as Secretary-General of CCM, I must say we take all allegations of harassment very seriously, because it is not part of our approach to multiparty politics. We genuinely want the growth of the multiparty democracy, we want it to succeed. We will not condone any conduct that is unfair to the opposition parties. Prominent members of our party, from the Chairman downwards, as well as the President of Tanzania have spoken out publicity against it. Opposition parties are allowed under our Constitution, and we are reconciled to that. Incidents of harassment, we know, will happen, especially at the beginning when people are learning to tolerate one another. Even we ourselves are not happy with some of the activities of the opposition, but we have to tolerate them, so long as those activities do not result in serious infringement of the law.

▶ *How is CCM financed at the moment?*

— I wouldn't say we are a very comfortable party, financially: we do get by, however. One of our problems, of course, is that, under the multiparty system, we cannot get funds from the Government. In fact since July last year we have not received a cent from the Government. We have had to depend on ourselves. We have also had to separate functions, because people used to have party and Government functions at various levels at the same time. Since these functions have been separated we can no longer use Government facilities as we used to. Financially we now depend on our members, on people who wish us well, and on the commercial activities of our party organisations.

▶ *The Constitutional Commission has recommended that CCM should transfer some of its assets to the Government. Has it done that?*

— Unfortunately, the Commission made that recommendation without giving solid reasons or even giving a sound legal basis for it. CCM has been a legal political party for a long time under our Constitution. It has acquired properties in the ways other political parties acquire them. These properties belong to CCM. We do not see any reason why we should hand them over to the Government. They have said that some of the properties were acquired partly with contributions from people who are not members of the CCM. But this is normal. Even the new parties will also ask for donations and contributions from sympathisers who are not members. We cannot on this basis alone say that properties they acquire in this manner are not theirs.

► *The Constitutional Commission also recommended the repeal of about 40 laws it felt are inappropriate in a multiparty democracy. What does the CCM think about that recommendation?*

— It is a sound recommendation. I think when you move from a one-party to a multiparty system it is only fair to look at all the laws to see if they are compatible with the new situation. But what we think should happen is that these 40 laws which have been identified by the Commission should be examined and analysed. Some of them should be discarded, some modified and others, we may find, are still useful. This process of analysing is taking place right now. The Government has said neither yes nor no: it cannot accept the proposal wholesale. This is something that has to be done carefully. Each law has to be examined to see if it is compatible with a multiparty system.

► *The opposition parties have also asked for some of their members to be appointed to the electoral commission. Do you think it is a valid demand?*

— No. I think it is a very unwise demand, because we want to have an electoral commission which is impartial, competent and effective and this is what we have now. We have a commission consisting of people of high integrity in our society. There are judges (two judges of the Court of Appeal) — people of high integrity, great learning and great experience in judicial work. You have people who have distinguished careers in public service. You have a former attorney-general, who was an adviser to Sam Nujoma in Namibia and has been involved in United Nations work. He is by all accounts a distinguished citizen of this country. You have a former Inspector-General of Police. In fact the commission is made up of retired people who have nothing to lose by being fair.

If we should have members of political parties in the commission, consider first of all the problem of 11 political parties, including CCM. Should each be represented, we would have at least 12 people. It will not work, because they will bicker and fight amongst themselves instead of conducting elections. The best formula, I think, is to associate the parties as much as possible with the electoral commission, as we are doing now — all of us meeting under the umbrella of the commission and exchanging views, so that the electoral commission can take them into account. This should be done constantly. I think this is the best formula.

► *Talking about high integrity, you know corruption is rife in Africa. What is CCM's position on high-level corruption in Tanzania?*

— It is an evil which we recognise and against which we must fight. A lot has been done here to fight corruption in low and in high places, and this must continue. I don't know if you want me to outline some of the measures which have been taken. We have an anti-corruption squad which is operating independently, and its existence itself should show our concern about this evil in society.

We recognise, nevetheless, that the biggest source of corruption is shortages — shortages of essential goods which people need. And these shortages have now been more or less eliminated through our new trade policies. We now have a lot of goods in our shops. We no longer have to have permission or coupons from officials to buy a radio set, sugar, rice and so on, because these things are now freely available in the shops.

Another source of corruption is the lack of transparency in Government business. This has been largely rectified: first by allowing our members of Parliament to ask questions and speak freely without fear of harassment, and secondly by allowing a free press — a private press. A lot of things have now come out as a result. I think this is a big help in the fight against corruption. Do not forget also the example of a President here who actually dismissed the whole cabinet on the issue of corruption. He said he wanted to start anew because of allegations against the Government. The new cabinet he formed left out five ministers whose ministries had become notorious for corruption.

► *What is CCM's economic philosophy today? What about the Arusha Declaration, Ujamaa, etc.? Is socialism dead here?*

— (Hesitation) I wanted to say you are being provocative. CCM is a party of social concern. In other words, because of our historical origins and our historical approach, we are a party which looks at success through the welfare of the masses, not just economic growth, for that will be looking at things from a narrow prospective. We look at the development process in terms of the welfare of the broad masses of the people, in terms of their incomes, the social services which they enjoy and equality in justice for all. Because we have this approach of looking at development success in terms of the welfare of the broad masses rather than the welfare of just a few, it makes us believe that we are a socialist party.

But let me also add that we are under no illusion that this means that everything must be manned by the Government or indeed that the major part of economic development must be undertaken by the Government. No. We are realistic enough to learn from our own experience; we know the limits, after the Arusha Declaration, of relying too much on the public sector. This has limited our growth potential. We also learn from other countries, in Africa itself and in Europe: we have no qualms about our belief that our economic strategy must include the private sector, which must be given a big role to play in our economic growth. We must welcome investors, both internally and externally. We recognise the potential of exploiting the market-oriented model of economic development by allowing market forces to play an important part. So when we met last year in our CCM conference in Dodoma, we were able to articulate these policies and to move away from the notion that socialist development requires public-sector dominance. We have said very clearly that the people themselves — individuals, associations, companies etc. — should become the engine of development. Now the question is, is this socialism? Well, as long as the fruit of development goes back to the people in terms of expansion of education for the masses, of health and social services (clean water, good roads so that their crops can be transported from the villages) and so on, as long as the fruit of development reaches the broad masses of the people eventually and inevitably by design, why not call it socialism even if these were achieved largely through the private sector? It is a policy and an ideology with a high social concern.

Interview by A.O.

Government commitment to democracy doubtful

Interview with Edwin MTEI, Chairman of the Opposition party *Chadema*

Sixty-one-year-old Edwin MTEI is the founder and chairman of ***Chadema*** *(Chama cha Demokrasia na Maendeleo), one of Tanzania's growing opposition parties. Once a member of the country's sole legal party (CCM), he has held a number of important positions both nationally and internationally, among them Governor of the Bank of Tanzania (1965-74), Minister of Finance and Planning (1977-79) and Executive Director, International Monetary Fund (1982-86).*

What is it like setting up as an opposition party in Tanzania? What has Chadema got to offer? ***The Courier*** *spoke to Mr Mtei. First, we asked him why he broke away from CCM to form his own political party.*

My breakaway from CCM occurred very early in my career. I was Minister for Finance from 1977 to end of 1979. As a result of differences between the then President Julius Nyerere and myself over the management of the economy, I resigned. And I decided to go into farming instead of remaining in public service.

▶ *What clearly distinguishes Chadema from other opposition parties?*

— Chadema is not afraid of saying that the best way of running our economy is to adopt an approach that follows market forces. But it appears that CCM and many other parties here are hesitant and they are ambivalent as far as that is concerned. We are not afraid of saying that socialism as such will not work in this country.

▶ *You have said that because you were a member of CCM you can easily point out its weaknesses. Apart from socialism, would you care to outline just a few of those weaknesses?*

— Yes, actually my own assessment of the CCM leadership is that even their idea about democracy is muddled. They do not believe in genuine freedom and even in genuine democracy at this moment. In fact they have almost confessed that the reason they adopted the multiparty system is because of their desire to secure financial aid for this country. The president himself has actually confessed that publicly. Furthermore, their lack of commitment is demonstrated by the fact that, following the introduction of multipartyism, they have actually tried to muzzle us by restricting us from being heard by the public and allowing the public to make their own decision as to what political affiliation they want. Right now we are not allowed, for example, to air our views on the radio. And in a large country like this, where people are poor and unable to read newspapers, you cannot just depend on newspapers to spread your ideas. You have to be heard over the radio. We have had to sue the Government so that Chadema and the other political parties can be heard so as to enable the people to choose their political affiliation.

▶ *The matter is still in court?*

— Yes. The court has not yet ruled.

▶ *Many Tanzanians, though, believe that opposition parties are just simply serving as vehicles for personal political ambition. Are you using Chadema to advance your own political career?*

— That is a very uncharitable thing to say. I don't think Chadema is a vehicle for political ambition. Chadema is led by people who are prepared to sacrifice their time and their resources, people who believe they have a mission to establish freedom and improve the living standards of our people. We are not out to make money. The founders of our party are not people who are looking for jobs; they are self-employed people in the professions or in business.

▶ *Are you confident then, when it comes to defending your own personal record, that you will not be painted with the same brush as with CCM? After all, you were a member of that party and you held responsible positions.*

— No. Actually I can claim to have a good record of public service of which I am proud. After holding various positions and resigning as I mentioned earlier, I sold my house in Dar es Salaam and bought a coffee farm in Arusha where I lived for about three years, before the governors of the International Monetary Fund and the World Bank elected me executive director of the IMF to represent English-speaking African countries on the board of the IMF.

▶ *You have already indicated some of the difficulties you are encountering setting up as a political party. Are there more? The Constitutional Commission has recommended the repeal of 40 laws to make life easier. Would that do?*

— We have said that genuine democracy cannot be established without the repeal or the substantial amendment of the 40 obnoxious laws which are in our statute books. And some of them, like the Preventive Detention Act, is a sort of sword of Damocles hanging over us all the time. If you are making a public speech and all the time you are looking over your shoulder, wondering whether the soldiers are about arrest you, you cannot be as free as you would like to be. And there are many laws on our statute books which threaten various freedoms — of speech, of movement, etc.

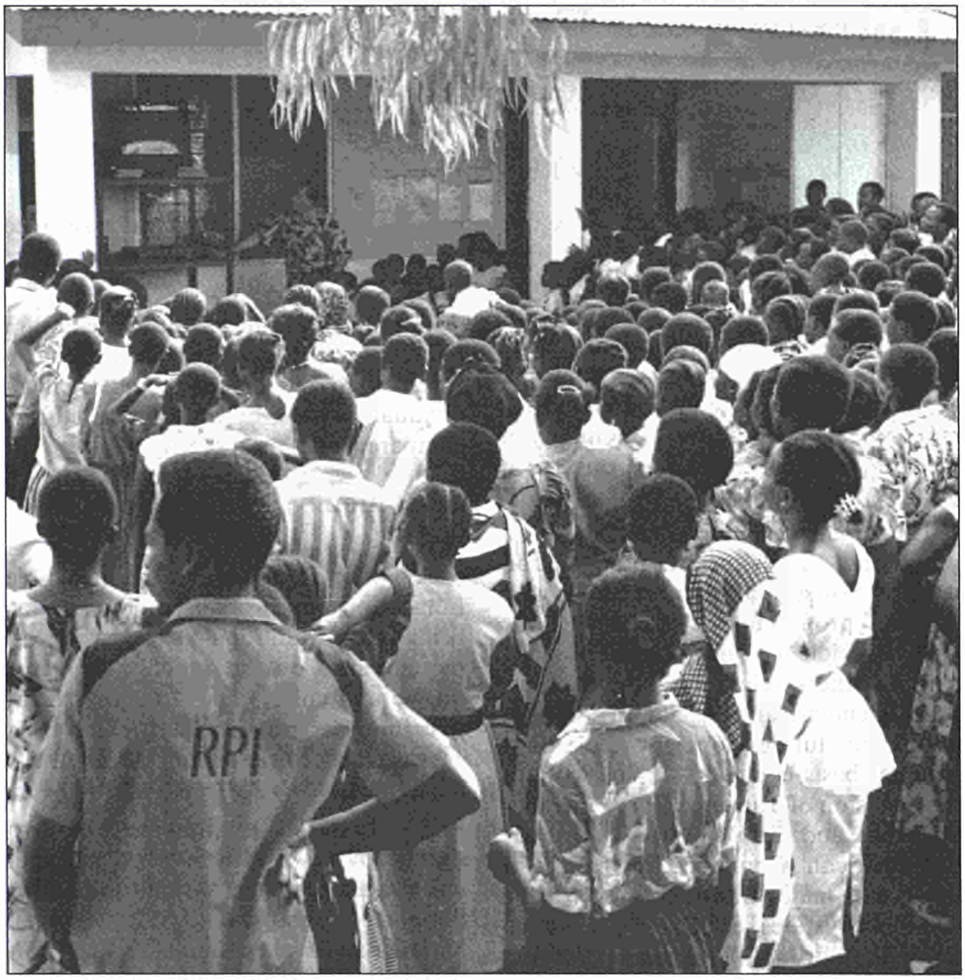
We have also discussed the question of involving all the political parties and the civil organisations, like Chambers of

Commerce, trade unions and religious organisations, in a participatory manner, in rephrasing and reframing the Constitution of Tanzania. The party in power says we have no mandate to discuss the Constitution, but our argument is that, since a substantial number of people have left CCM to form or join other parties and there is so much disgruntlement with the system, it is good that all of us should be involved in the design of the sort of social contract applicable under a multiparty system.

▶ *From what you have already said, it is very easy to see where you stand on the political spectrum. You stand for market-oriented development, for liberalisation as well as for foreign investment. In other words you do support the reforms being carried out by the Government. But you have also spoken publicly about indigenisation, warning against foreign domination of the economy. That smacks of xenophobia, doesn't it, at a time when Indians are being accused of domination?*

— I think there is a little bit of misunderstanding about the way in which our party, Chadema, advocates the non-marginalisation of the indigenous people. The indigenous people of this country have been marginalised in the sense that even prior to independence they were not even allowed to borrow from the banks, let alone put money in them. To open an account, you had to go and get a DC's permission. The indigenous people were only used as clerks or supervisors of the coffee and sisal estates.

At the time of independence there was in fact an attempt to Africanise the civil service. And incidentally I was appointed the chief Africanisation officer of the civil service by President Nyerere in 1962. Unfortunately he did not remember that there was a need to Africanise the industrial and the trade sectors. He only Africanised the administration. What happened was that, after the Arusha Declaration in 1967, he thought he could involve the bulk of the people by nationalising — ie ensuring that companies are owned by the State so that the indigenous people could be partners in them. But the result has been that even the institutions which were created under the Arusha Declaration, the financial institutions especially, have been extensively used by parastatals which have proved rather to be parasites. They have collapsed and they are no longer of any use, even to the local people, as they are no longer producing anything. They are all bankrupt now. The Arusha Declaration, literally, was even worse; it prescribed that only people who are within certain salary levels could invest in the private sector. You could not have two salaries, you could not have shares and things like that. Even people who got senior positions as a result of Africanisation were unable to acquire any wealth. So we have been marginalised all along.



A crowd watching a video on government policy at Manzese in Dar es Salaam
'...in a large country like this, where people are poor and unable to read newspapers, you cannot just depend on newspapers to spread your ideas'

The intention now is to ensure that Africans, at least the indigenous people, are involved in the mainstream of the economy so that we cease to be marginalised. And we will do it by involving the international community, the local people who happen to be non-indigenous who are in industry and in commerce now, and the Government itself. We would use techniques such as favourable terms of credit, allocation of land licences. We are not going to pick up stones and spears and guns and chase people away from this country. We are going to involve everybody to bring people who have long been marginalised into the mainstream of the economy. You cannot call that discrimination.

▶ *Given what you have just said, how do you see privatisation?*

— Privatisation is in fact what we have been advocating, even now as a party. We have to privatise because it is not possible to run anything efficiently with bureaucracy. Privatisation is necessary, but we have to do it in such a way that we do not make our economy too foreign at the same time. What we can do is to have some sort of caveats in the negotiations in such a way that, as the new shareholders take over the parastatals, they reserve either a portion for local people now or a portion of the shares to be sold at a later date to local people when they are available. It is a question of looking at each industry during negotiation and arriving at an appropriate agreement before privatisation. ○

Interview by A.O.

Tanzania — European Community relations

by Karl HARBO *

In a previous Courier country report on Tanzania, the long history of EC-Tanzania relations was recounted in detail. These relations involve a combination of strong, historical, bilateral links between Tanzania and individual EC Member States on the one hand and the more recent ones with the Community in the framework of the Lomé Convention on the other.

The Community sees Tanzania as an important development cooperation partner. For several Member States with bilateral programmes, Tanzania is the largest recipient. This is the case for, among others, Germany, the Netherlands, Denmark and Ireland. In addition, no meaningful development effort on a regional basis could take place without the inclusion of Tanzania. It is a member of SADC and the PTA and is a former East African Community partner. It serves as a major transit country for the landlocked states of Malawi, Zambia, Rwanda, Burundi, Uganda and Zaire. The port of Dar es Salaam serves several countries in the area.

Under successive Conventions, the EC-Tanzania relationship has been expanded to new areas to address the issues facing Tanzania and the wider region. This has happened in close cooperation with EC Member States and other bilateral and multilateral donors. The most significant result of this effort was a doubling of financial assistance, during the years following the 1986 Economic Recovery Programme, to more than $1 billion annually. The negative side effect of this has been an overdependence on external assistance to the detriment of internal efforts. The rapid increase in aid flows led to a corresponding growth in the number of individual projects, with the result that the Government of Tanzania's own resources, in terms of both finance and manpower, became too thinly spread. Both government and donors are aware of this unsustainable development especially at a time when the competition for external assistance from other regions, including Eastern and Central Europe and the Middle East, has become fierce. Better use of the assistance and concentration on priority areas have become key objectives.

The aim of the public expenditure reform which is currently being undertaken is to reduce the number of individual projects by more than half, as compared with the 1992 figure.

Evolution of National Indicative Programmes

The programmes under the first three Lomé Conventions can be described as being of the traditional project type with the emphasis on the agricultural sector (maize and coffee) and transport infrastructure. Geographically, there has been a heavy concentration on the Southern Highlands.

The Lomé III programme had two significant new features. The principal one was a large-scale Agricultural Sector Support Programme (ASSP) with an initial financial allocation of ECU 94 million. However, major policy reforms were delayed and the institutional framework, especially the cooperatives, collapsed, with the result that not all the objectives were achieved. The other important change was in the form of the initial structural adjustment support programmes, although these still had only limited objectives and contained traditional project implementation elements. Nevertheless, with an overall budget of ECU 330 million (under the NIP, European Investment Bank funds and regional resources), the Lomé III programme not only signalled an increase in resource transfers but also introduced the aforementioned new features into programme formulation.

The Lomé IV programme, with an initial funding ceiling of ECU 225 million, continued this process and has been dominated by the structural adjustment programme. It has coincided with the transformation of Tanzania's economic and political system from a centrally planned collective one to a liberal one based on pluralism and the efforts of private enterprise. The process will take some years to complete and it is premature to make judgments or predictions as to the final outcome. The country has succeeded in reversing a long period of decline to achieve positive growth, but the stark fact remains that Tanzania is one of the poorest of the developing countries. The success or failure of the EC-Tanzania development effort will not be measured in terms of successfully implemented projects but solely on the achievement of a sustainable and substantial overall growth rate. This represents a change from previously, when the major issue was the distribution of a declining national income.

Macroeconomic reforms

The macroeconomic reforms are the centrepiece of the restructuring process. These are supported by a large number of donors and roughly half of the external assistance has been allocated to these reforms, mainly as balance of payments support.

The three main elements are:

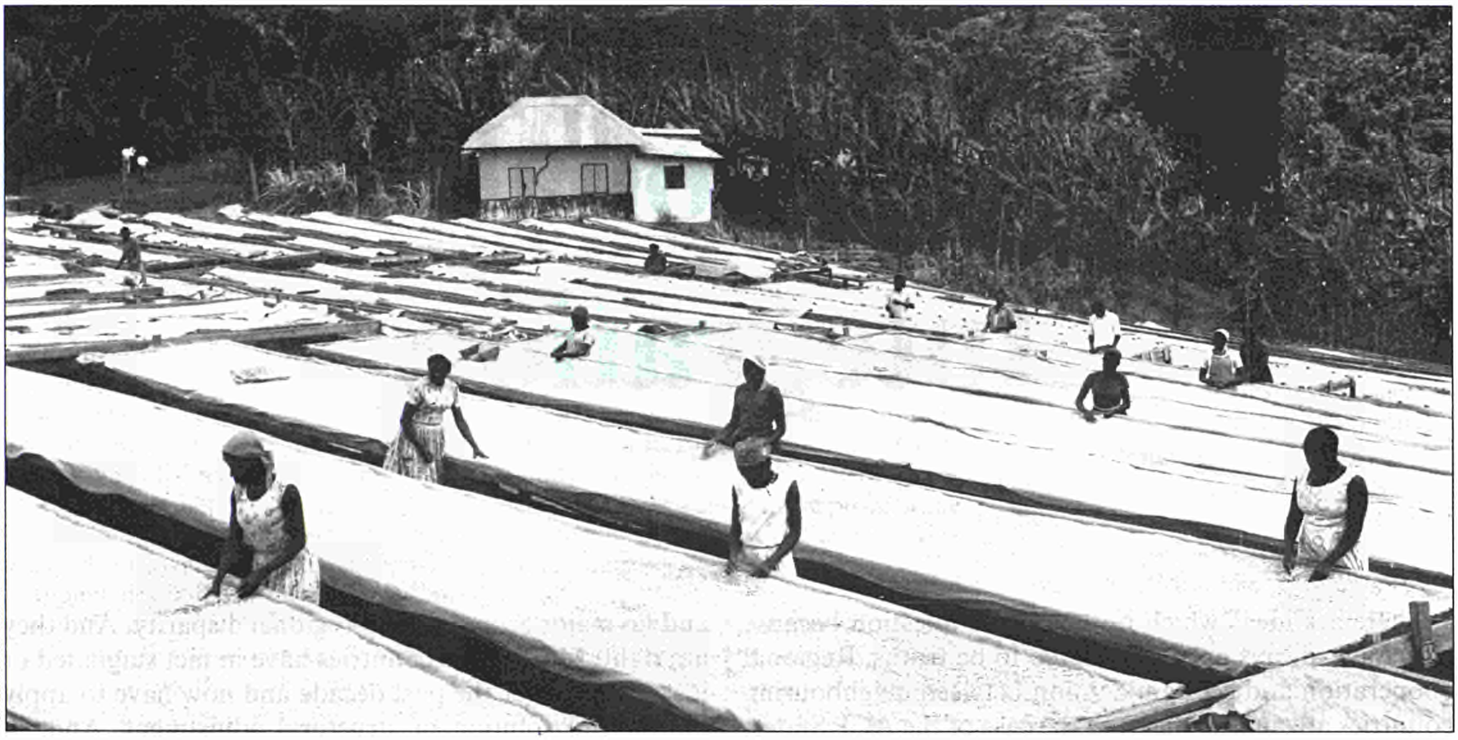
— Financial and budgetary reform, involving restructuring of government-owned financial institutions, opening of the sector to private interests and establishing a free market for foreign currency and domestic credit, based on supply and demand. The aim of budgetary reform was to achieve a neutral effect on the monetary and financial system. This reform has, to a large extent, been completed. Exchange rates were unified in August 1993, the Tanzanian shilling is now fully convertible and interest rates are a fair indicator of the cost of capital.

— Parastatal reform involving the divestiture of nearly 400 underperforming, publicly owned enterprises. This process has taken longer to initiate, owing to the initial lack of a legal and institutional framework, but that has now been established. Lists of companies to be divested have been drawn up, while others are in liquidation or will gradually fade away owing to lack of access to capital.

— Civil service reform designed to adjust the public service to its new regulatory and enabling functions. This will include a reduction of 50 000 employees over a three-year period. The programme is on track, fuelled by a generous redundancy package and mitigated by the well-established tradition of parallel employment by civil servants.

The EC's contribution has been in the form of balance-of-payments support

* Head of EC Delegation, Tanzania.



Tanzania Information Services

Coffee-drying on the slopes of Mount Kilimanjaro
A lot of effort has gone into restructuring the coffee sector

from the Structural Adjustment Programme. Two allocations totalling ECU 87 million have been made so far. This amount has been supplemented by Stabex funds which have accrued to Tanzania under Lomé IV — ECU 19.5 million for 1990, ECU 13.5 million for 1991 and ECU 13.5 million for 1992.

The use of counterpart funds is an important element of the structural adjustment programme as the funds have to be reinjected into the economy without disruptive effects. In Tanzania, these funds are earmarked for budgetary support for the social sectors in concert with improvements to the budgetary process under the rolling plan and forward budgetary system.

In addition to general support for structural adjustment, another aim of the Stabex programme is the restructuring of the coffee sector. Over the years, more than ECU 60 million have been allocated to this sector from EDF resources, but generally with disappointing results. Production has declined in both quantitative and qualitative terms. The institutions involved in the marketing and processing of coffee have faced persistent financial problems. With the passing of the Crop Act in August 1993, the previous marketing monopolies have been abolished, opening up the system in favour of a multi-channel approach.

A special feature of the Lomé IV Stabex programme has been direct payments to coffee producers on the basis of past deliveries. The first transfers of the equivalent of ECU 10 million took place on a trial basis in June 1993, involving more than 200 000 farmers organised in 766 primary cooperatives.

Regional cooperation

Tanzania is a vital cog in the Community's regional development strategy. The primary objective here has been to reduce the transport problems facing the landlocked countries of the region by developing alternative routes and modes, and to attain operational efficiency. This process has largely been accomplished.

The Northern Corridor, with Mombasa as the point of entry, now has the necessary infrastructure for three modes — rail, road and pipeline. The Southern Corridor towards Malawi and Zambia, with Dar es Salaam as the entry point, is less developed and it is here that the major effort will be concentrated in coming years. Three substantial EDF-financed projects involving the Tanzania Railways Corporation have been approved and several road projects are under way. Almost ECU 100 million of Lomé III regional funds were allocated for this purpose. With all these links, there is a need to achieve better operational efficiency. Documentation must be simplified and commercial attitudes must be developed.

The ultimate aim of the regional effort is to encourage regional economic integration among the countries of the region. Tanzania plays an active role in several organisations established for this purpose, such as SADC and PTA, but also works closely with other groupings such as the Great Lakes countries and with its former partners in the East African Community.

Regional integration efforts must be strengthened in coming years and new formats for cooperation must be developed. The integration of South Africa into the community of nations needs to be accomplished as soon as possible. It presents its neighbours, including Tanzania, with both a challenge and an opportunity. The European Community is well-positioned to strengthen its traditional role in the region and regional integration must remain a cornerstone for its development cooperation efforts.

The European Community is fully committed to supporting the political and economic transformation that is taking place in Tanzania. To date, this transformation has been characterised by a remarkable political consensus, indicating a broad basis of support for the process. There is no doubt that Tanzania has substantial potential for long-term growth. ○ K.H.

Regional Integration

There are ideas which no one dares question because they have always been considered to be truths. Regional cooperation and economic union between neighbouring countries are among them. In the case of the ACP States, African, Caribbean or Pacific alike, these are the starting blocks of development planning. The narrowness of these countries' individual markets condemns them to join forces if they are to develop their industries and reap the benefits of economies of scale, attract foreign investors by organising a frontier-free market with a critical mass of potential consumers and create the jobs their constantly expanding populations demand. This is a recognised and accepted need.

But everyone agreeing that something is necessary does not necessarily make it happen, although, over the past 30 years, Africa alone has seen 200 regional cooperation organisations emerge as vital stepping stones on the path to continent-wide economic integration. The Organisation of African Unity, indeed, set itself the ambitious target of establishing a continental common market by the year 2000 and has already had to put it off until 2035 because of all the problems this has involved — although neither the well-foundedness of the ultimate objective nor the way of achieving it has been challenged.

Have Africans been too optimistic? Have they overestimated their desire for union and underestimated the obstacles strewn across their path? Bax Namvete, who looks at the obstacles to integration and analyses their basic causes in this dossier, thinks they have.

Others, Rolf Langhammer amongst them, say that Africa has never succeeded in having all three fundamental conditions of success, which are sustained political commitment, regular growth of the national economy and no major economic sub-regional disparity. And they are right. Most of the countries have in fact stagnated or lost ground over the past decade and now have to apply the painful solution of structural adjustment. And, in periods of crisis, as we know, egoism becomes more entrenched and states tend to prefer national solutions despite the fact that structural adjustment policies inevitably have regional aspects, which, if taken into account, can enhance the anticipated results. But the European Community, which has tried to encourage cooperation and economic integration among its partners ever since Lomé I, is willing to pay more and more attention to this regional dimension of structural adjustment, as is clear from this dossier.

What about the people themselves; those in whose interests these integration policies are being pursued? What do they think? How are they reacting to all the delays and failures of the past 30 years? Well, they are utterly impassive, because, as far as they are concerned, they are already integrated and have been for years — informally, of course, but surely — in the areas which interest them, i.e. in the cross-border movement of workers and trade. John Igué, a proponent of this theory, takes West Africa as an example and suggests alternative courses of action as a way of coping with what can only be called the failure of the attempts at integration by the institutions — most sub-regional organisations are on the verge of collapse — and the (to put it mildly) unconvincing results of the attempts at integration by way of the market.

This dossier deals with this and many other issues. Because of Africa's size and the complexity of the problems it faces, that continent is, naturally enough, the main subject of discussion. ○ Amadou TRAORE

Regional integration in Africa, a path strewn with obstacles

by Bax D. NOMVETE *

The issue of economic cooperation among African countries is not a recent development. Its importance was recognised in the early years of Africa's attainment of political independence, some 30 years ago. Post-colonial Africa was, and still is, a disintegrated continent with fragmented national markets, more so than any other region in the world. Post-colonial African leaders were faced with the task of generating sustainable economic development in restricted, uneconomic domestic markets of several mini-states that were desperately short of capital and skills, and which before independence had survived through direct economic links with, and financial and technical assistance from, the metropolitan countries. They had no alternative but to forge inter-African economic links to replace links with ex-colonial powers.

Accordingly, the first two post-colonial meetings of African leaders held in April 1958 and in June 1960 recommended the acceptance, by politically independent States, of economic cooperation as a strategy for economic transformation. At the third Conference of African leaders held in May 1963 to inaugurate the OAU (Organisation of African Unity), economic cooperation as a development strategy was endorsed and the concept was included in the principles and objectives of the OAU. At four OAU Summits (1970, 1973, 1977 and 1979) implementation guidelines were formulated. It was decided that the ultimate goal should be to establish an African Economic Community in five successive stages — Preferential Trade Area, Free Trade Area, Customs Union, Common Market and Community — beginning at the sub-regional levels, i.e. West Africa, Eastern and Southern Africa, Central Africa and North Africa. In April 1980, at the first Extraordinary OAU Economic Summit held in Lagos, Nigeria, the implementation guidelines established in the seventies were incorporated into an operational plan (since known as the Lagos Plan of Action), which enjoined all African countries to establish sub-regional economic communities by the 1990s and a Regional Continental Community by the year 2000. Because of delays in the implementation process, the date for the attainment of the All-Africa Community was postponed.

Since the 1958 Conference of African leaders at which economic cooperation was first mooted, a number of economic groupings have been established. Notwithstanding the OAU Resolutions calling for multi-sectoral sub-regional groupings, there are today over 100 African cooperation arrangements. These range from the regional institutions — the OAU and its economic secretariat — to sub-regional and intra-sub-regional multipurpose cooperation organisations, and to intra-sub-regional limited or single-purpose economic cooperation arrangements.

While it may be argued that all these groupings are part of the process of African economic cooperation and integration, in this short overview reference to specific institutions will be restricted to sub-regional multipurpose institutions whose treaties/agreements explicitly state that their objective is sub-regional economic integration as a step towards regional economic integration. For the purposes of this paper, such institutions will be used as African models of cooperation and integration. Their structural characteristics and performance can be distilled and synthesised in order to draw lessons representative of the African situation.

In addition to the institutions that embrace all countries in a particular sub-region, as defined in the OAU Lagos plan of action, intra-sub-regional institutions which comprise fewer countries and are either multipurpose in character or are in the process of being restructured into multipurpose economic integration institutions will also be used as points of reference. The groupings which meet these criteria are:

— ECOWAS (the Economic Community of West African States) established in May 1975 and comprising 16 countries.

— PTA (Preferential Trade Area for Eastern and Southern African States), established in December 1981 and comprising 19 member states.

— ECCAS (Economic Community of Central African States), established in December 1983 and comprising ten countries.

— SADCC [1] (Southern African Development Coordination Conference), established in April 1980 and comprising ten countries.

— CEAO (West African Economic Community), established in 1974 and comprising six countries.

— UDEAC (Central African Customs and Economic Union), established in 1966 and comprising five countries.

ECOWAS, the PTA, ECCAS, CEAO and UDEAC were formally brought into existence by Treaties that were signed after negotiations among the countries concerned. SADCC was established by the Lusaka Declaration on Economic Liberation.

Programmes and performance

It should be stated at the outset that in Africa, as anywhere else, economic cooperation and integration are not an end in themselves. They are means to an end. The institutional structures and mechanisms put in place should not be confused with the objectives. They are no more than facilitating instruments. The success or failure of a particular economic cooperation arrangement will be measured by the extent to which the intended objectives/targets are achieved within the time-frame set by the participating countries, not by the establishment and maintenance of various institutions or the regularity of technical or policy meetings at which resolutions and

* Former Secretary-General of PTA and current Director-Coordinator of the Africa Institute for Policy Analysis, Cambridge University. This article is part of a contribution made at the workshop on the promotion of regional cooperation in sub-Saharan Africa — Florence, February 1992.

[1] Last year SADCC became SADC or the Southern Africa Development Community.

The Africa Hall, headquarters of the Organization of African Unity in Addis Ababa

declarations are adopted. If the targets are not attained within the set period, the economic grouping will not have been successful even if the institutional structures and mechanisms remain intact and programmes are further elaborated at regular meetings.

The aim of cooperation is to promote the integration of national markets to achieve faster economic growth and higher standards of living. Against this background, the programmes of these organisations selected have been examined, not to evaluate the performance of each, but to elucidate common issues and problems on the basis of which useful lessons could be drawn for future broad-based action in the African region.

A careful reading of the treaties and profiles of the selected institutions reveals that a common feature in all of them is the provision for a gradual integration process beginning, in line with the OAU guidelines, with a preferential trade area. This would be irrespective of whether a particular organisation is designated as a Community or PTA. To be sure, in respect of some of the organisations, the gradual character of the process is not explicit in the sense of giving emphasis to 'trade' during the early stages. Nonetheless gradualism is embodied in the articles as well as the spirit of the treaties.

A second feature of the treaties or articles of association of these organisations is that they provide for cooperation in all fields of economic activity on the basis of interdependence among the countries in the sub-region.

The focus of substantive activities is on:

— the development of programmes for the removal of barriers to intra-sub-regional trade and establishment of facilitation mechanisms and instruments;

— the promotion of inter-country cooperation within a framework of comparative advantage, complementarity and specialisation in the development of sub-regional industrial and agricultural enterprises for both export and domestic requirements. This would include the rationalisation of existing high-cost and excess capacity production enterprises, improvement in the production of basic food stuffs and livestock, and the promotion of labour-intensive economic activities in industry and agriculture where this would be feasible;

— cooperation in the improvement and development of an integrated sub-regional transportation and communications system;

— cooperation in the development of technical, entrepreneurial and managerial skills, and research directed to better exploitation, processing and use of domestic mineral and agricultural materials.

It should be emphasised, yet again, that the provisions of the treaties underline trade promotion as the critical area during the early phases of the economic cooperation/integration process. What is envisaged is that trade liberalisation will act as a catalytic agent in the opening up of the collective growth potential of the countries in each sub-region and would also reveal basic complementarities in resources in existing and potential production structures, and in consumption patterns that could be profitably exploited. Trade liberalisation would also facilitate the identification of selected commodities and manufactures that would constitute the basis for export-oriented development. The removal of trade barriers would be reinforced by clearing and payments arrangements; programmes for the harmonisation of monetary and fiscal policies as a first stage towards a monetary union; programmes for the removal of non-physical barriers to inter-state transportation of goods and services; the establishment of databases for the collection and dissemination of information on products which could be traded among the member states; and programmes on the simplification of customs regulations and procedures. As the volume of sub-regional cross-border trade gradually picks up, the expectation is that it will be possible to launch programmes to evolve coordinated and complementary production and investment across state borders, in the sectors of agriculture, industry and transport and communications.

The SADCC Declaration, unlike the Treaties of ECOWAS, PTA, etc., provides for a loose coordinating organisation designed to coordinate activities at the project and sectoral levels; the original thrust was to reduce economic dependence, not just on South Africa, but on the 'outside world'. Early emphasis was on transport and communications. In recent years SADCC activities have been expanded to include investment in production and industrial policy, with the recognition that trade is the mainspring of investment and industrialisation.

All the institutions are (and have been for some time) implementing programmes for the achievement of the targets embodied in their treaties/agreements/declarations. The implementation timetable is (except perhaps for the SADCC) specified in the OAU Lagos Plan and Final Act adopted in April 1980. According to the Lagos 'edicts', the economic cooperation targets for the 1980s were to:

a) strengthen the existing regional economic communities and establish other economic groupings in sub-regions where they do not exist, so as to cover the whole continent (Central Africa, Eastern Africa and Southern Africa, West Africa and North Africa);

b) strengthen sectoral integration at the sub-regional level effectively, particularly in the fields of trade, agriculture, transport and communications, industry and energy;

c) promote coordination and harmonisation among the existing and future economic groupings for a gradual establishment of an African common market. During the decade of the 1990s the targets would be:

i) to take steps for further sectoral integration in each sub-region, with particular emphasis on:

- harmonisation of strategies, policies and economic development plans,
- promotion of joint projects,
- harmonisation of financial and monetary policies;

ii) to take measures to effect the establishment of an African common market and other measures that would lead to the attainment of the aims and objectives of the African Economic Community.

At the end of the 1980s no sub-region was within striking distance of attaining the targets a), b) and c) as set out above. Therefore the targets for the 1990s would be beyond reach in all sub-regions. In this shadow of delayed achievements, the 28th OAU Summit in June 1991 postponed the date for the attainment of the regional Community to 2035.

The time-frame established was that the Community would be gradually achieved over a period of 34 years divided into the following six stages:

— strengthening of the existing sub-regional communities (five years);

— stabilisation of fiscal regimes applied to intra-sub-regional trade (eight years);

— establishment of a free trade area at the level of each sub-regional economic grouping (ten years);

— co-ordination and harmonisation of tariff and non-tariff regimes between the sub-regional economic grouping (two years);

— establishing of an African Common Market (four years);

— establishment of the African Economic Community (five years).

Whether this revised time-frame will be achieved or not is contingent on the resolution of critical problems which, if not resolved or at least seriously addressed, will slow down Africa's integration process indefinitely.

Problem areas

The principal set of problems which are interrelated and common to all groupings includes: parochialism; lack of grass-roots support; dearth of local private businessmen and skills; excessive external dependency of African countries; transport problems; operational and institutional problems; policy-induced problems; problems inherent in cooperation arrangements; multiplicity of organisations; political factors; the relative stagnancy of African economies and the international economic environment. The practical implications of these problems will now be considered.

Parochialism. This is probably the major cause of the failure, on the part of national governments, to internalise cooperation agreements in their national administrations and development plans.

In most countries cooperation does not go far beyond the signing of treaties and protocols. The objectives of the treaties are not integrated in national development plans or in the sectoral programmes of appropriate substantive ministries. The officials and ministers who participate at intergovernmental meetings on the implementation of the treaty of cooperation generally come to the meetings without the mandate of their cabinet colleagues and, on returning to their respective capitals, they do not brief their colleagues on the proceedings and decisions taken at the meetings. What seems to be the practice is that the reports of the meetings are shelved and gather dust until the next round of meetings.

Moreover, the governments do not send officials to the meetings who have the appropriate expertise on the issues to be discussed. It is not unusual for an official (or officials) who is a general economist or administrator to be designated to attend all cooperation meetings, irrespective of whether the topics to be discussed are technical, policy or administrative matters. The result is that appropriate substantive ministries, whose officials or ministers do not attend cooperation meetings or do so very rarely, are not generally aware that collective decisions are being taken, at sub-regional meetings, on topics in their fields of competence. Hence no action is taken to implement the decisions or to set aside funds for the implementation of the programmes adopted. The cooperation arrangement becomes a talking shop.

Because of the failure to integrate the cooperation programmes into the national administrations, the follow-up of decisions taken at the sub-regional meetings is left to the Heads of State, or to a few ministers and civil servants in the ministries dealing with cooperation matters or in the office of the President. The rest of the government and the population of the country are not involved. In fact they may not even know that there is a treaty establishing the cooperation arrangement. The treaties or articles of association are the private property of a few politicians and civil servants. Nobody else reads or knows of them.

Another inhibiting factor is lack of grass-roots support at the national level, due to the manner in which the cooperation arrangement was launched. In many countries the idea of forming or joining an economic cooperation arrangement sprang less from the wishes of the people in response to their felt needs than from the leadership; and sometimes the idea may be instigated by a donor country which may be a previous colonial power or is the main provider of aid and technical assistance. The donor country/countries would of course give priority to their interests. Whatever the case may be, the leadership fails to explain fully to the people the reasons for participating (or joining) in the arrangements and what advantages will accrue to the majority. To the extent that cooperation arrangements are (or were) forged without the full participation and knowledge of the population, their stability and the implementation of their programmes cannot be guaranteed.

A particular weakness of economic arrangements that are not grass-rooted in origin is that they tend to be based more on linguistic and cultural criteria. In such groupings, divisive elements are strong and their existence frustrates the development of a cohesive and viable sub-regional grouping. For example, in West Africa, although Ghana, Liberia and Sierra Leone (English-speaking countries) are geographically surrounded by CEAO countries all of which are French speaking, they are not members of CEAO. Gambia is culturally and economically part of Senegal but is not a member of OMVS (Senegal River Basin). Gambia is English-speaking and Senegal is French-speaking.

A third inhibiting factor to cooperation is the **dearth of local private entrepreneurs and technical and management skills.** As a result, the operational management of the economy, including project formulation, project implementation and investment decisions, is left to the public sector (parastatals), which normally would not be as quickly responsive to opportunities for cross-border investments and joint ventures with businessmen from neighbouring countries and/or from developed countries, and are guided by profitability of projects in economic and financial terms and not by political exigencies. It is the lack of home-grown private entrepreneurs and skills that accounts in part for the excessive dependence of African economies on imported products.

The economic dependency status of many African countries is another factor that works against the viability and strength of sub-regional economic cooperation groupings in Africa. Many African countries still depend excessively on supplies and manufactured products originating from developed countries, even where comparable products are available within a sub-regional preferential arrangement. This kills the rationale for creating bigger markets to facilitate the growth of viable production enterprises. The preference for imports from industrialised countries is attributable not only to habit but also to the trading advantages enjoyed by the suppliers from the developed countries. To cite some of these:

- Many of the African purchases from overseas suppliers are tied directly to aid programmes which tend to favour imports from the aid-giving countries. Nearly two thirds of capital and commodity aid and an even higher proportion of technical assistance are tied.

- Most of the suppliers are in a position to offer advantageous credit and delivery terms which African countries in a cooperation arrangement cannot afford

- The overseas suppliers usually have long-established links with African importers so that the risk factor for dealing with domestic African suppliers may be perceived to be higher than that for dealing with regular and known overseas suppliers

- Trade patterns become distorted and restricted in favour of the overseas suppliers as the recipient African countries are tied to the donor countries for repeat orders and services, regardless of the suitability of the products for local conditions.

It is because of the excessive dependency problem that the great bulk of manufactured goods imported into Africa originates in the developed countries, even where some of these can be produced locally. As such goods have high added values if produced within an African sub-region, they would be a powerful engine for economic growth. Indeed, there are many instances where a commodity is exported raw or in semi-processed state only to be imported back as part of a manufactured product when it could have been manufactured in the Africa region in the first place.

To be sure, conventional wisdom would have us believe that African countries produce the same things and are therefore competing with each other. Hence, no meaningful trade can take place among them, and cooperation arrangements that follow the trade route will never succeed in promoting an increasingly volume of intra-African trade, even if all trade barriers are removed. There is a contrary view. Studies carried out in 1986 by the PTA Secretariat, in cooperation with the Geneva-based International Trade Centre, revealed that the PTA sub-region imports annually close to US$ 6 billion-worth of 450 product groups traded by PTA member states, and exports identical products worth about US$ 4 billion to countries outside the PTA sub-region. As the sub-region has, on average, 40% excess industrial capacity it can substantially increase the production of these products and thereby increase the volume of intra-sub-regional trade by at least US$ 2 billion per year. Indeed, the range of goods tradeable among African countries is limited by low industrialisation, low productivity and poor infrastructural facilities and expertise; but there is a potential which is not being exploited and which, if it were, could start things off.

There are also problems arising from the fact that the **transport infrastructure for intra-African trade is not adequate.** Experience shows that even when tariffs have been reduced and intra-country transport links are open, the costs of transport between countries forming a cooperation arrangement tend to be high

SADCC (now SADC) has already extended its membership to Namibia and will undoubtedly welcome the new democratic South Africa

and a very high external tariff would be required to make a customs union shift the advantage in favour of intra-sub-regional trade.

In most of the developing regions of Africa the principal transport arteries, both national and regional, are already in place and comprise a network of roads, rail system, shipping and air transport links. This network forms the backbone of the national as well as regional exchange of goods and passengers. However, the individual systems may not always be fully compatible, especially in terms of intermodal transfer of goods, and in some cases parts of the network need urgent rehabilitation and upgrading owing to inadequate maintenance. Therefore, a well-maintained and integrated transportation system would be a positive factor not only in enhancing the success of sub-regional economic cooperation, but also in generating user savings, more competitive exports and cheaper imports.

There are a number of **problems of an operational and institutional nature** which make inter-African cooperation difficult. Some of the critical ones relate to banking arrangements, information, language, costs of promotion, prices of goods to be traded and non-physical barriers to cross-border movement of goods and services.

Banking relations between various African countries are weak, particularly between French-speaking and English-speaking African countries. In the Francophone countries, commercial banks have correspondents and all transactions are carried out directly with the correspondents. English-speaking countries also have correspondent relations among themselves. There are, however, few correspondent relations between the French-speaking and English-speaking countries. Efforts to promote the establishment of correspondent relationships among African commercial banks, irrespective of language differences, have not been particularly successful. Most of the African central banks do not allow their commercial banks to hold funds in accounts with commercial banks in other countries. As a result, many people do not use banks for cross-border trade and this reduces the volume of official trade and encourages unrecorded trade. The language barrier is another constraint. There is no doubt that the existence of English-speaking, French-speaking and Portuguese-speaking countries in Africa has created a barrier which has made intra-African trade difficult to conduct. Trade documents in different languages make it difficult to integrate different language-speaking countries financially and economically, and it becomes difficult to exchange trade information among such countries. None of the sub-regional groupings has attempted to tackle the language barrier.

Lack of information is another important factor that has hindered the development of intra-regional trade. Most African countries are traditionally linked with the countries of their former colonial masters and have very few trade relationships with other African countries. As a consequence there is an acute lack of awareness of what other African countries can offer to substitute for the products presently being sourced from the developed countries.

The lack of information is compounded by the costing and pricing of African products. A significant number of industries in African countries cost and price their products in such a way that they price themselves out of the African market. The lack of price cômpetitiveness of African products is also due to the fact that most of the industries produce well below capacity either because of lack of the foreign exchange needed for the importation of necessary raw materials and intermediate inputs or because the plant sizes or scales are too large for the markets for which they were established.

Policy-induced factors make cooperation difficult. Inward-looking policies of individual countries resulting in the protection of uncompetitive domestic producers against imports irrespective of sources, and stringent trade and payments controls instituted to deal with persistence balance of payments problems have adversely affected the volume of trade among African countries. As international transactions must satisfy various trade and exchange regulations, business transactions are invariably subject to excessively long and costly administrative procedures which are further disincentives to sub-regional trade and economic links. Various decisions taken at Head of State and government level have resulted in little progess being made to liberalise intra-regional trade. Indeed, the member countries have most often resorted to the use of various non-tariff barriers, particularly restrictive import licensing and foreign exchange allocation, which have nullified the effect of tariff reductions agreed upon at various policy meetings.

Some aspects of monetary and fiscal policies of countries also hinder cooperation. These include the different exchange rate policies, exchange control regimes and over-valuation of the exchange rate. As one of the most important prices in the economy, the exchange rate has a powerful and direct effect on the decision either to produce for export or to import for domestic consumption. In general, an overvalued exchange rate acts as a disincentive to export and therefore contributes to the small volumes of exports of many African countries. Overvalued exchange rates also imply relatively low import prices in domestic currency, thereby intensifying the demand for importables, which, in turn, leads to an excess demand for foreign exchange. The resulting gap between the demand for and the supply of foreign exchange, leading to a situation of chronic shortages, is the reason for the imposition of restrictive measures in order to relieve the pressure.

There are also problems pertaining to the clearing house. The clearing and payments mechanism was established in some cooperation arrangements to promote the use of local currencies in intra-sub-regional trade to ease the foreign exchange constraint. A critical problem is that of the accumulation of payments arrears. In the West African and Central African clearing houses, for example, debtor monetary authorities have on many occasions failed to settle their obligations in the clearing house at the end of the transaction period, and have accumulated payments obligations which remain unsettled. A related problem is the question of acceptable transactions for settlement through the clearing house mechanism. Member states sometimes restrict commodities that could be paid for within the system. For example, oil, which is a major source of foreign exchange, is excluded by oil producers from reciprocal transactions even though agreements stipulate that all transactions should go through the system.

These problems destroy confidence in the clearing house. In some cases clearing houses have either collapsed or continue with difficulty. The process towards the establishment of sub-regional monetary unions intended to facilitate the removal of such macro-economic disharmonies, and thereby provide a stable macro-economic environment for economic integration to take place unimpeded, has been rather slow.

Another problem that weakens integration is the **multiplicity of organisations/agencies in one sub-region.** In all sub-regions the problem exists. A possible explanation might lie in the colonial heritage of African countries and their economic dependency status. During the period immediately before or after independence, the formation of many intra-sub-regional groupings was based on linguistic ties and historical links or on personal relationships between the African elite, or between African leaders and leaders in metropolitan or donor countries. The multiplicity problem within the sub-regional arrangements weakens the integration process. It leads to costly competition, conflict, inconsistencies, duplication of efforts, fragmentation of markets and restriction in the growth potential of the sub-regional arrangement. Various attempts to rationalise the organisations in such sub-regions as ECOWAS, where there are some 34 organisations, have failed. While recognising that the diversity of economic and social needs of African countries and the complexity of international economic relations may require or justify the existence of many organisations in one sub-region, it is patent that better results would be obtained through a limited number of larger multipurpose institutions which would contribute to the establishment of a basic equilibrium among all states within the same sub-region, and provide scale economies for quicker economic transformation.

The ninth set of problems is **those that are inherent in the very nature of multinational economic cooperation.** These are not peculiarly African. They plague integration movements in other regions, including the developed world. However, it should be recognised that in view of the weakness of African economies their negative impact will be more acute in Africa and could produce stresses and strains among the participating countries that not only might slow down an integration process but might cause its suspension or break-up. The problems in question are a package of issues relating to tariffs, non-tariff barriers, customs duties and costs and benefits.

1. Tariffs

In all African multinational agreements there are provisions for the reduction of tariffs. However, tariff reductions may open up protected infant industries to competition, to the disadvantage of some countries in pursuit of import-substitution industrialisation policies. A common external tariff may limit a country's freedom of action with respect to its tariff policy in the protection of its national interests. Moreover, tariffs are not only for the protection of infant industries but are also, particularly in Africa, an instrument for raising revenue, and tariff reductions may reduce the revenue available to national administrations. For these reasons, several countries in a cooperation arrangement may be reluctant to comply with collective decisions on tariff reductions unless compensation machineries are in place.

2. Non-tariff barriers

Various non-tariff barriers to trade act as an obstacle to economic cooperation and are usually a source of conflict among the countries. These take various forms. There are the administrative procedures governing the movement of goods, which are lengthy and cumbersome and often lead to delays and unnecessary, voluminous paper work. Coupled with this are the exorbitant fees transporters are required to pay in order to cross borders. Bond security cover for both the vehicle and the goods being transported is required at border posts. Road tolls are also required to be paid at numerous checkpoints and very often customs officials insist on physical checks of transiting goods, in spite of valid documentation and proper seals. This delays the arrival of the goods at the final destination. Furthermore, designated transit corridors do not work satisfactorily because customs administrations totally ignore the transit facilities which are supposed to be accorded to transporters. Moreover, in the case of breakdown along the transit routes, it takes a long time to undertake repairs as maintenance facilities along these routes hardly exist. All these add to the final cost of African countries' products and make them uncompetitive.

Other barriers include restrictive import licensing, quotas and prohibitions. Of these, restrictive import licensing is the most prevalent. In some countries, the system of restrictive import licensing is fully incorporated in the procedures for allocating foreign exchange, so that no import licence for importation of a given product can be granted unless it is backed by foreign currency allocation. In other countries, no such link exists.

Customs Duties

The geography of many sub-regional economic groupings is such that imports into some countries have to traverse the territories of other countries. To facilitate this process, agreement has to be reached among the countries on the value of transfers of imported goods and on the payment of customs revenue. These issues generally lead to conflict and controversy, with inland countries complaining that they do not receive a fair share of the revenue. Some of the stresses among the countries of the East African Community, UDEAC and the Entente in West Africa were due to complaints about the distribution of revenue between the coastal and inland countries.

Dis-equalising effect of integration

This is an amalgam of factors that might well arise from a compound of all the problem areas, in particular the tendency of the market to work in a dis-equalising manner where the cooperation arrangement comprises countries at different levels of economic performance.

Countries joining a cooperation arrangement expect that the benefits of the integration process will be distributed among them in an equitable manner. However, the elimination of trade barriers and the adoption of common investment policies do not necessarily lead to such an equitable distribution, but rather support or stimulate the tendency of investments to concentrate on the relatively more advanced countries. Cumulative causation reinforces and increases the divergencies between the relatively more advanced and the relatively less advanced. Various mechanisms directed towards the equitable distribution of benefits become necessary. In the African context, no mechanism has resolved the issue. It is this tendency for the polarisation of development in some members of the co-operation system, especially the inequitable distribution of new activities in the production and research sectors, which is the greatest obstacle to the success of economic cooperation.

There is also the issue of trade diversion and trade creation. Some countries give emphasis in their calculations of costs and benefits to short-term or static trade effects of changes in relative prices brought about by eliminating trade barriers among the participating countries. The benefits of an economic cooperation arrangement will, however, not accrue in the short term in developing African economies. The criterion for determining the advantages of economic cooperation in Africa should be the dynamic effects that a larger integrated multinational market will have on production, investment, trade creation and economic growth. Such benefits will become apparent in the long term.

The economic weakness and relative stagnancy of African economies are a major obstacle to integration because of their negative impact on government policies.

Sub-Saharan Africa entered the 1990s poorer than it was in the 1970s and 1980s. African countries are faced with mounting economic problems, minimal or zero growth rates, low domestic savings and investment, scarcity of foreign exchange, balance-of-payments difficulties and a heavy debt burden. A period of economic weakness is not a favourable time to formulate long-term plans to promote intra-sub-regional/regional trade, liberalise national markets and embark on medium-term and long-term plans to establish multinational project sectoral linkages, and to programme the sub-regional harmonisation of macroeconomic policies. Pressures are such that governments will give priority to domestic crisis management and take protective measures against other countries, including the regulation of the domestic economy in sensitive sectors and the imposition of restrictions on imports and on the use of foreign exchange.

A survey of experiences, not only in Africa but in such other Third World regions as Latin America, indicates that a growing and active economy creates a more conducive environment for the promotion of economic cooperation and integration. It is in this light that the economic adjustment programmes that many African countries are now pursuing have a direct bearing on the promotion of integration.

Finally, there are problems that lie in the running and **management of the secretariats of the economic cooperation institutions.** The problems are administrative in nature, but arise from policies pursued by governments. The following could be cited:

— reluctance by member states to give chief executives independence in staff recruitment and the management of the secretariats, and the tendency of some countries to force candidates on the secretariat and to listen to complaints from staff members who are their nationals about the management of the secretariats. As a result, some officers of the secretariats become more loyal to ministers in their home countries or their ambassadors in the host country of the secretariat than to the institution through its chief executive;

— lack of clarity as to the tasks and objectives of the institutions and lack of flexibility in programme implementation;

— problems relating to the ability of the institutions to reconcile national and multinational interests in the implementation of programmes;

— failure on the part of the secretariats to articulate the balance of advantages and disadvantages of economic cooperation.○ B.D.N.

Integration 'through the market': high costs and risks of failure

by Rolf J. LANGHAMMER *

Past experiences with successful market integration in Western type economies suggest homogeneity, national economic performance and political commitment as three major shaping factors in the formation of free trade areas or customs unions.

Economic homogeneity, that is the lack of strong sub-regional disparities, prevented distributional conflicts from becoming stumbling blocs at an early stage of implementation. Sustained economic growth on a national level helped to contain domestic opposition to exposing domestic industries to regional competition. Furthermore, it facilitated structural adjustment and paved the way for expanding and diversifying agricultural and industrial production, thus giving scope to two-way intra-union flows.

Finally, political commitment in a legally binding way underlined the irreversibility of intraregional liberalisation and made economic integration credible. It either manifested the political will to use economic integration as an instrument for achieving political integration when the direct path to political integration was not yet accessible (the EC example), or used integration as an economic instrument (EFTA) but not as an economic target in itself.

Sub-Saharan Africa has never enjoyed the privileges of these three factors.

Heterogeneity in terms of both per capita income differentials and resource endowment was large and it became even more pronounced owing to sharply diverging views on economic fundamentals (for instance, the role of the state, property rights, centralism and reliance on pricing or non-pricing policies).

Economic performance soon became vulnerable to external economic shocks, internal political mismanagement and long-standing crises or even decay.

These two constraining factors were important. A third one, however, was critical: political rivalry. To cite an UNCTAD study: 'One must also not overlook deep-seated and longstanding rivalries in development among many developing countries in the same sub-region and region. These rivalries are quite irrational and rooted in the conception that national economic development in a group of developing countries is a zero-sum game. These rivalries and conceptions are no doubt connected with historical patterns of development that evolved under colonialism. One does not have to look too far to see such rivalries among countries in virtually all sub-regional and regional groupings of developing countries.' [UNCTAD, South-South Trade and finance, Strengthening the Weakest Link, New York 1986, 5. 14].

I agree with this assessment except for one word. In my view, rivalries under economic and historical conditions in Africa are not irrational but rational if vested interests of political leaders are taken into consideration. The loss of sovereignty inherent in economic integration might indeed threaten the pillars of some economically very fragile and vulnerable states. Inefficient domestic industries might be outcompeted by superior suppliers from more advanced countries without enjoying opportunities to penetrate the markets of the more advanced countries with other goods and services. Natural protection rates (transportation costs) might not provide a shelter as they did in the past because they have declined over the years. Factor movements (both labour and capital) from the periphery to the centre might occur, thus leaving the less productive immobile resources in the backward member countries. Such polarisation effects would seriously weaken the tax base of these countries. Political leaders would be left with resources insufficient to pay for politically determined 'entitlements' or subsidies in favour of particular groups in the economy. Some political leaders could easily become kings without land and Africa's political map could change. As this fear is very likely to be real and not imaginary, political rivalry is the most relevant obstacle to preferential trading arrangements, free trade areas and customs unions in Africa.

Integration cum compensation: worth pursuing in Africa?

Polarisation effects can be fought with compensation schemes financed either by external donors (development aid) or through internal distribution or redistribution. The African history of integration bears witness to all sorts of compensation schemes: redistributive ones, such as the old UDEAC solidarity fund which was intended to cope with the problem of tariff revenues foregone, or the West African Conseil de l'Entente and its fund; distributive schemes like the transfer tax system in the ill-fated East African Community; or mixtures of both as in the case of the 'taxe de coopération régionale' in the CEAO. External financial assistance for helping integration schemes to survive distributional conflicts has not yet been launched to my knowledge but substantial external aid has been given to the SADCC cooperation scheme.

No doubt there are grounds for believing that substantial compensation might be a way of suppressing such internal conflicts or cushioning the fears of political leaders, provided that an external sponsor or interested member state is prepared to pay. Economists would also be able to recommend the compensation scheme with the fewest distorting effects (probably a redistributive rather than a distributive one). But would the money be well spent?

This brings me to the essential issue of the preferability of regional integration in Africa over other non-discriminatory policies. Let me assume that economic integration among African countries is not intended to serve as a vehicle towards political integration or other political targets. Hence, the possibility of sacrificing economic losses in order to collect political gains is ruled out.

Economic integration is a classic second-best approach, while the first-best one is the non-discriminatory removal of trade barriers. The latter is actually pursued (or at least envisaged) in all African countries in the context of

* *Kiel Institute of World Economics*. This text was presented under a different title at a workshop on the promotion of regional cooperation and integration in sub-Saharan Africa held in Florence in February 1992.

structural adjustment programmes. There is an overwhelming consensus that the second-best approach cannot be a substitute for the first-best one as all African countries are world-market and not regional-market-dependent economies. Yet controversy exists with respect to the suitability of the second-best approach as a complement rather than as a substitute.

I see merits in the complementarity hypothesis in cases where the welfare of African country A strongly depends on the trade policies of African country B (or groups of countries), so that economic gains could be made if national trade policies were the subject of regional coordination. As the proponents of public choice would put it, trade policies would, in effect, become a collective international asset to be coordinated and concerted in a common policy, i.e. a customs union. Except for a few examples of bilateral integration (for instance, the historic Tanganyika-Zanzibar agreement which led to political union, or the Senegambia case), Africa does not supply many cases of such close 'natural' trading partnerships.

Furthermore, one could argue in favour of regional integration that production structures, while being substitutive today (as highlighted by the very low shares of intra-regional trade in the total trade of the countries), are potentially complementary. Liberalising intra-regional trade on a preferential basis would then enable African countries in future to benefit from dynamic effects (for instance, economies of scale, inter-sectoral and inter-industry specialisation and the accumulation of expertise).

Indeed, such potential may exist. My argument, however, is that it can also be made effective through non-discriminatory economic policies and that its realisation depends more on liberalising factor movements underregulating than that merchandise trade. Yet, in general, I would not rate this potential as high as that which would be created by neutralising incentives for world market production and domestic market production. The latter would probably also be more instrumental in easing foreign exchange constraints than the former.

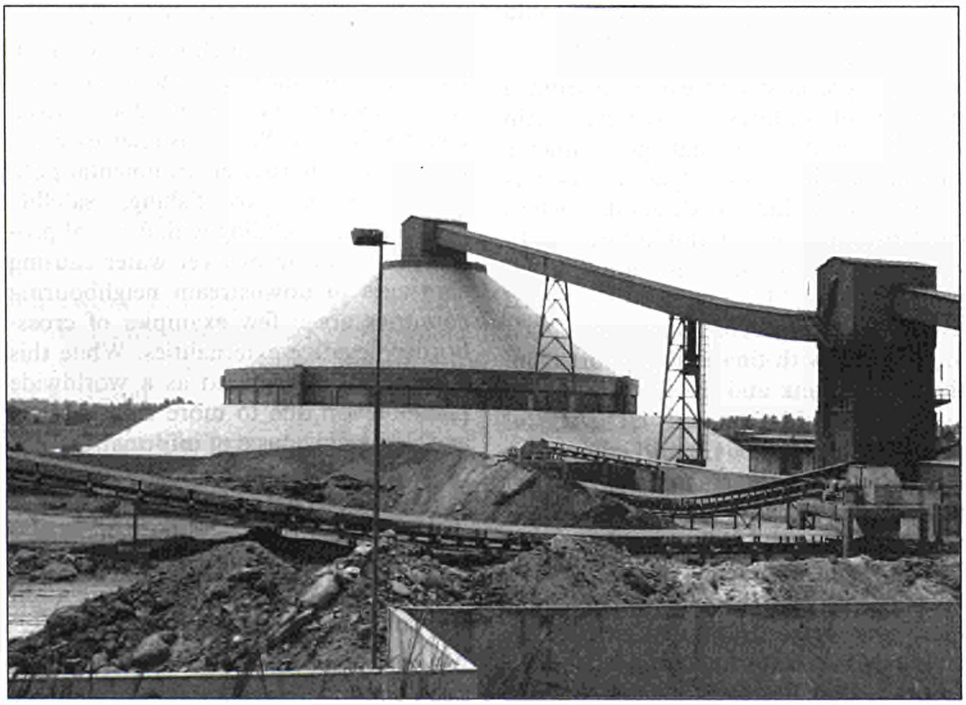
Overall, I would expect the actual costs of implementing and enforcing market segmentation through discriminatory tariff cuts and non-tariff barrier removal (for instance, control of rules of origin, avoiding trade deflection or balancing mutual tariff concessions) to exceed the value of potential benefits.

This applies particularly in the current situation of economic malaise in many African countries. In brief, the 'non-discrimination' option is expected to be cheaper and less risky. The risk element has two facets. One is the lag in the supply response to economic reforms. Price signals coming from the world market are probably stronger, more stable and more sustainable than those coming from the markets of neighbouring countries. The second risk element is of a political nature. Should distributional conflicts arise or should competition from neighbouring countries become unexpectedly strong, scapegoats could easily be found in partner countries. Given the actual low interdependence suggested by the frequent practice of labelling intra-regional imports as 'nonessential' (consumer goods, food) and extra-regional imports as 'essential' (capital goods), African political leaders could be tempted to withdraw from integration without bearing sizeable costs. Again, credibility would be lost, as has happened time and again in sub-Saharan Africa during the last three decades.

To summarise, regional economic integration in sub-Saharan Africa 'through the market' faces high costs of implementation and enforcement and high political risks of failure and hence has low credibility. It adds to the work load of the public sector (and to bureaucracy) in a period where public management in Africa is being streamlined but not expanded. Economic benefits in terms of supporting national economic stabilisation and adjustment are believed to be potentially achievable but not in the short-term. Political rivalry renders these gains uncertain and quantitatively small if they are discounted with a high time preference rate, as seems necessary if the urgent problems the countries concerned now face are to be tackled. Contrary to political rhetoric in many circles, it is only the national benefit that matters as a guiding principle for African political leaders and not a common or Africa-wide benefit. This benefit can be collected at lower cost and with greater chances of success by opting for non-discriminatory liberalisation.

Regional cooperation: an increasingly relevant option

Regional economic cooperation must not be confused with regional integration. While integration aims at removing internal barriers to trade in goods, services and factor movements, economic cooperation includes concerted action to



The CIMAEO plant in Lomé
Regional industrial projects have failed almost everywhere in the developing countries

Regional mining training centre in Niamey/Niger
Education is one of the most suitable areas for designing real supra-national projects...

lessen discrimination in certain areas of common interest and to economise on scarce supra-nationally mobile resources.

Two aspects suggest that economic cooperation is much more relevant to Africa than integration.

First, African economies are disproportionately fragmented and small. For many goods and services, technical indivisibility acts against economically viable production at a domestic market level. Joint supranational production with burden-sharing arrangements could help to reach the minimum output.

Yet, there is strong evidence from a number of failures in Africa, Latin America and Asia that governments should refrain from extending cooperation to producing private goods, such as capital-intensive manufactures. In Africa, there are the discouraging experiences of CIMAO in Togo (launched as a regional project of Togo, Ivory Coast and Ghana with financial support from the World Bank and the German KfW) and of the old common UDEAC oil refinery in Port Gentil/Gabon. In ASEAN, the five common industrial projects (AIP) failed and the same happened to the so-called Sectoral Industrial Development Programs of the Andean Pact. All projects had in common that they gave regional monopolies to individual plants in order to satisfy regional demand. Disputes over financial burden sharing, management, purchase guarantees and production strategies soon caused these projects to collapse. Private goods should only be supplied by private investors. Instead, promising scope for internal regional cooperation exists in public goods and services, preferably physical and human infrastructure and resource management such as energy, maritime resources, education and telecommunications or harmonisation of minimum standards.

Secondly, national production increasingly causes cross-border negative externalities. That means that the welfare of country A is affected either by production or methods of production in country B (so-called producer externalities) or by the consumption of products from country B (so-called consumer externalities). Cross-border environmental pollution, national overfishing, satellite broadcasting colliding with cultural protection, or waste of river water causing shortages in downstream neighbouring countries are a few examples of cross-border negative externalities. While this has become recognised as a worldwide phenomenon due to more transparency and decreasing costs of information, it is particularly relevant for small economies. It might not be an exaggeration to say that in West Africa the serious challenges today are all cross-border problems and thus require cross-border coordination and solutions.

Apart from internal cooperation, African countries have the option to agree to common views and demands in negotiations with third countries. ASEAN, with its so-called Dialogue Partner system, can serve as a good example of how such external cooperation can lead to concrete benefits (such as market accessibility) which would not have been achievable for an individual country. Yet the ASEAN experience also suggests that improved collective bargaining power hinges upon good national economic performance.

Both internal and external economic cooperation requires a brainstorming process among African political decision makers. In this process each member country presents a set of those policy tasks which go beyond the national scope and capacity for performance. That means that the participation of other public authorities, probably neighbouring states, is thought to be either needed or recommendable if the tasks are to be performed. This process draws on the principle of subsidiarity, which says that only those jobs which cannot be performed on a national level should be shifted to a supra-national body. To organise this process, as great a distinction as possible between internal and external cooperation seems preferable. Time frames and degree of urgency should be made transparent too.

Notwithstanding the outcome of such a brainstorming process, there are some ideas and priorities which arise from an outsider's view. Broad areas for cooperation should be:

— to coordinate 'macroeconomic policies and to dismantle restrictions against factor mobility on the one hand, and

— to economise on regionally mobile resources and share the financial burden in large infrastructure projects of common interest on the other hand.

Fields for mutual consultation include medium-term policies which are expected to have a direct or indirect impact upon partner country economies and could cause countervailing reactions. Such policies include development planning, fiscal policies, credit market policies, exchange rate regimes and labour legislation. The idea behind consultation is to stabilise expectations through preannouncement, to rule out deliberate 'beggar-my-neighbour' policies, and not necessarily to come to concerted action or even policy harmonisation. Competition between the economic policies of African countries will not be suppressed by stabilising expectations in this way but established on a more rational basis.

The Manantali Dam under construction ... energy is another one

Project-oriented cooperation that is truly supranational and serves the public good is the second area of action. The environment, energy and education, for instance, are scarce resources which are supranationally mobile. Isolated national policies may produce external costs for other African member countries as well as for a region as a whole (through excessive pollution, overfishing, outflow of skilled personnel and energy waste).

To come to grips with such issues requires norms, standards and rules, which leaves two possibilities open either national treatment (the rules of the importing country apply equally to residents and non-residents) or mutual recognition of national rules subject to common minimum standards. In the latter case, all African member countries (or those which are affected) negotiate minimum standards to be met in all national regulations. Beyond such standards, each country is free to apply its own tougher standards on its home market. Exports of goods and services based on national regulations which meet the minimum standards are accepted by the partner countries. The EC example provides vast evidence of the scope of this 'mutual recognition' principle. It covers standards of environmental protection, health, safety, security, education (recognition of qualifications), residence and asylum, to list only the most important issues.

The principle which is consistent with market forces is to fix the threshold level of minimum standards as low as possible and to allow for as much competition between national rules as possible.

Finally, common infrastructure projects (energy grids, highways, water conservation, maritime mining) could call for managerial and financial burden-sharing among African member countries. Likewise, externally induced changes in the economic environment (protectionism) could require common retaliatory action. The scope of the latter field stretches from agriculture to air transport. The final results of the Uruguay Round will make this field more transparent.

African economic integration and cooperation: synopsis and lessons

1. The recovery of the national economic framework has top priority. African political leaders are primarily responsible for their countries and their people, not for a 'region'.

2. If political leaders are at the crossroads of integration and cooperation, the future focus should be on cooperation.

3. Within cooperation, African countries should concentrate on truly public services which cannot be provided by individual states alone.

4. Macroeconomic stability and open market principles are cooperation targets in themselves.

5. One should differentiate between external and internal cooperation.

6. Given political rivalry and other internal policy constraints, cooperation with third countries (either with OECD countries or other African countries, or with non-African developing countries) seems easier than internal cooperation.

7. Sub-regional cooperation between two or three African countries seems particularly promising as projects are then more narrowly defined and thus are operational.

8. If integration is politically acceptable, priority should be given to measures which make for greater factor mobility (lowering the costs of capital transactions).

9. Groups of African countries should establish themselves in international fora and they should provide their citizens with more symbols with which they can identify.

This list rests on three essential assumptions. African cooperation will be based on a sub-regional 'open-club' system. Secondly, it will rely primarily on the existing institutional framework. Thus, no messy bureaucratic regional body will be established. Such a body would encourage the formation of costly vested interests of politicians, officials and consultants. Finally, dialogues with non-member countries on concrete issues like aid, market access and resource management will be institutionalised and streamlined. ○ R.J.L.

Integration: from words to deeds

by Geert LAPORTE *

At the end of the 1980s almost none of the targets of the Lagos Plan of Action of the Organisation of African Unity (1980) for the gradual establishment of an African Common Market had been achieved. The Treaty of Abuja, signed at the OAU Summit in June 1991, set a new date for the attainment of a pan-African Economic Community, in 2025. This ambitious goal is to be reached in six steps. It starts with the strengthening of the existing sub-regional communities (ECOWAS, PTA, UDEAC, etc.) and should culminate, in a time-frame of 34 years (there are still 32 left), in the establishment of an African Economic Community with 52 States and more than 600 million inhabitants. The institutional implications are impressive. The politico-administrative machinery that will be put in place is almost a copy of the institutional framework of the European Communities, with a Council of Ministers, an Economic and Social Committee, a Court of Justice and a pan-African Parliament, at a time when many African countries are still ruled by military governments.

The very ambitious Abuja construction does not take sufficient account of the actual political, economic and cultural realities of the African continent. It starts from the assumption that once you set goals for regional integration and cooperation (RIC), implementation will follow automatically. Earlier experiences, however, in the African context, have indicated that when it comes to putting proposals into practice, serious problems arise.

The most critical issue of the Abuja treaty will therefore be to move from prescription to action. Conviction, as expressed by the OAU, without the power to implement, and recommendations without the determination and means to act, are words on a page, which are soon consigned to the archives. It is precisely this lack of implementation that has dramatically undermined the credibility of RIC processes in Africa.

That is why one of the most crucial and urgent questions that should be addressed is how to gradually establish community machinery which will enable important decisions to be more readily taken and, when taken, implemented without delay or dilution. Unfortunately, there appears to be little operational guidance on how to manage and organise a process of RIC, how implementation can be carried out in the most effective way and what requirements need to be met.

Without overlooking the essential role that can be played by regional organisations, we are of the opinion that policies and institutional requirements for RIC at the national level have tended to be somewhat disregarded in the debate on RIC in Africa. The importance of what is being done at the national level for any effective regional cooperation agreement is clearly illustrated by a UNDP quote, which goes: 'the effectiveness of any regional initiative depends on how it is perceived, accepted, and implemented at the national level.'

How is one to bridge the enormous implementation gap? How can one move from words to deeds?

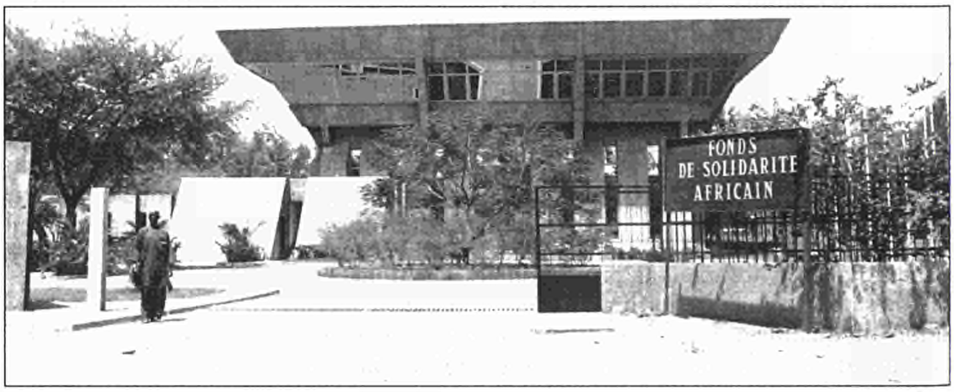
Five interrelated key issues, in our view, play a major role in moving forward in the implementation process. These are:
— strong and sustained political commitment;
— strengthening institutional capacity building;
— involvement of major economic actors and civil society at large;
— the choice for functional cooperation arrangements' and
— support by the international donor community.

Strong and sustained political commitment

The real starting point of any RIC is political will. The essence of political will can be described as a determination to search for a solution that leads to cooperation or integration despite the obstacles. The history of RIC in Africa shows that political considerations do much to explain the slow progress in implementing measures agreed upon in the regional context.

This view is clearly supported by the paper of the European Commission presented at the Kampala meeting of the Global Coalition for Africa: 'The most crucial factor in regional integration and cooperation is strong and sustained political commitment to keeping to the agreed regional agenda. This makes the African political leaders key figures in cooperation and integration. It is their decisions which will determine the role of the 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.' Commitment expressed to RIC programmes at regional fora becomes very difficult to implement once their practical implications, such as the fear of loss of national sovereignty and control, become evident. When governments and politicians do not benefit from RIC schemes, cooperation attempts will not be seriously pursued and mutually agreed policy decisions will not be implemented in member countries.

If the political leadership does not send to meetings officials who have the appropriate expertise on the issues to be discussed, it cannot be expected that, upon their return, action will be taken to



The Courier

'Proliferation, duplication of functions, conflicts over mandates and arrears in government contributions have had the effect that the more than 200 African regional institutions find it difficult to implement the tasks assigned to them'

* Programme co-ordinator at the European Centre for Development Policy Management (ECDPM).

implement decisions or to set aside funds for the implementation of programmes adopted. Meetings of regional organisations thus easily become 'talking shops' and their conclusions and recommendations do not go beyond the stage of wishful thinking.

Continuity of commitment to RIC will largely be determined by the perceived personal and national advantages and disadvantages of integration by the political leadership and populations. In order to strengthen support for integration, the workshop on the promotion of regional cooperation and integration in sub-Saharan Africa, held in Florence, has suggested conducting a fuller assessment of the costs and benefits of integration. The question can be raised, however, whether, in the African context, the scarcity of statistical data allows for reliable cost-benefit calculations. Here again some basic work needs to be done.

Strengthening institutional and managerial capacity

A basic prerequisite in drawing up plans for RIC is to look at the skills required to make them a reality. In the case of Africa one is even tempted to assume that the greater the diversity and the larger the group of countries that participate in RIC initiatives, the more management skills will be required. As indicated earlier, most analyses of RIC schemes, especially in the African context, have, almost automatically, concentrated on the role and functioning of institutions **at the regional level.**

Proliferation, duplication of functions, conflicts over mandates and arrears in government contributions have had the effect that the more than 200 African RIC institutions find it difficult to implement the tasks assigned to them. A genuine rationalisation of the numerous regional organisations in Africa is greatly needed.

Strategies to reinforce and rationalise the existing regional institutional framework have been discussed in various fora. The most visible initiatives in Africa are those taken by the pan-African organisations, such as the OAU, ADB and ECA, in evaluating the performance and recommending the restructuring, merging or abolition of some of the regional organisations. This field of action should be further explored by the appropriate bodies.

Neglected aspects, in our view, are the essential strong institutions and managerial skills **at the national level** for the implementation of the large and increasingly diverse number of conclusions and recommendations formulated within RIC schemes. What do countries have to do to gear up their administrative system for RIC? What capacities are required and who will provide these? Few — if any — African countries seem to have such institutional capacities. A well-structured national apparatus capable of coordinating their involvement in different regional organisations, is vital if they are to exercise a multiplicity of new tasks and roles. Establishing national integration structures in each country will make for better coordination among member states and would facilitate implementation of decisions. It will also make for quicker decisions. Arguably this will lead to easier consultation and harmonisation at the subregional level.

Most EC member countries have developed public management capacities for managing RIC processes. These, however, need to be upgraded continuously to sustain the European RIC process. As an example one could refer to the clear coordinating procedures that are needed in order to work out compromises at the country level. Most EC Member States have forms of inter-ministerial coordination on an almost permanent basis at the Cabinet level (the standing Cabinet Committee) and at the level of the civil servants who are involved in European affairs (the Interdepartmental Coordinating Committee).

What are the prospects in the African context? What are the public management reforms required at the national level? Ministries for regional cooperation or integration in Africa might constitute a first step in the direction of better RIC management such as better coordination; but in the rare cases where these exist, they tend to be window-dressing ministries without real coordinating power or appropriate staffing. Whether it is called the Ministry of RIC or just the Ministry for Foreign Affairs, the key issue is that there should be some coordinating machinery in the government (Presidency, National Coordinating Commission, etc.) responsible for coherence and consistency in regional affairs.

RIC also requires a coordinated effort and permanent interaction between the national and regional levels. **The interface level** is therefore equally important. With a view to bringing about greater convergence between the national development policies of Member States and the objectives of integration groupings, interlinkages are considered of prime importance: 'One important theme underpinning efforts to strengthen intra-African economic integration and cooperation would be the strengthening of the link between national and regional development policies and programmes.' Hence, the need to strengthen consultation and coordination machinery between both levels. In the European context, this role is played by the Permanent Representatives, who provide feedback to their national administrations and perform a bridge-building function between national policy and Community policy.

Capacity building, too, has been diagnosed as one of the most critical subject areas for economic development and RIC processes. The World Bank puts it bluntly: 'More access to information on other African countries, more exposure to them, and more education about them are vital parts of the process.'

Human resource development and administrative, technical and research capacities are indeed fundamental in any strategy to promote regional cooperation. Training of government officials and technocrats at both the national level and the level of secretariats charged with implementing regional policies as well as finding ways to motivate them, are key factors that may help to achieve the objective of RIC. A critical mass of very dedicated people within the administration is needed to ensure continuity. Exchange programmes and increased contacts at the personal level may also play a major role in building support for regional cooperation initiatives and in creating a common language between protagonists and stakeholders — both public and private — in the countries concerned.

Among the capacities required, there is also information management. There is an acute lack of awareness of what other African countries can offer to substitute for the products presently being imported from developed countries. Institutionalised access to and quick transmission of information on rules and regulations implemented in partner countries and on bureaucratic procedures, publications of standardised statistical data etc. may lay the groundwork for effective RIC. Finally, institutional steps should also be taken to ensure that where a decision is

Regional integration and cooperation cannot be imposed solely from above, but must be a commonly felt necessity supported by public consent

duly taken (e.g. by Heads of Government Conferences), Member States give legal effect to it.

Involvement of major economic actors and civil society

RIC is not just a matter of national governments and international organisations. It cannot be imposed solely from above, but must be a commonly felt necessity supported by public consent. It is agreed that since RIC is a means of improving the standard of living of the largest possible section of society, civil society should not be left out of the debate. The relative neglect of the wide diversity of nongovernmental social and economic operators (private associations, business groups, chambers of commerce, employers' associations, trade-unions, media, women's associations, religious groups) is probably one of the major causes of the lack of progress in economic development and RIC. It is felt that treaties or articles of association are the private property of a few politicians and civil servants. Nobody else reads or knows of them. Partly because of the lack of democratisation, pressure groups have not been involved and leadership has failed to explain fully to ordinary people the reasons for participating in RIC and the advantages that may flow from it. It has to be admitted that if an integration process remains a bureaucratic affair and the people are not really convinced of its usefulness, it is unlikely to succeed.

Civil society can therefore be seen as the barometer of the real effects of RIC measures. This goes in particular for the private sector, both formal and informal, whose role is recognised as being fundamental in the RIC process. The European industries, organised at a sectoral level, have been major lobbying forces in accelerating the European integration process.

Functional cooperation arrangements

Market integration is one of several possible approaches to regional cooperation. As the time does not yet seem to be ripe in Africa for this type of integration, involving the surrender of sovereignty in part or in whole, one could aim at sharing sovereignty, exercising this collectively in very specific areas. Rather than striving at once for strong and independent supranational institutions with considerable powers and their own resources, one of the lessons of the past is that less ambitious, more flexible institutional set-ups may have more potential because of their responsiveness to Member States' priorities and interests. This implies less-binding project-oriented and functional cooperation schemes, involving action on certain themes or in certain sectors that offer some immediate benefits. There is a tendency to believe that these types of pragmatic institutional arrangement with realistic and well defined objectives responding to specific short-term needs may offer better prospects. There are some true successes, for instance in the fields of education, environment, food security, and transport and communications, (e.g. PANAFTEL). It would be useful to build on these when deciding on further action.

The emphasis would then lie more on coordination of policies than on integration, allowing countries to keep their autonomy in terms of economic policy, but at the same time to cooperate in areas where they perceive a need to do so because the lower the profile of the regional arrangements and the smaller the size of their secretariats, the less likely the ruling elites are to perceive them as encroaching on national sovereignty.

This type of gradualist and pragmatic approach offers better prospects of reducing difficulties linked to the distribution of costs and benefits since it concentrates on those areas which bring benefit to a majority of participating countries. It may be worth remembering that the present European Community stems from a similar type of modest approach in certain sectors (coal and steel).

The supportive role of the donor community

The primary responsibility for arriving at effective RIC schemes rests with the governments and populations of the countries concerned. However, given the magnitude of the problems and the very limited resources of most African countries, there is a need for substantial international support to supplement their own efforts. External financial and technical cooperation can play a catalytic role (activities in sectors such as communications, transport, education, awareness-raising and training programmes) if these types of aid start from the developing countries' own priorities and efforts and avoid formulating so-called solutions from outside. Care should, however, be taken that RIC, in the same ways as good governance, does not become another donor-imposed condition or that international donors display a greater enthusiasm for RIC than African countries do themselves. Furthermore, donors need to look not just at how their development cooperation policies may promote RIC but also at how their other policies (e.g. the common agricultural and food aid policies of the EC) undermine or support RIC and efforts to move towards sectoral policy harmonisation at the regional level. These are important areas of interaction which need to be addressed if the list of obstacles to RIC is to be reduced.

Conclusion

Action in many fields needs to be undertaken to make RIC in Africa work. From the above analysis it becomes evident that institutional requirements and managerial capacities for RIC at the national and interface levels seem to some degree to be left out of the discussions. Hence, ECDPM [1] will concentrate future research in the field of RIC on the institutional and managerial capacities for implementing RIC agreements at the national and interface levels and on the more pragmatic and incremental RIC schemes which hold out the best chances of success. Attention will also be devoted to the specific contributions donors can make towards promoting RIC, and more specifically towards strengthening the institutional capacities and human resources for RIC. ○ G.L.

[1] European Centre for Development Policy Management.

Informal trade and regional integration

by John O. IGUE *

The issue of regional integration is one which now preoccupies West Africa. It has, like democracy, become one of the conditions of aid to Third World countries generally, and to Africa in particular. But even though the democracy debate is recent, relative to regional integration it is old. Indeed, it is since the splitting of colonial influence (notably AOF and AEF) that the need for regional integration has made itself felt. It took concrete form in Central and West Africa first through the customs unions (UDEAC in 1964, UNDEAO in 1966), and then by real integration initiatives in West Africa (CEAO in 1973, ECOWAS in 1975).

But although the pace of progress of the democratic process on the continent is rapid, that of regional integration is relatively slow. One could in fact say it is receding, despite the need for it.

The difficulties of regional integration at the official level are, however, not in keeping with the drive shown by Africa's peoples. One can, without exaggeration, assert that the peoples of Africa have already achieved de facto integration. This is founded on the remarkable development of traditional trade, often described as informal, and population movements, usually in the direction of coastal states.

The development of these exchanges, which has as much to do with goods as with people, relies on the very factors which obstruct the various aspects of regional integration at the level of states:

— the lack of sufficient space for political manoeuvring;

— the lack of a development strategy based on regional complementarities;

— the refusal of African decision-makers to face up to historical and cultural realities.

The lack of room for manoeuvre takes on two aspects.

* Professor of Geography – Université Nationale du Bénin – Cotonou.

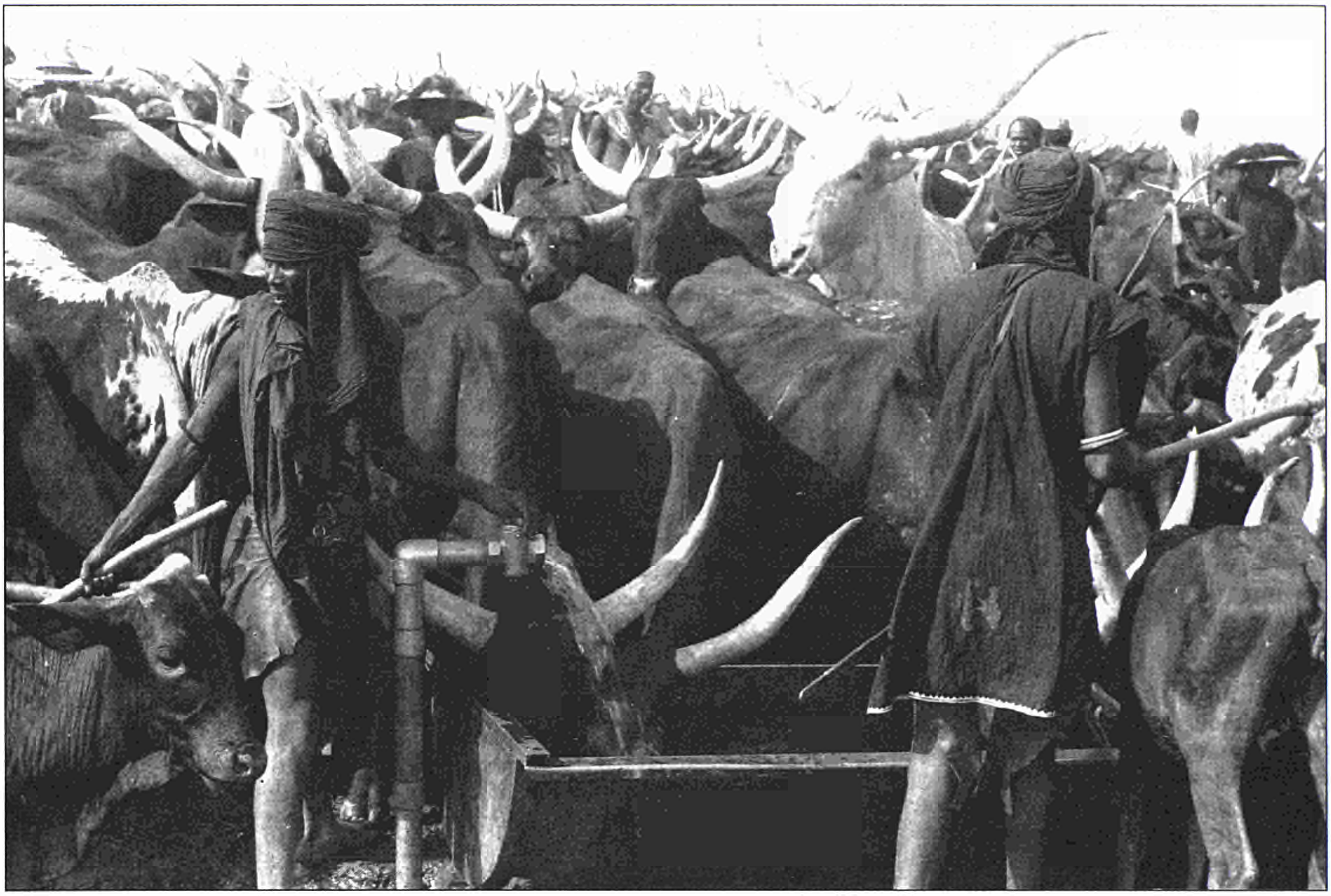
The first is the issue of the national boundaries inherited from the colonial period. Given the extent of the crises affecting the African states, none of the states, whatever its size and population and however abundant its natural resources, is in itself an adequate framework for development. This assertion may cause surprise: indeed, there is a tendency to classify the states of the West African sub-region into three categories: viable (Nigeria, Ghana, Côte d'Ivoire, Senegal), intermediate (Togo, Benin, Guinea, Liberia and Sierra Leone) and less advanced countries which are, for the most part landlocked (Burkina Faso, Niger etc.). Today, all these states are experiencing the same types of problems despite the disparities between their natural endowments. If the classification were based on their respective indebtedness, the states in the first category would come far in the lead.

This is the category in which indebtedness per capita is the highest. One could therefore say, without exaggeration, that the states with substantial natural resources have already sold their corn in the blade, thus confirming that beautiful phrase of Eduardo Galeano: 'The richness of the earth begets the poverty of nations'. This observation illustrates the potential for political manoeuvring in Africa. There arises in these different areas the thorny problem of the control of development resources and, above all, of a valid point of reference to guide the actions of today's leaders. The absence of such a reference point is a reflection of the artificial nature of these states, whose population and history relate to other, sometimes antagonistic, political entities. (We would here mention the divergence of view between English-speaking and French-speaking countries in the sub-region on these essential questions: for example, the failure of the Conference of ECOWAS Heads of State in relation to the Liberian crisis). This leads to major ethnic conflicts at the borders which ruin the prospects for the consultations concerning local assets which are a necessary basis for sustainable development. To these national constraints, which merit serious reconsideration, can be added the nature of the states inherited from the colonial period.

The second aspect is the problem of actually demarcating the West African sub-region. Its eastern limit is far from consistent with historical and economic realities. To appreciate some aspects of this inconsistency it should be noted that West Africa stops at Nigeria's border with Cameroon. Despite this, the economies of Cameroon and of Chad depend heavily on West Africa. Cameroon conducts more than 50% of its trade with West Africa on the inter-regional level, although it is part of Central Africa. Flourishing Bameleke multinationals tend to be in the west of the country. Thus, most of the bank notes issued by the Bank of the States of Central Africa for Cameroon circulate in Nigeria, Benin, Togo, Niger and the Côte d'Ivoire rather than in Cameroon.

Chad is still more dependent on its neighbours in the West — Niger and Nigeria — than on the states of Central Africa. How is it possible, then, to truly integrate these 16 states of the sub-region without thinking, for a few moments, about the role that Cameroon and Chad can play in such a bloc? These questions, however relevant, are totally removed from the different concerns of regional integration both in the West and in the Centre, while at the same time the Kanouri populations of the Lake Chad basin reinforce their internal solidarity beyond the borders, the Foulbé of North Cameroon are oriented more towards Yola and Sokoto and the English-speaking populations of Cameroon are firmly linked to the southeast of Nigeria.

These aspects of the nature of the room for political manoeuvre in Africa demonstrate the absence of a development strategy founded on regional complementarities. Contrary to the idea that Africans have only a few things to trade among themselves, the history of pre-colonial trade is one of trading activity between different ecological zones. The borders of these ecological zones are where the principal market entrepôts, which for a long time guaranteed the dynamism of regional trade, developed. These regional markets situated at ecological borders included Kukuwa, the famous capital of Borno; Kano, the



It is estimated that between 1980 and 1985, 500 000 head of cattle were sold by the Sahelian countries to the coastal states in West Africa

centre of the African 'caravan' trade; Salaga, the most important cola market in Dagomba, and Kong, situated at the end of one of the most important corridors of the caravan trade linking the Middle East to West Africa.

Regular contact between these different regional markets is what has made possible the formation of important trading networks which are still controlled by the same ethnic groups as before: Haoussa-East Kanouri, Central Wangara (that is, Dendi), and West Malinké. These networks were established thanks to the trading dynamism of the zone, and were at the same time anchored in regional complementarities and relations with the Maghreb and the Middle East. They also covered the whole of the forest-covered zone, where they were able to rely on extensive onward forwarding systems run by the Yoruba of present-day Nigeria, the Akan of Ghana and the Dida of Côte d'Ivoire.

The size and extent of these trading networks favoured the stage-by-stage creation of a monetary system which speeded up the integration process at the time, with local currency, represented by the 'manille', regional currency, represented by cowries, and international currency represented by gold.

These different experiences have never served as reference points for the various official development strategies which are currently in effect in the sub-region.

It cannot be otherwise, since today's decision-makers have chosen to downplay historical realities and local cultures in favour of a development which draws its roots from other, far-removed cultural values. This results in a certain incapacity on the part of the authorities to control the parameters of this imported development, particularly as regards the mobilisation of resources which must be part of this process of externally generated development. The consequences of such a pattern of development are numerous.

One might highlight the social contradictions that it entails among educated African elites, conscious of the issues at stake in modern evolution, and among the undeveloped populations of the cities and the country for whom access to a modern economy is not a major issue.

Thus, political speeches which call for mobilising the strengths of the nation do not reach their target because the intellectual elite and the uneducated have different values. This results in a certain dualism in the way the state is managed, which is very prejudicial to control of all the parameters of national functioning. There is, for example, the failure to keep proper national accounts, which are often undervalued or overvalued, resulting either in shortages or in excess supply, both equally difficult to manage.

Parallel foreign exchange markets

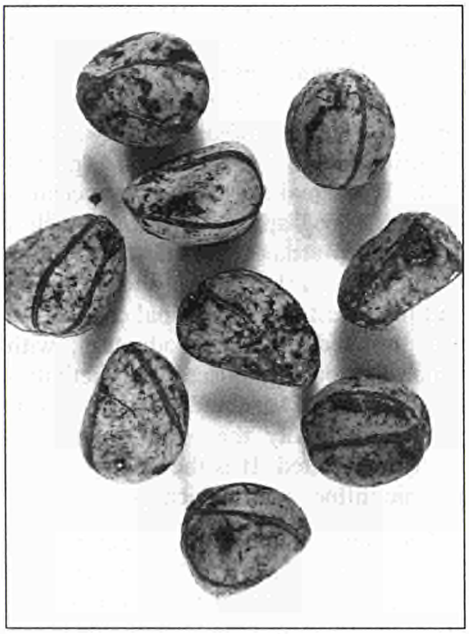
These distortions are the basic causes of the development of the informal trade sector, so often disparaged in official speeches. This sector has adapted itself very well to the local context, since it not only develops in the vestiges of pre-colonial trade but even continues it in some way. Its vitality is the consequence of this, while the modern economic sector is going through a fairly acute growth crisis.

The way informal trade functions is perfectly in keeping with the logic of traditional trade, that is to say, the existence of a dynamic and effective trade network, plunging its roots into and drawing its intervention strategies from the old trade networks established even before the colonial era. Despite the appearance of colonial borders, these networks engage in transnational activity and cover the whole of the sub-region. They have adapted themselves perfectly to the different economic systems set up in the colonial context, particularly to the complicated monetary system. In addition, they have created important parallel, internal foreign-exchange markets which deal in all the sub-regional currencies. The existence of parallel markets has resolved the thorny problem of monetary integration in the sub-region. It has worked so well that the exchange rate on these markets now determines the official exchange rates applied by the Central Banks in each of the countries of the zone.

Lastly, these different trade networks function on the basis of the regional complementarities created by the existence of ecological zones. Thus, the coastal states with a humid climate, which are by and large open to the outside world, spur on the regional trade in their agricultural and industrial products as well as that in their international imports. The hinterland countries of the Sahel, in return, supply the labour for the development of crops in the countries of the South; they supply livestock, onions and leguminous products.

Although official inter-tropical trade accounts for scarcely 4% of the total volume of regional trade, parallel trade comfortably exceeds 20% of it.

If one limits oneself to the movement of cereals in West-Africa, this was estimated to be about 3 million tonnes in the case of local cereals in 1987; that is, 17% of regional cereal production, which is estimated at 20 million tonnes. If one incorporates the cereals imported from outside — rice, wheat and wheat flour — the volume of cereals marketed in West Africa would be 7 m t, of which 4 m would be rice, wheat and wheat flour. Thus, transborder trade would represent nearly 20% of combined cereal trade in the sub-region. The most significant of these cereal flows are towards Nigeria, which receives between 65% and 70% of the total re-exports from its immediate neighbours. The remaining 30-35% are directed towards Sahelian countries from coastal countries like Côte d'Ivoire, The Gambia and Togo.



Cola nuts, for centuries one of the main products of intra-regional trade

These movements not only concern cereals, they also apply to livestock. This trade has developed particularly well since 1980, thanks to the demand from Nigeria during the oil boom. The volume of trade in livestock between Sahelian countries and coastal countries between 1980 and 1985 is estimated at approximately 500 000 head.

These different flows, to which the trade in legumes and tuber derivatives and products manufactured on the spot or imported from the international market should be added, have had many consequences which have profoundly altered the functioning of the West African sub-region.

The first of these consequences is that these exchanges, contrary to the prejudices firmly entrenched in the minds of decision-makers, are factors in the regulation and improved redistribution of wealth in the zone. This type of regulation should be seen in the light of the failure to keep proper national accounts, as already discussed. This mechanism of regulation through trade concerns all states without exception. Otherwise how would it be possible to explain why, despite the banking liquidity crises and the concomitant risk of unpaid salaries, there is hardly any serious social tension? Apart from the activities of a few lobby groups which are not provoked by shortages of ordinary consumer goods but by the aspiration of people to greater freedom of expression, to the establishment of the rule of law, the peoples of Africa have hardly remained at the same level of development, whichever state is under consideration.

The social tranquillity of these different states rests, then, on the dynamism of the informal sector, which to a large degree alleviates the errors of public management.

The second consequence of informal trade is the appearance of a new form of spatial structuring which manifests itself in two ways:

— the development of border regions into real de facto zones;

— the existence of much more functional manœuvring spaces than the West African sub-region as the sole framework for regional integration.

The dynamism of border regions stresses regional imbalances which are natural and anthropological in origin, particularly the disparities in resources between coastal and Sahelian states on the one hand, and between French-speaking and English-speaking states on the other.

These imbalances are accentuated by the protectionist policies pursued by countries, which set in stone the way borders operate and cause considerable variations in the conditions of development from one place to another. These different situations are often difficult for the rest of the population to bear, as they are not always convinced that they actually belong to the existing states. They continue to react according to traditional norms whereby protectionist barriers between kingdoms and empires are weak. According to these norms, African traders circulated freely and transported gold, coal, salt and so on from one place to another without encountering any major obstacles.

The rigidity of the present borders has forced traders to adopt new strategies. These consist in moving the centre of economic interest towards the border zones by establishing new trade areas, setting up periodic markets or upgrading those which existed before partition, in order to stimulate the circulation of goods and people between complementary ecological or economic zones. This has the peculiar effect of causing border regions founded solely on illicit trade to develop, which ensures in its turn that wealth deriving from the sale of the agricultural or mineral resources which certain states have in abundance is distributed between neighbouring countries. It also helps to create an autonomous area which grafts itself onto two or more states. The free de facto zones break away completely from the nation state.

The structure of these autonomous areas, often described as national *peripheries,* is generally based on three elements: periodic markets, border warehouses and border towns which become both the channels for and the catalysts of informal trading relations. Their existence and operation make for a certain basic level of regional integration, which intimately involves African populations who often have very little to do with the management of modern states.

But the often illicit character of this type of trade, in terms of the rules laid down by states, means that the advantages of autonomous border regions are not perceived as such by the political authorities. On the contrary, these authorities do all they can to prevent such areas operating by applying severe control measures, sometimes leading to serious tension, as is the case presently on the borders of Senegal. Elsewhere, however, an awareness of this dynamism has stimulated bilateral negotiations on specific points of mutual interest. (Niger/North Nigeria, Benin/Nigeria). These concerted bilateral policies reduce the risks of border tension and directly legalise informal trade, which has become a major feature of the regional dynamics of West Africa.

The dynamism of informal trade makes it possible to envisage other schemes for regional integration which would no longer necessarily involve the whole sub-region, but more reduced areas where greater regional opportunities seem to exist.

The detailed analysis of trade flows and what determines them, carried out by the team of researchers organised around the INRA-UNB-IRAM network, has just highlighted the existence of three sub-areas on the basis of which the chances of economic integration are greater: the western, the central and the eastern sub-areas.

The first corresponds to Senegambia, a vast region constituted by two basins, in the wide interpretation of the term, the Senegal and Gambia rivers, from their sources in the upper plateaux of the Funta Jallon to their mouths in the Atlantic Ocean. This region would in fact include all of the present states of Senegal, The Gambia, Guinea Bissau, Mauritania and Guinea as well as part of Mali. What makes this region special is clearly its geographical position, which is oriented towards the ocean, at the crossroads between the Sahara, the savannah and the forest. Its traditional civilisation was founded on rice production, with which important agricultural activities based on millet, sorghum and leguminous products (mainly the peanut) are currently associated. It is the stronghold of Islamic influence in Africa.

The central sub-area corresponds to both the Akan and the Mossi, with the important overflow of the Malinké people in the West and the Ewé people in the East. Its special feature is the strong influence of export agriculture based on cocoa and coffee, and the underground wealth of gold and bauxite, especially in Ghana. The central area is also the most important immigration centre in Western Africa. This mainly concerns Ghana and Côte d'Ivoire, which remain the principal elements of spatial structuring in this sub-area.

The East corresponds to the zone of influence of Nigeria, the Giant of Africa, not only in terms of the size of its population and the importance of its ethnic groups, but also in terms of its overt and covert wealth. Here the regional problem revolves around an unusually well-developed pattern of regional trade, which enables one to see this sub-area as the most advanced in the process of genuine grassroots integration.

These different situations are proof enough of the distance already covered by the African peoples in the regional integration process, at a time when the modern states are experiencing serious difficulties in harmonising their economic policies.

What can be done, therefore, in the face of this dualistic situation? A knowledge of the data accumulated over the last few years through studies initiated by the Club du Sahel and the CILSS calls for a new economic strategy in the sub-region. This must necessarily involve a better knowledge of local realities before any action is taken.

Meanwhile, however, it seems appropriate to upgrade the value of those African productive forces which still exist. Two such forces come to mind: farmers and traders.

The former, through their daily work, keep the market well supplied. The latter, because of their perfect knowledge of the workings of the market, are responsible for the efficient distribution of products.

Trader-producer relations are nevertheless largely dependent on the monetary question, which is now set to become an inevitable factor both in the development of official trade and in the reinforcement of informal flows. Here, too, there are two possible solutions:

— creating currencies in stages, as was the practice of Africa's forefathers:

— establishing a single monetary system under the protection of the European ECU. This solution would have the advantage of offering the sub-region the possibility of being better integrated with the common European market and deriving greater advantage from the functioning of a single market. It would allow Black Africa to have two solid monetary systems, it being understood that the South African rand would play an important role in the system.

In the end, the question of regional integration can never be settled without changing the nature of the states inherited from the colonial period. These states must cease to be largely dependent on the barter economy and on a system of regulation based on the distribution of wealth among members of the governmental clan, and must become truly modern states. To achieve this, they must have a solid, well-balanced economic position based on mass production and on the real needs of their populations. These real needs are the basis on which genuine undertakings can come into being and become actors in a genuine regional market. ○ J.O.I.

Economic integration and structural adjustment and their interdependence *

In theory, structural adjustment programmes (SAPs) encourage the integration of markets by reducing distortions and opening up the economies concerned. Since programmes are designed and implemented at the purely national level, however, sometimes with substantive differences as well as different timetables and sequences of implementation, they may actually provoke regional distortions and frustrate the very objectives of economic integration.

Conversely, national SAPs may run into obstacles as a result of certain forms of regional integration (in the tariff, tax and monetary fields, for instance).

To identify the right conditions for making both these aspects of cooperation — economic integration and structural adjustment — mutually reinforcing, it would be useful to analyse the various possibilities of interaction and interdependence. Below, we look at the effects of integration on adjustment and then at the affects of national SAPs on different forms of integration and regional cooperation. This 'static' comparison is necessarily rather simplistic since no account is taken of the dynamics between the two. It remains useful, though, in that it pinpoints some guidelines for future operations and initiatives.

* Text provided by the Directorate-General for Development at the EC Commission.

The effects of formal economic integration on adjustment

Integration policies affect national SAPs in terms of monetary, exchange-rate, tax and trade policies.

Monetary policy

In monetary unions that have regionally-integrated capital and currency markets, specific SAP credit policies (credit ceilings) are ruled out. The limited scale of such integration in the monetary unions existing in sub-Saharan Africa has not in fact prevented their application. There are, however, unresolved conflicts concerning the objectives of adjustment policies in this field.

Exchange-rate policy

Although existing monetary unions may, by unanimous decision, devalue to facilitate adjustment, the diverging interests of the member countries as regards real exchange rates have ruled out the use of this option so far. In practice, no country can devalue on its own without leaving the union. Therefore, this economic policy instrument is not a practical option for existing monetary unions, which means that alternative instruments have to be sought.

Tax policy reform

An important feature of SAPs is tax reform aimed at creating a broad, firm tax base that does not distort the main sources of revenue in any way. What this means, in fact, is the progressive introduction of broad-based consumer taxes.

Railway between Côte d'Ivoire and Burkina Faso
A top priority for landlocked countries is efficient trade, customs and transit cooperation schemes

The obstacles that regional integration puts in the path of these reforms at the regional level vary. In the Preferential Trade Area of Eastern and Southern Africa (PTA) there is no problem for most countries. In the CEAO the only problem that has arisen concerns the regional cooperation tax; the rates and structure of the tax can be reformed only at regional level. In the Southern African Customs Union (SACU), South Africa has unilaterally reformed indirect taxation by replacing sales tax by VAT, and the other members could do the same. There are particular difficulties in the path of tax reform in the UDEAC, where the optimal solutions would require revision of the treaty. Meanwhile, the tax reforms proposed by some of the members are being held up. In parallel to implementing necessary fiscal reforms at national level, the scope for better regional coordination of fiscal policies should be actively explored. In the Southern African Customs Union (SACU), it is not a major issue as far as structures are concerned, but any reform of indirect taxation would have to be handled at regional level. [1]

Belonging to a regional organisation can be an asset when it comes to carrying out the reforms and some countries have indeed decided to set up common tax and customs reforms through their regional units. UDEAC and WAMU, for instance, have reforms aimed not only at setting up (and in UDEAC's case, reviving) a customs union, but at overhauling their indirect internal taxation and harmonising (by means of common tax brackets and common product classification) the turnover tax in UDEAC and VAT in WAMU. UDEAC had to revise its treaty for this purpose, but WAMU's new provisions will appear in the Treaty of Economic and Monetary Union (WAEMU) which the Heads of State and Government are due to adopt in 1993.

Regional reforms do not hold back national measures. Cameroon, for example, intends to bring in VAT sooner than the other UDEAC countries.

Trade policy reform

The extent to which trade arrangements may constrain trade policy reform at national level depends on the specific nature of the arrangements.

Tariff reform in an organisation with a common external tariff (SACU and, in theory at least, the UDEAC and the CEAO) has to be undertaken collectively, and that can hold up the decision-making process.

In free trade areas (like the PTA), in contrast, individual countries may make tariff adjustments. There is therefore a margin for manœuvre that organisations with a common external tariff do not have.

The effect of SAPs on various forms of integration and cooperation

In the last decade SAPs have brought about a significant turnaround in the economic policies of many sub-Saharan countries, and this has greatly affected the integration process.

Effective structural adjustment should in the long term normally assist international integration at subregional or higher levels, since the purpose of an SAP is to rekindle economic growth by increasing the mobility of production factors and by decreasing economic discrepancies.

By eliminating red tape that is unnecessary for the operation of markets, administrative reform should give the private sector more scope. Tax and structural reforms also help market-led integration, in that they make for efficient productive structures and realistic price structures which in turn encourage sound investment. The country's economy then becomes more attractive for direct investment and trade flows are set in train.

It is always possible, however, that concurrent but uncoordinated national SAPs with different contents, timetables and implementation sequences may end up by colliding, imposing adjustment costs on other countries and adversely affecting the functioning of regional agreements.

By way of example, sudden policy changes affecting the prices paid to farmers have created, amplified and even reversed cross-border trade in agricultural produce (groundnuts between Gambia and Senegal, cocoa and cowpeas between Niger and Nigeria etc.), upsetting public finances and both processing and marketing circuits.

One of the most obvious results of uncoordinated policies was the instability of (real and nominal) exchange rates in Africa in the 1980s. Nigeria was a flagrant example of this, for it saw its terms of trade deteriorate badly (oil prices fell) and devalued the naira sharply in 1986-87, which, given the country's exceptional size and a recurrent parallel exchange market, damaged a number of its neighbours' industries.

A solution to these problems has to be sought in better coordination and harmonisation at regional level, against a background of sound economic policies. The problem of spillover of domestic economic policies is not confined to the developing countries or those implementing SAPs. It is a problem that goes hand in hand with economic interdependence. It is therefore necessary to take into account the consequences of a national SAP for the neighboring countries and the advantage of having a regional view of national SAPs in order to maximise the potential gains for those countries. Additional resources and technical adjustment might help slow reformers to improve their performances.

Guidelines and future initiatives

In view of these links between integration and adjustment, we may ask what is the best way to make sure that these two components of cooperation converge. This quest for convergence raises a number of parallel problems:

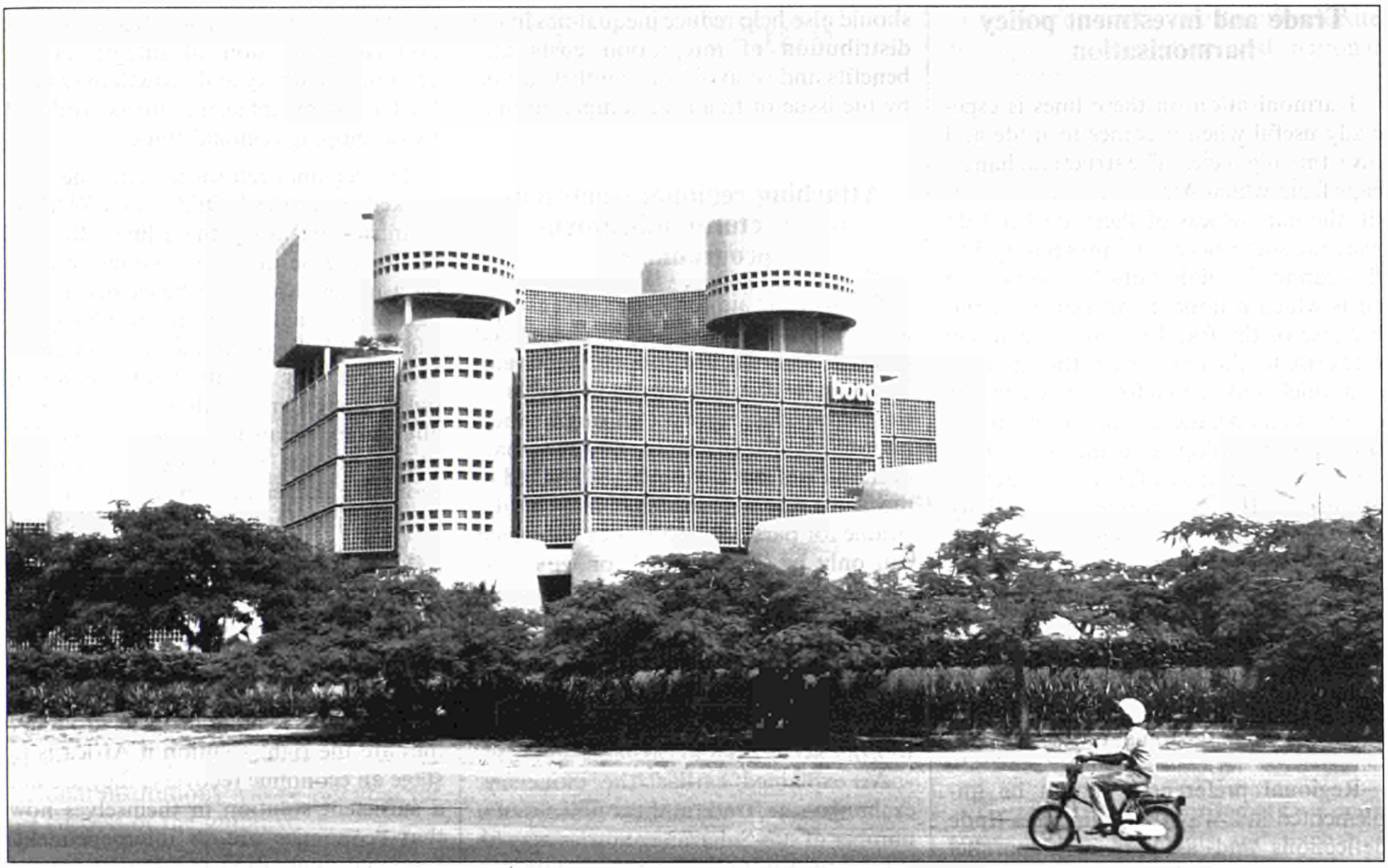
— how to ensure that the integration process is sustainable before any significant progress has been made in structural adjustment; and the reverse: how structural adjustment can be facilitated by strengthening regional integration;

— what forms of integration and economic policy coordination should be given priority;

— how to ensure that the sequence, the pace and the timetabling of stabilisation/adjustment policies (short- to medium-term policies) and integration policies (long-term policies) are compatible and that they converge.

There is no single answer to these three questions. For instance, as regards compatibility and convergence, if a distinction is made between sustainable and unsustainable integration measures, there cannot be fundamental contradictions between adjustment and integration. The example of the European

[1] Although, in practice, it is South Africa which decides on the direct tax and tariff policy.



West African Development Bank headquarters in Lomé
Belonging to a regional organisation can be an asset when it comes to carrying out reforms

Community shows that integration is a gradual process. It can be achieved only after a long haul, passing through a number of stages that represent the best possible implementation sequences in relation to the various points of departure. The main thing is to adopt a pragmatic, flexible and gradual approach which will trigger a process, show which countries are interested in cooperation and proceed by means of step-by-step measures or sectoral operations and limited objectives that allow countries to become involved in a number of areas of cooperation.

A number of guidelines which will serve to create this dynamic, mutually enriching relationship between regional integration and structural adjustment can be laid down. These guidelines involve:

— the coordination of macroeconomic and sectoral policies;

— the harmonisation of trade- and investment-linked policies;

— attaching regional conditions to structural adjustment programmes.

Coordination of macroeconomic and sectoral policies

This analysis has shown that economic integration and structural adjustment policies are closely linked. Thus, while interaction between them may create a momentum which encourages integration, it can also hamper it. It is advisable to create a synergy between these policies which favours integration.

The first step towards convergence is to harmonise macroeconomic and sectoral policies at regional level in order to minimise spillover effects that are damaging to domestic policies (and minimise the transfer of the costs of adjustment to neighbouring countries) and ensure that adjustment and integration policies are mutually reinforcing, though without allowing the pace to be dictated by the slowest reformer.

This regional convergence of national SAPs calls for greater coordination and harmonisation of economic policy in terms of content, pace, timetabling and sequence of implementation, but existing regional integration agreements have also to be taken into account and reciprocal adjustments made to ensure effective, viable policies.

When it comes to translating theory into practice, we obviously have to recognise that situations, and thus priorities, vary greatly from one part of sub-Saharan Africa to another. The overriding priority for landlocked countries, for instance, is to set up efficient arrangements for trade and customs cooperation and transit, and clearing procedures. The priorities of countries with non-convertible currencies are improved payment procedures and monetary harmonisation as prior, but not sufficient, conditions for any progress towards convertibility. For other countries, a sectoral policy may be useful for overhauling a sector or production chain and restoring its regional competitiveness.

The main thing is to take a pragmatic approach: not to harmonise for the sake of harmonisation but to work towards greater harmonisation in some key areas with a view to achieving rational and consistent integration.

Trade and investment policy harmonisation

Harmonisation on these lines is especially useful when it comes to trade and investment policies. The structural handicaps from which African countries suffer (in the narrowness of their markets) do warrant some degree of protection, but this cannot be high, both because of the costs which it imposes on exporters and because of the fraud which it inevitably gives rise to above a certain threshold — and which makes it ineffective. Setting up customs unions, thereby harmonising the trade policies adopted at the adjustment stage, should be a way for each country to promote efficient forms of activity directed towards the integrated market, which will stimulate competition and make for economies of scale, while enjoying only a moderate level of protection. Within a zone, countries must be given regional preference, which should progressively become full preference, with zero-rated customs duties.

Regional preferences should be implemented in a way that minimises trade deflections and as part of a parallel programme to abolish barriers gradually.

Non-tariff barriers are also a serious obstacle to trade, and action to eliminate them is urgently needed if they are not to discriminate against intra-African trade, as is often the case.

Nevertheless, a preferential margin would be of no interest in itself if African subregional markets remain fragmented by national investment incentives. Support for a harmonised, transparent approach for investment incentives and the abolition of all discrimination against regional investors would be an important component of a comprehensive approach to integration and adjustment.

This is the purpose of the initiative to facilitate intra-regional trade, investment and payments in East and Southern Africa and the Indian Ocean, the object of which is to identify constraints and suggest ways of overcoming them.

If goods and other factors were liberalised more rapidly at regional level than with the rest of the world, the costs of adjustment could be reduced by exposing firms to regional competition before they had to face world competition. This multisectoral, multimarket liberalisation should also help reduce inequalities in the distribution of integration costs and benefits and so avoid the conflict caused by the issue of financial compensation.

Attaching regional conditions to structural adjustment programmes

Some of the aid for these reforms will, as in the past, have to be channelled through regional institutions. Most aid, however, will still be made available to the countries direct through their national SAPs. In future, however, part of the aid will have to be directly linked to measures and reforms that may be desirable for particular countries but which can only be implemented, or would be implemented to better effect, at regional level. A degree of regional conditionality would undoubtedly be desirable. The challenge will be to make the system work in such a way that the pace of the slowest does not hold up the others.

As explained earlier, the monetary, exchange-rate, trade and tax policies of a number of sub-Saharan countries may be subject to major constraints as a result of their membership of regional bodies. Reforms in these areas can be carried out only at regional level. When the rules of regional organisations place pointless obstacles in the path of domestic structural adjustment, they should be amended as a priority. By the same token, there may be areas where national measures are not necessarily hampered by regional rules but where the impact would be much greater if a number of countries took coordinated action. This is certainly true of transport and goods in transit. A regional reform or adjustment programme to supplement national programmes would be highly advantageous, not to say essential, in such areas. Additional aid with strings attached concerning regional action would be a way of ensuring that the necessary measures were taken by all the countries concerned.

A further basis for regional conditionality is what might be called the new theory of regional integration, which sees regional integration as an institutional means of encouraging the adoption of economic policies which are to some degree sheltered from particular, more powerful pressures at national level. From outside, it will give economic reforms by a country in the subregion greater credibility. The effects of this political dimension of integration on economic stability and growth may be at least as important as the effects produced by developing regional trade.

The regional reform programmes embarked on in the UDEAC and WAMU countries are along these lines. Both of them propose tax and customs reforms on a regional scale, to be carried out as part of national SAPs whatever happens. The WAMU programme also contains a provision for multilateral economic policy surveillance with a view to gradually setting up an Economic Union. The object of this is to use the regional economic surveillance machinery to coordinate national economic policies and make them converge, so that the countries in the Union can carry out concerted adjustment.

Conclusion

While structural adjustment programmes are the right solution if Africa is to stage an economic recovery, they are not a sufficient solution in themselves now that economies are so interdependent. Regional integration is essential for the success of structural adjustment policies and as a first stage before full participation in the world economy. Countries which have attained economic development and integration into the world economy without this intermediate stage remain exceptions (the NICs and Mauritius). Donors and international financial institutions have an important part to play in establishing dialogue on policies and providing financial aid to create fruitful interaction between integration and adjustment.

Their contribution could focus on the following:

— taking account of regional interdependence and the effects of adjustment measures beyond national borders in the preparation and design of an SAP;

— supporting the harmonisation and coordination of macroeconomic and sectoral policies in order to achieve the twofold objective of integration and adjustment;

— encouraging and supporting sectoral reform policies at regional level;

— promoting regional interdependence through support for trade liberalisation and the creation of subregional preferences. ○

Facilitating cross-border trade and investment *

The member states of the Preferential Trade Area (PTA), the Southern African Development Community (SADC) and the Indian Ocean Commission (IOC) are taking what is meant to be a pragmatic step towards economic integration in the sub-region. The initiative is jointly sponsored by the African Development Bank (ADB), the Commission of the European Communities (CEC), the International Monetary Fund (IMF) and the World Bank (WB). In targeting the interlinked areas of cross-border trade, investment and payments through a comprehensive approach, the initiative constitutes a substantial step forward towards economic integration. The aims of the initiative are in accordance with the objectives of PTA, SADC, IOC and the Abuja Treaty. Continued cooperation with the regional institutions will be essential for the success of the initiative.

Background and process

The reduction of obstacles to cross-border economic activity as envisaged under the initiative would help create efficient patterns of growth with economies of scale and opportunities for vertical and horizontal integration. The initiative is intended to accelerate economic liberalisation with respect to external payments and the domestic regulatory environment so that scarce investment capital can pursue differential factor prices and thus create efficient growth. The underlying hope is that the private sector will no longer feel limited to the national market; rather it will consider the widening opportunities of a sub-regional market, and develop an investor culture to exploit such opportunities.

The initiative is aimed at building on the achievements of the national structural adjustment programmes and strengthening the momentum generated by PTA, SADC and IOC towards regional integration. It provides an avenue for the participating countries and donors to address the regional dimensions of adjustment. The emphasis is on national action and self-selection. For example, the opening up of the domestic private sector to potential foreign investment, cross-border or otherwise, helps create production, exports and employment for the recipient country. A *quid pro quo* on the part of the country from which investment is originating is, of course, desirable for all countries concerned, but the recipient country would still gain even if it had to act alone.

Since 1991, this initiative has been the subject of detailed discussions among the co-sponsors, with the regional institutions (i.e., PTA, SADC, IOC, OAU, and ECA) and, most importantly, with the representatives of most of the eastern and southern African States. The countries and territories participating in these discussions were Burundi, Comoros, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Namibia, Reunion, Rwanda, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe. A delegation from South Africa also participated in the discussions. The other institutional participants were the Global Coalition for Africa, the Commonwealth Secretariat, the International Trade Centre, and the development cooperation agencies of Canada, the US and Switzerland. The initiative does not constitute an attempt to promote a de facto grouping of participating countries; rather it supports the objectives and programmes of the regional organisations in the area of regional integration. Moreover, it is open to all 22 countries in the PTA/SADC/IOC region that choose to pursue a substantial liberalisation of their economies of the type described below.

Most of the countries invited to join the initiative appointed Technical Working Groups (TWGs) to cooperate with the co-sponsors. The TWGs consist of private-sector representatives and public officials. They have been instrumental in building a sub-regional consensus on the underlying approach and in lending a sense of urgency to its implementation. As a major externality, the TWGs now constitute forums for constructive debate on regional integration and national economic policies.

A Common Programme of Action was formulated after two technical-level workshops held in 1992. A Concept Paper building upon the CPA has been prepared, outlining, in general form, the core policy and institutional requirements of the initiative. The Concept Paper also addresses possible forms of financial assistance from the co-sponsors. The Concept Paper was endorsed at a Ministerial meeting in Kampala, Uganda on 27 August, 1993. The meeting was attended by Ministers and senior officials of: Burundi, Comoros, Kenya, Madagascar, Malawi, Mauritius, Namibia, Rwanda, Tanzania, Uganda, Zambia and Zimbabwe, as well as senior officials from PTA, SADC, IOC, ADB, CEC, IMF, World Bank, USAID, OAU, ECA and GCA. Country-specific programmes and complementary support activities at the regional level are now being elaborated.

The initiative is comprised of four main areas: Trade; Payments and Exchange Systems, Investment and Institutional Development. These same four areas are a common feature of structural adjustment programmes (SAPs) and the programmes of PTA, SADC and IOC. Indeed, the present initiative may enhance and/or accelerate some of these measures, which should, ideally, be on a Most Favored Nation (MFN) basis. Where this is not possible, they should be adopted by the participating countries on a reciprocal basis for a transitional period.

Trade measures

In accordance with the trade liberalisation requirement of the SAPs currently being implemented by the participating countries, the following measures will be taken to hasten this process.

Import liberalisation. In accordance with the PTA member states' decision to abolish the Common List (i.e. the list of commodities for which regional preference applies), the following intra-regional trade liberalisation measures will apply across the board. The measures being envisaged with regard to non-tariff barriers will apply to imports from all countries. As for tariff actions, the

* Article based on the concept paper prepared by this initiative as endorsed at the ministerial meeting held in Kampala, Uganda on 27 August 1993.

envisaged measures are in line with the PTA's long term integration strategy and GATT regulations. More specifically, the following actions are envisaged:

— The participating countries will undertake practical steps to dismantle import licensing and similar non-tariff barriers (NTBs). There could be a short 'negative list' for reasons of security and health;

— Participating countries would immediately exempt imports from other participating countries from the above restrictions. Furthermore, for those participating countries which may not be in a position to implement immediately the removal of the NTBs under MFN terms, they will agree with the IMF on a timetable to achieve this;

— The participating countries will be encouraged to eliminate tariffs on intra-regional trade on a reciprocal basis by 1996. Where this is not feasible, the countries will, at the very least, be required to adhere to the agreed PTA timetable for intra-regional tariff reduction. Moreover, to avoid trade diversion and to facilitate the creation of the common market envisaged by the PTA, SADC and IOC, the participating countries will build on the progress that is being made under country-specific structural adjustment programmes. In particular, the participating countries should aim at moving towards a common external tariff by lowering their external tariffs vis-a-vis other countries to the level of the member with lowest tariffs. It is recognised, however, that in some cases strategic and revenue considerations could require adopting a higher level of protection than the lowest tariff.

Export liberalisation. Except for a small negative list, all quantitative restrictions on exports to all countries will be eliminated.

Liberalisation of trade in services. The opening up of imports and exports of services will parallel that of merchandise trade. This liberalisation will extend to financial services, insurance, transport (passenger and freight), consultancy and tourism.

Facilitating intra-regional trade. The following measures are envisaged on the basis of reciprocity and in consultation with the PTA:

— The PTA-harmonised transit charges should be implemented. A coupon system for such payment in UAPTA would be developed and implemented.

— The PTA Road Customs Transit Document (RCTD) would replace all other documents of a similar nature.

— A single goods declaration document covering export/import/transit trade would be developed.

— A regional Bond Guarantee Scheme would be implemented.

Payments and exchange systems

A major objective of the initiative is to significantly improve the functioning of intra-regional payments and exchange systems in four areas: domestic payments and settlement systems; exchange systems; foreign exchange markets and the PTA Clearing House (PTACH). Improvements in these fields will of course, be underpinned by sustained progress in structural/macroeconomic reforms and reinforced by progress in other areas. In particular, the improvements in the payments system should be supported by the abolition of non-tariff barriers, rationalisation of tariff structures (see above) and reform of the investment incentives packages (see below).

Domestic payments and settlements systems. Participating countries will undertake to complete any ongoing financial sector reform programmes. The reform agenda should, where appropriate, be strengthened to require respective central banks to reinforce their regulatory and prudential functions in order to encourage development of the commercial banking sector and other financial institutions. Measures should be also be implemented with a view to developing foreign trade financing instruments and establishing correspondent banking relationships within the region.

Participating countries without financial sector reform programmes will, where necessary, be encouraged to adopt measures aimed at strengthening their financial sectors on the same lines as above.

Participating countries will facilitate access to and increase competition in the financial sector by liberalising cross-border activities of financial institutions and eliminating impediments to entry by regional and extra-regional financial institutions. Special emphasis will be placed on regulatory changes aimed at enabling specialised financial institutions active in the region, including 'off-shore banking facilities', to participate in providing equity capital and export credit facilities.

Exchange systems. The participating countries will aim at the complete, non-discriminatory elimination of restrictions on current account transactions and the relaxation of certain types of capital account transactions. Progress on this front is being pursued in the context of the SAPs at disparate speeds; convergence towards the medium-term goal would in some cases require a reinforcement of ongoing structural adjustment efforts. Liberalisation of direct investment and investment in regional equity markets are priorities.

Foreign exchange markets. The objective will be to establish unified, inter-bank, spot exchange markets in all participating countries by 1996. The IMF will assist the participating countries in undertaking practical steps in this regard. Progress on this front will help pave the way for the development of forward markets for domestic currencies. In the period immediately ahead such markets will not, however, be considered in those cases where substantial overvaluation persists.

PTA Clearing House (PTACH). Recent progress in liberalising trade and payments has decreased the clearing role of the PTACH. In the expectation that such progress will continue, the PTACH could usefully focus on (1) serving as a forum for economic consultations; and (2) facilitating payments associated with the Regional Bond Guarantee Scheme, the coupon system for harmonised transit charges, the yellow card system for insurance coverage and regional air transportation of passengers and freight.

Measures in the area of investment

A major objective underlying the proposed measures is the reform of the regulatory environment and the progressive harmonisation of investment incentives. The measures under this heading could be implemented in the context of adjustment programmes and of special technical assistance initiatives. Wherever such programmes are not in place, the deregulatory measures proposed below will need to be taken. These measures will apply to domestic as well as foreign investment. The most important measures affecting the investment process are those relating to the structure of investment incentives.

Investment Approval Process. Participating countries should simplify and liberalise the approval procedures. Investment codes and other regulatory instruments (e.g., environmental regulations, municipal restrictions, etc.) should be consolidated in a single, short document, to be published and publicised.

There should be a statute of limitation on the time taken for approval of investment applications. A maximum 45-day period is proposed for this purpose. Investment applications should be made to Investment Centres, where they exist. In cases where they do not exist, participating countries would either establish such institutions or charge an existing government organ with the function and the requisite authority.

Approvals will be deemed to be automatically granted if no objections are raised within the stipulated period as referred to above. In any case, objections can only be raised for demonstrable non-conformity with the provisions of the Investment Code. Under exceptional circumstances (e.g for environmental considerations), the government would, within the 45-day period, indicate to the investor the reasons for any necessary extension of the time limit and specify the time frame within which the final decision would be made.

To the extent that any participating country is unable to implement the above measures globally, it would be required, as a minimum, to implement these measures on a reciprocal basis with other participating countries.

The MIE Charter of the PTA. There is a need to work out a legal structure for firms that operate in more than one country. A suitably amended version of the PTA Charter on Multinational Industrial Enterprises (MIE) could provide a useful instrument in furtherance of the regulatory reform described above. The PTA would undertake to promote these amendments and oversee the ratification of the amended charter by the member states. The amendments would be aimed at:

— removing the equity restriction and opening up legal trading status, to all regional firms;

— removing the minimum investment requirement;

— ensuring that the revised approval procedures are applied to investments conforming to the Charter requirements.

Immigration, residence and employment. Participating countries would sign, ratify, and implement both phases of the PTA protocol on the relaxation and eventual elimination of visas. Within a four-week period after submission of the necessary applications, arrangements for residence and employment permits will be processed by the Investment Centre, where one exists or by the appropriate government organ nominated for this function. Entry procedures would also be amended to allow freer movement of persons in the border areas, for example, on the basis of short-term entry permits of at least 24 hours (on presentation of some form of identification) for border residents of participating countries.

Investment guarantees. Participating countries would become members of the Multilateral Investment Guarantee Agency (MIGA) and, where necessary, of bilateral investment guarantee agencies such as OPIC.

Double taxation agreements. Participating countries would conclude such agreements on a bilateral basis.

Stock Exchange activities. The region's stock exchanges will be authorised to list and trade in equities from the other stock exchanges in the region.

Institutional development

The successful implementation of this initiative requires adequate institutional structures, both at national and regional levels. While rationalisation and harmonisation of the regional institutions fall outside the scope of the initiative, continued cooperation with the regional institutions, so as to avoid overlap, will be necessary for the initiatives successful implementation. The specific measures proposed are:

— The national Technical Working Groups (TWGs) will continue to function as advisory committees to respective governments on regional integration issues. The TWGs should be integrated into existing policy making machineries.

— National and regional chambers of commerce and industry, trade development organisations, including regional centres for commercial arbitration, and other similar private-sector bodies will be strengthened to enable them to play a more constructive role in relation to regional integration.

— The participating countries will develop mechanisms for reinforcing the participation of the private sector in the decision-making processes of PTA, SADC and IOC.

— PTA, SADC and IOC will take the appropriate steps to ensure that their programmes for the facilitation of intra-regional trade and investment will contribute to a timely implementation of the initiative. They will support the efforts of those of their members currently participating in the initiative.

Conclusion

The list of measures described above appears formidable. However, it should be underlined that all the measures have been identified by government officials, private-sector representatives and consultants from the participating countries, over a two-year period. It should also be stressed that several countries in the region have already implemented most of the measures. Furthermore, most of the other countries are contemplating measures of this type in the context of ongoing adjustment discussions. The initiative adds a regional dimension to the national policy measures and will increase the effectiveness of the latter. There is an important role for the regional organisations in all aspects of the initiative, even though the policy requirements are to be decided at the governmental level. There is also an important role for the co-sponsors and other donor organisations. They are committed to supporting this initiative through balance of payments assistance to help finance transitional costs and through other complementary support activities.

It is expected that the initiative will substantially increase beneficial cross-border investment and trade in the region. It will also make the region more attractive for direct foreign investment and enable the participating countries to compete more effectively in the world market.○

Lessons of the European process*

The European integration process is often referred to as one of the few successful integration experiences. More than 40 years have passed since the process was started in the period following the second World War. There can be no doubt that the conditions in Europe at that time were very different from those in sub-Saharan Africa (SSA) to-day but, still, certain lessons, which are valid beyond the European context, can be drawn.

One such lesson is the importance of *strong, sustained political will.* The European integration process was a long-term one, strengthened by strong and sustained political will to proceed towards realistic objectives. Progress was uneven over time, with periods of great difficulties sometimes alternating with periods of successive breakthroughs, but in most cases achievements were built upon and there was no backtracking.

European integration would probably not have got very far without a *strong institutional set-up* and without a system of *'own' resources.* An organisation to promote integration should have a certain independence from the participating governments so that it can effectively pursue a 'community' interest rather than a sum of national interests. This independence requires a claim to own resources to carry out the community tasks. Otherwise the integration organisation will constantly have to beg for funding and will not be able to formulate and implement integration policy. A logical start may be to consider customs receipts as community resources, because in a customs union it should not matter where a product is imported and which country happens to collect the duty. However, in the SSA context this may not be feasible because customs duties make up a very large share of government receipts. Clearly, 'own' resources does not imply that an integration organisation needs an apparatus to collect taxes, rather it means clarity on a rule to finance the implementation of integration measures.

Another important lesson to be learnt from the European experience is the importance of *coordinating macro-economic policies.* In the area of monetary policy, the European experience demonstrates that even though a full monetary union is not at all necessary for progress on market integration, a satisfactory degree of *currency convertibility* is required. As economic integration proceeds there is gradually a greater need for coordination of monetary policy, ultimately leading to the desirability of a full monetary union. Convertibility of the currency reflects a certain maturity of monetary institutions generally implying a separation of the responsibility of the treasury and the central bank. Convertibility makes it possible for traders and investors to plan their operations and to avoid costly barter operations. Payments arrangements through clearing houses are generally a step towards convertibility.

The European experience also demonstrates the importance of regional and social policies to *reduce welfare disparities* between different zones in the integration area. There is a tendency for market-based integration to benefit zones of great economic potential, because supply response to comparative advantage will be quicker in such zones. Even though depressed areas may not suffer, the increased disparities are typically perceived as a cost for such zones. There is a certain trade-off between migration and compensatory regional policies. Migration away from the depressed areas may not always be politically and socially desirable. Compensatory regional policies should preferably attack the causes for the relative backwardness of certain zones. In the SSA context, the financing of such policies poses problems. However, not all compensatory policies should cost money. In some cases one could try to protect the market for products for which the poorer area has a comparative advantage (e.g. protection of livestock products in coastal West Africa could help the Sahel area).

The recent discussions on European Economic and Monetary Union and on Political Union have underlined the importance of the principle of *subsidiarity.* This principle provides a way to distribute responsibility over bodies representing various levels: e.g. local authorities, countries, groups of countries.

Application of subsidiarity means that the body representing the level at which an issue can be most effectively tackled should be the one that has the responsibility, e.g. the running of primary schools can probably be best organised at a low level, whereas environmental problems which transcend borders are better handled at a higher level. The subsidiarity principle may help in determining a reasonable division of labour between different regional bodies and/or national administrations.

The European experience also shows that a certain pluralism of organisation is compatible with integration. Thus the continued existence of the Belgium-Luxemburg Economic Union and of Benelux is fully compatible with the EC approach. Several EC policies have been implemented by sub-groups of the 12 member states (e.g. the European Monetary System). Such cases of 'integration at different speeds' are normal once the number of participating countries becomes relatively large. In the SSA context, *variable geometry* could, for example, mean making progress at ECOWAS level while maintaining the achievements of CEAO. However, even though variable geometry justifies a certain pluralism of organisations it does not justify any wasteful duplication of functions.

Finally, the European integration experience was not a process for governments alone. It benefited significantly from strong non-governmental *participation* by a wide variety of socio-economic groupings including trade unions, employers' organisations and consumer groups. The constant pressure of such groups ensured that the issue was kept high on the agenda. The successes of integration efforts reinforced the momentum thus built up and the integration process could in this way be said to have created its own momentum.

Important issues that should be explored further

The review of European integration and cooperation and the assessment of integration and cooperation initiatives in Africa point towards a number of themes or issues that are particularly important for the preparation of an operational action programme. Most of them require further analysis specifically in relation to the African context. This analysis could complement the work which is already being undertaken by the relevant institutions as a follow-up to the signature of the treaty establishing the African Economic Community (Abuja, June 1991).

* From the services of the European Commission.

The purpose of this section is to summarise the main issues and to outline any further analysis that would be called for.

Barriers to trade and factor movements

The gradual elimination of trade barriers and restrictions on factor movements is an essential ingredient of economic integration. There is a large volume of theoretical literature on the welfare effects of trade barriers, specifically in the form of tariffs or quotas. The theoretical knowledge on factor movements (especially labour and capital) is less developed, but still substantial. Much less is known about non-tariff barriers.

In the SSA context specifically, there is a lack of factual knowledge about non-tariff barriers and restrictions. Many of these barriers are of an administrative nature and represent rent-seeking behaviour. Unofficial trade between certain countries is substantial, but not all of it is efficient. Some of it may be a consequence of trade barriers and would not be viable if trade liberalisation took place.

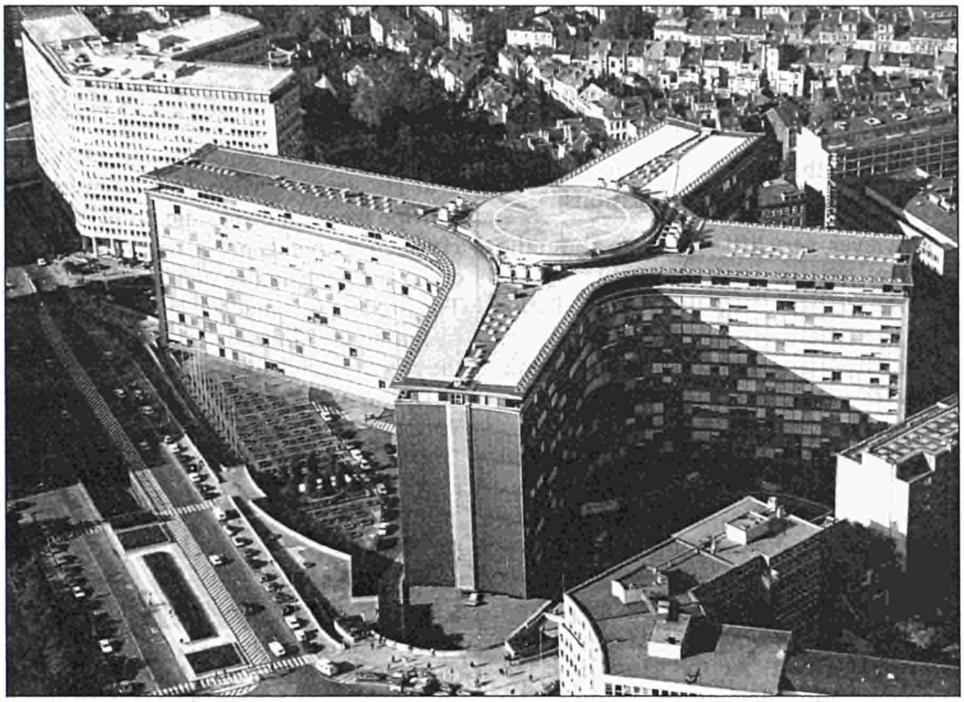
A better factual knowledge of the various types of constraints on trade and factor movements in SSA is highly desirable in order to prepare an action programme to promote regional economic integration. This is the specific subject of a study undertaken jointly by the World Bank and the EC.

Payments arrangements

As observed above, monetary issues, including the lack of convertibility, may impose serious constraints on regional trade and may therefore hamper regional integration initiatives.

It would be worthwhile to work out operational recommendations to make payments arrangements in the African context more effective, taking into account any lessons to be learnt from experience with arrangements in other regions (e.g. the European Payments Union 1950-58 and the Central American Clearing Facility). These recommendations could be based on an assessment of the contribution of payments arrangements to:

— saving on foreign exchange and interest payments;



The Berlaymont, now being renovated, was for many years the headquarters of the EC Commission. In the background is the building of the Council of Ministers

— facilitating regional trade involving private agents;

— facilitating regional trade involving public agencies;

— encouraging cooperation between private and central banks;

— stabilising receipts of traders;

— circumventing problems related to unconvertibility;

— economic integration (in general).

An important issue to be examined is the effect of (differential or fluctuating) overvaluation of currencies on the operation of regional payments arrangements. In this context, specific attention should be given to fair ways of settling arrears and to credit mechanisms. Another point is the interrelation between structural adjustment and stabilisation programmes and regional payments arrangements.

A study to address the contribution of adequate payments arrangements to integration and cooperation in SSA is presently being prepared.

Benefits and costs of integration (and non-integration)

Economic integration is not a zero sum game where in the end a fixed payoff is distributed over the participating countries, so that whatever one country gains, another must lose. Integration through increased efficiency and growth may result in a higher payoff for all the participating countries. However, there may be losers, especially in the short run. Various situations may arise. A country, or a particular group within a country, may lose in the short run. Whereas it may already be difficult to arrange compensation for the losers within a country, it is certainly even more complex between countries. At the same time, the perception of any losses, even if they are only likely to occur in the short run, may be a motive for opposing an integration scheme.

The issue of compensation is closely related to the expected benefits of integration, because the resources for compensation should be derived from the benefits of integration. If no credible benefits can be expected, integration is not worthwhile. Compensation typically necessitates formulating policies to help specific zones or population groups that are bypassed by the integration process.

At a very general level, benefits of integration arise from:

— increased efficiency through a better divison of labour at the regional level; this gain takes place through the competitive process;

— economies of scale through production for a larger market;

— savings through simplification of procedures and coordination;

— savings through standardisation of design and technical specifications.

However, very little is known about the order of magnitude or the nature of the benefits from integration that would arise in the SSA context. It would be worthwhile to carry out a systematic analysis of these benefits. From the viewpoint of methodology, such a study could benefit from the experience gained by the Commission of the EC on the costs of not completing the 1992 European single market (the Cecchini analysis). As a first stage, the analysis could highlight a specific sector such as transport and communications where benefits are certainly important. At the same time the compensation mechanisms should be looked at, referring in particular to the CEAO and UDEAC experience.

Comparative advantage of various types of organisations

As mentioned above, there are a large number of organisations which deal with regional cooperation and integration in SSA. Many of these organisations find it difficult to secure funding for their activities. Several organisations rely almost exclusively on direct donor funding or on a 'mark-up' on donor funded regional projects. In some cases, even the minimum administrative costs are not guaranteed. In such circumstances, it is difficult for the organisations to fulfil their mandates. At the same time there may be an overlap in the mandates of different organisations.

Even though a process of increased cooperation and integration cannot be rigidly structured and should allow for a certain pluralism and variable geometry, there are certain limits to be respected for the sake of efficiency and a rational utilisation of scarce resources. An assessment of the mandates of different types of organisations with a view to recommending a good division of labour is highly desirable. The pan-African organisations such as OAU, ADB and ECA should have the lead on this subject. The possibilities of restructuring, merging or, in the extreme case, abolishing organisations should be looked at from the point of view of overall welfare maximisation. ○

An overview of European integration

The years following the end of World War II were extremely difficult for Europe from an economic point of view. Huge investments were needed to overcome the destruction caused by the war. The process was made even more difficult by massive population migrations and by the rapidly mounting tension between the East and the West leading to the Cold War period.

In 1948, in order to support the European recovery process, the US set up an aid programme that became known as the Marshall Plan. The aid consisted of loans that helped to cover the heavy balance-of-payments deficits of European countries vis-à-vis the US. The *Organization of European Economic Cooperation (OEEC)* which was set up to coordinate the programme had 17 members: Austria, Belgium, Denmark, France, the Federal Republic of Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey and the United Kingdom. The countries under the influence of the USSR did not participate.

In 1950, the *European Payments Union (EPU)* was established under the aegis of the OEEC. The task of EPU was to provide a clearing system for multilateral payments between the member countries. In addition, EPU contained a mechanism for automatic credit lines to members with a payments deficit.

The Marshall Plan was quite effective in fostering economic recovery, but, since the OEEC had a predominantly coordinating role, recovery took place in a purely national context. Many European politicians, especially Jean Monnet and Robert Schuman in France, felt that something more substantial had to be done to promote greater cohesion and integration in Europe and preserve the peace. At the same time, they were aware that most governments were reluctant to give up their prerogatives. The creation of the *European Coal and Steel Community (ECSC)* in 1951 was a compromise, in the sense that it involved giving up national prerogatives, but only on two specific sectors of the economy. In contrast to the large number of OEEC members (17), there were only 6 countries that signed the original ECSC treaty: France, the Federal Republic of Germany, Italy and the three Benelux countries: Belgium, the Netherlands and Luxembourg.

The ECSC treaty was the real breakthrough in European integration, because it endorsed the principle of supranationality (i.e. giving up some national prerogatives for the common good) and because it put in place the necessary legal and institutional framework.

The ECSC provided for common management of two important economic sectors: coal and steel. A powerful *'High Authority'* was established to formulate and implement the common policy. The High Authority members were nominated by governments, but could act independently on the basis of the treaty. The institutional set-up was completed by the Council of Ministers, the Common Assembly (later to become the European Parliament) and the Court of Justice.

The main task of the ECSC was to organise the conversion of the coal and steel industry, which faced problems of overproduction and high production costs. The ECSC established free trade within the Community for coal and steel products and went even further. It had its own resources coming from import duties and a tax on production. It also had power to control restrictive practices and mergers in order to promote free competition and, if market circumstances so required, the ECSC could fix prices levels as well as production and trade quotas.

The instant success of the ECSC very much strengthened the belief in European integration and in 1957, in Rome, the six countries signed two more treaties: one to create the European Economic Community (EEC) and one to establish a European Atomic Energy Community (EURATOM). The EEC treaty is by far the most important one in terms of coverage and relevance. The main elements of the EEC treaty were:

— creation of a full customs union;

— establishment of a competition policy (antitrust);

— establishment of an agricultural and a transport policy;

— establishment of a social policy, including a social fund to support, for example, professional training and employment mobility;

— provision for economic policy coordination and for free movement of labour and capital;

— creation of a fund for investment in the 'overseas territories' (this provision is the origin of EC development cooperation and the fund became the first European Development Fund or EDF).

The EEC treaty provided for an institutional and budgetary set-up that was similar to that of the ECSC.

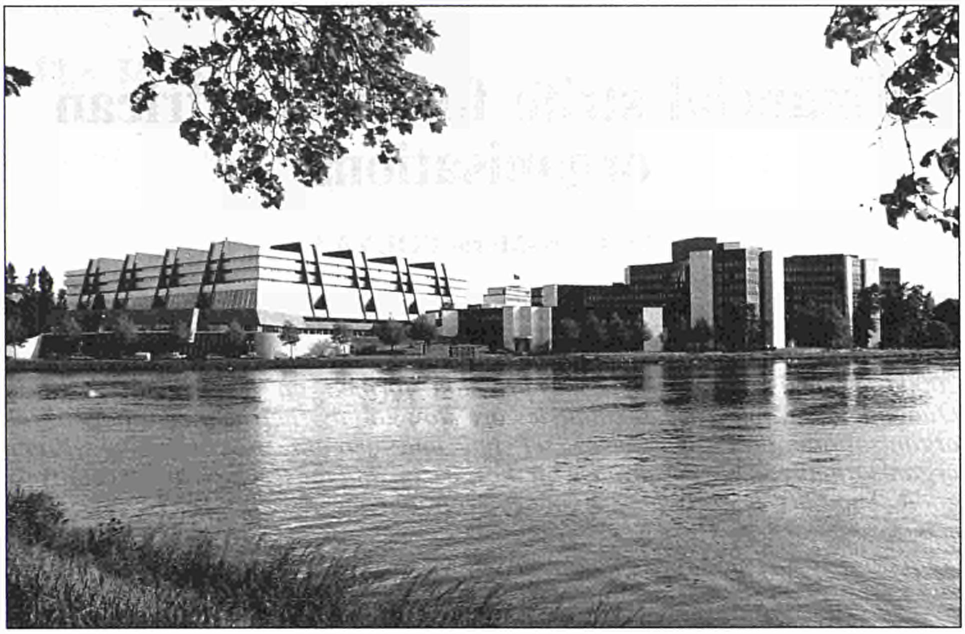
Progress on the 'integration programme' embodied in the EEC treaty has been uneven over time. There have been periods of great difficulties (e.g. on budgetary matters and on agriculture) and breakthroughs have sometimes been concentrated. But, more significantly, achievements have been maintained and built upon; there has been no backtracking. All internal import duties were abolished, and a common external tariff was established as early as 1968.

In 1965 the institutions of the three separate communities (ECSC, EEC and EURATOM) were merged through a specific treaty. Because of this merging it is generally more appropriate to speak of the European Community (EC), even though the three separate treaties remain valid.

An important development was the creation in 1975 of the European Regional Development Fund to reduce regional disparities within the Community. The regional fund was to a certain extent a response to the enlargement in 1973.

The EC treaties contain a procedure for admitting new members. In this way the Community was enlarged by the admission of the UK, the Republic of Ireland and Denmark in 1973, Greece in 1981 and Spain and Portugal in 1986. As a result the Community now has 12 members.

In 1959, outside the EEC and partly as a reaction to it, seven countries set up *the European Free Trade Association (EFTA)*. The founding members were: the UK, Norway, Sweden, Denmark, Austria, Portugal and Switzerland. Finland and Iceland also became members later on, while the UK, Denmark and Portugal left EFTA on joining the EC. The EFTA countries abolished quantitative restrictions and tariffs on their trade at a pace comparable to the progress in the EC. However, in contrast to the EC, EFTA does not involve supranationality and the establishment of common policies.



The European Parliament in Strasbourg

By 1958, the members of the EPU had all restored the convertibility of their currencies. As a result, the EPU was wound up in 1959. An important lasting effect of EPU is the cooperation between the European Central Banks. The winding up of the EPU, together with the creation of the EEC and EFTA, changed the role of the OEEC considerably. In 1961, to mark this changing role, the OEEC was replaced by the *Organization for Economic Cooperation and Development (OECD)*. The OECD's membership has been broadened to include non-European industrialised countries such as the US and Canada.

Recent developments

Shortly after the accession of Spain and Portugal to the Community, a revision of the Treaty of Rome was approved. This revision, referred to as the 'Single Act', became operational in 1987. The main objective was the completion of a unified European market by the end of 1992. It may at first sight be surprising to aim at the completion of a single market when there was a full customs union for almost two decades. The 1992 single market programme goes beyond the customs union requirements into eliminating distortions other than those related to trade: e.g. differences in value added tax rates and in excise duties, phytosanitary requirements, design standards etc. It also includes financial, banking and insurance services and provisions for Community-wide tendering for public sector contracts.

The complexity of the 1992 programme for the unified market necessitated institutional and procedural improvements, including a wider use of majority voting instead of unanimity. These provisions were included in the Single Act. The Single Act also broadened the scope of Community policy by including environmental issues which, in many cases, are cross-border issues. Finally, the Single Act initiated a reform of the instruments to reduce disparities within the Community. These instruments are now collectively referred to as the structural funds and include the social fund, the regional fund and the fund to restructure agriculture.

In December 1990, two intergovernmental conferences were started: one on Economic and Monetary Union (EMU) and one on Political Union.

Their work led to the signature of the Treaty on European Union in Maastricht on 7 February 1992, a treaty that, among other things, sets out the programme for the establishment of a single currency. ○

Financial strife for inter-African organisations

by André-Marie POUYA *

How many inter-African organisations will be financially viable come the year 2000? Few, is the worrying impression formed on a visit to those in Ouagadougou, for African countries are slow to pay their contributions to the organisations they themselves set up, and arrears are mounting. Some organisations can see breakdown on the horizon and those which are in relatively good shape are operating with money from outside Africa.

CAMES (the African and Mauritian Council for Higher Education), whose secretariat-general has an operating budget of nearly CFAF 220 million and only two of whose 15 members are up to date with their payments (Burkina Faso and Rwanda), had arrears of more than half a billion CFAF in 1980-90. CILSS (the Permanent Inter-State Committee on Drought Control in the Sahel), whose best payers are Mali, Burkina Faso and Niger, was almost CFAF 384 000 000 behind over the same period and, on 31 December 1990, EIER (the Inter-State School of Rural Equipment) was still waiting for CFAF 217 000 000 in contributions for 1989 and 1990, with Côte d'Ivoire the only paid up member out of 14. The ICHS (the Inter-African Committee for Hydraulic Studies) was CFAF 350 000 000 short between 1973 and 1990, its only regular payers being Burkina Faso, where the seat is, and Niger, which has always provided the Secretary-General. The 14 members of ETSHER (the Inter-State School of Hydraulic and Rural Engineering for Senior Technicians) have no better a record either, while the members of the Ouagadougou RRSC (the Regional Remote Sensing Centre) owed more than CFAF 1 billion on 8 August 1990 — and there were everyday contributions on top of that. So-called confidential reports circulating in Ouagadougou put the provisional deficit of the CEAO (the West African Economic Community) in 1991 at several billion. Failure to pay contributions to ECOWAS (the Economic Community of West African States) has sapped the first and second tranches of capital, the special telecom fund and the project to construct headquarters in Abuja (Nigeria) and Lomé (Togo), to the tune of CFAF 11.5 million by 28 February 1990. The rate of contribution to the budget of the executive secretariat was no better.

* The author is head of communications at the International Institute of Irrigation Management.

Why?

The Head of Administration and Finance at the ICHS told us why contributions were so slow to arrive. 'Every African country is in the throes of structural adjustment and this means impasse. There are too many inter-African organisations and the States pay their dues in order of priority. Governments are wondering just what practical and immediate effects these organisations have and they are not deriving any political benefit from the work of some of them. The organisations have to be integrated into the States and their work must be advertised.'

The Secretary-General of CAMES suggests that ill-will has something to do with it. 'Just think. CAMES has 15 members which can't manage to produce CFAF 222 million between them! We don't even get the CFAF 5 million each State is supposed to chip into the running expenses every year!'

ETSHER's Head of Administration and Finance feels that there would be fewer problems if the correspondents of all these inter-African organisations were assiduous about asking for the contributions to be paid. The problem is that the Governments appoint the correspondents and they are not masochistic enough to appoint people who are going to keep chasing them, so some organisations are now paying their own correspondents, who are more efficient about it.

His opposite number at the Liptako Gourma Authority underlined all the work which the various Heads of Administration and Finance have done. 'Over the past six months, we have developed a dynamic recovery policy and contributions are less irregular,' he said. And what about the returns on the organisations? In Mali, he said, the authorities have set up a commission to look into the effects of the institutions the country belongs to, with a view to rationalising its membership situation. It is this sort of approach, he said, which explains the fact that, in any given institution, the poor States are not all bad payers and the rich ones not all good. This country, which has never paid a penny to the ICHS, is a model payer as far as the CILSS is concerned because it has plenty of cadres within it.

In most cases, the host country of an institution will fight hard to keep it afloat. Two things happen if it fails. Politically, the country's image suffers, with its leaders looking as though they have no staying power, and it is left with a large number of unemployed on its hands... although there are other things to undermine an organisation long before things get that far.

Consequences

The members' failure to pay their contributions hampers the proper workings of all these integrating organisations. At the CILSS executive secretariat, the States' account is often in the red and it takes an overdraft from a local bank to pay the staff. Funders approve of CILSS because of all it does and the EC Commission, the Canadian aid agency, USAID, the UNDP and so on finance many of its regional projects with budgets totalling billions of francs, all deposited at the same bank. However, two special-

The RRSC resurrected

The Regional Remote Sensing Centre, which was set up at the Council of Ministers of the UN Economic Committee for Africa at Kinshasa (Zaire) in 1977 and has 15 member countries (Algeria, Benin, Burkina Faso, Cameroon, Congo, Côte d'Ivoire, Ghana, Guinea, Liberia, Mali, Mauritania, Niger, Senegal, Sierra Leone and Togo), promotes and develops the use of remote sensing in Africa and also helps countries accede to this technology, by:

— providing information;

— providing training;

— offering services and technical support;

— receiving, archiving, processing and disseminating remote sensing data.

The operating budget for 1988 was CFAF 355 880 000, CFAF 332 242 000 of it supposedly contributions from the member countries and CFAF 23 638 000 from the Centre's own resources (accruing from training courses, sales of photographic products etc). However, that year, none of the members paid up.

The financial situation was so critical by April 1989 that the 40 staff were not being paid and, in September that year, the host country, Burkina Faso, called an extraordinary Council of Ministers.

The president-in-office, Francis Nkwain, Cameroon's Minister of Mining, Water and Energy, found the situation serious and said that the economic crisis in the member countries could not be the only reason for the RRSC's paralysis. It had to be realised, he said, that there was a problem of laxism on the part of the members — witness the fact that only two (Burkina Faso and Cameroon) of the 15 had paid up. Arrears should be paid, he told the meeting, explaining the rules governing administrative changes in the Centre, and the Ministers realistically agreed that 50% of the back payments should be dropped and the rest paid by June 1990. A new director-general, Mamadou S. Camara, from Mali, was appointed.

Burkina Faso was given the chairmanship of the Regional Management Committee. The post was filled by the Minister for Equipment, Commander Daprou Kambou, who brought members face to face with responsibilities by producing a monthly bulletin (the first appeared, in English and in French, in Ouagadougou on 16 November 1989) showing how contributions stood, reminding readers what the commitments were and congratulating countries which paid their arrears — a useful manœuvre, as seven of the 15 members had paid all or part of their debts by June 1990.

The staff made enormous sacrifices during this time. Salaries, reputed to be the highest of any international organisation in Ouagadougou, were no longer paid. Cadres were without an income from April to September 1989, although Burkina Faso advanced money to pay lower-grade employees. The bursar, Mr Yovo, said that 'in spite of our problems, the staff went on working because they believed in the future and this was vital to the Centre's survival'. Since October 1989, staff salaries have been paid subject to availability, with cadres sometimes getting 30% of what they are owed, sometimes 70% and sometimes the full amount. They use their own transport for Centre journeys.

Two studies on cutting RRSC costs were commissioned in 1989 and, in July 1990, a meeting of Ministers used them as a basis for a new salary scale which was less of a drain than before. Structures were streamlined and there was a new staff plan, trimmed down to 23 posts from the previous 40, with the 17 redundancies scheduled for 1 November 1990. The RRSC was to pay those laid off their back pay and other entitlements 'subject to budget availability'.

A recovery plan (1990-93) was designed along three main lines:

— training to ensure a proper foundation and revive the RRSC's credibility;

— user assistance (accompanying the training) to bring in money and ultimately put right the financial imbalance which training activities nearly always bring in their wake;

— the dissemination of data and satellite pictures — another source of income.

In August 1990, RRSC members owed CFAF 889 000 000, half in arrears and half in contributions for the current year. Burkina Faso was the only country which was up to date (and had even paid an advance on its dues for 1991).

The meeting of the Regional Management Committee in July 1990 called on the Director-General to 'take account of geographical distribution and the interest which the countries presenting applicants have in the RRSC and its recovery' when allocating posts. The report of the meeting indeed says that, 'the funders liked both the reorganisation of the Centre and the recovery plan, but made it clear that they would only go on providing aid if the members paid their subscriptions' ○

A.M.P.

ised CILSS bodies — AHGRYMET (Agrohydrométéorologie), in Niger, and the Sahel Institute, in Mali — are months behind with their salaries.

EIER made provision for social measures in its 1991 budget and particular paper qualifications no longer constitute automatic entry to particular categories of job. Cars are no longer laid on for private trips by visitors on mission or freelance workers at the School, as they are now to be used solely for official EIER purposes so as to reduce wear and tear. Personal telephone calls now have to be paid for and the air conditioning in classrooms and offices will be cut automatically when temperatures drop to a certain level between 1 December and 15 March. Nonetheless, with outgoings exceeding income, the School will continue to get poorer, the Head of Administration and Finance pointed out, although the budget has been amended, with cutbacks everywhere, starting with whatever is not vital to the students' education.

Experts at the ICHS do paid jobs (studies and training), some of them not in fact statutory duties, to help make up for the missing contributions to the operating budget.

The Head of ETSHER says that the African States' share of the Schools' operating budget varies between 20% and 30% (the figure is 15% at EIER) and the failure to pay contributions of course affects the running of the school. 'We are cutting back on our operating expenditure, our investments are declining and we cannot make repayments on our loans'. Teachers go on fewer missions to the member countries and, as at EIER, use of the air conditioning and the telephones is now restricted.

'CAMES has an international audience, but its financial weakness prevents it from working and paralysis is on the cards in the long term,' the Secretary-General said. In July 1990, for example, there was not enough money for the advisory committee on promoting teaching and research staff to do its job, for CAMES only had CFAF 1.65 million of the CFAF 41 million it needed. The dossiers of African candidates for the *agrégation* examination, for example, have to be:

— vetted by the secretariat-general in Ouagadougou;

— sent to various people in Europe;

— sent back to the place where the examination is to be held.

Dossiers used to be taken by hand by a member of the secretariat-general staff, but the cash-strapped CAMES now freights them and they are easily lost. In 1990, for example, dossiers sent in August were in transit until October and others, sent by universities, did not arrive at all. CAMES now has to send two copies of everything. The secretariat-general staff, which has had to be reorganised, is often paid from the overdraft granted by a local bank.

The funders' complaint

CAMES, being an 'instrument of the French-speaking world', is propped up by France, Belgium and Canada. The heads of EIER and ETSHER admit that, were it not for the foreign funders (France, Germany, the Netherlands, Switzerland and so on), they could nowadays do nothing, or virtually nothing. EIER is almost 85% and ETSHER almost 90% financed by funders, some of whom provide for both schools, covering the members' contributions and even arrears. Burkina's Minister of Water has said that, since the 14th ICHS meeting in February 1988, running the organistion has been a real headache for the people in charge. 'Had it not been for the help of the FAC and the political decisions the host country's Govenment constantly applied to local banks, the ICHR would certainly have stepped over the delicate threshold of its existence.'

Funders have begun to complain about the size of the African countries' unpaid contributions and, at the 15th meeting of the ICHR Council of Ministers, Mr Gény, representing the French Ministry of Cooperation and Development, told the member countries this:

'Let us take another look at the decisions you took at the 14th ICHR meeting. One of these was to help find an answer to the vital matter of unpaid contributions, especially the arrears. This is the main, indeed virtually the only cause of the problems facing our institution today.

'It has been suggested that countries with structural adjustment programmes or budget assistance should be able to include unpaid contributions in them (and France was in favour of this), which of course means that the States concerned must agree the sums to be recovered and include them in the national budgets beforehand.

'Alongside this, the States have also been invited to look at ways and means of getting their annual contributions paid on a regular basis. To the best of our knowledge, three countries (Burkina Faso, Chad and Niger) have so far started to do so. We should like to know how far the other member countries have got ...

'We are also sorry to see that, since the 14th Council, the fundamental problem of the failure to pay contributions — and this could well be taken as a sign of growing disenchantment with the ICHR — has in fact got worse ...'

The Dutch development agency also wanted to see African states put more into the life of the institutions it was subsidising. But as someone from the Netherlands Embassy in Ouagadougou told us, 'we are disappointed, but we haven't yet suspended any of the aid we give to the inter-African organisations'.

The EIER Head of Administration and Finance and his deputy confirm this. 'The funders are paying for the moment, but there is an increasing tendency for them to contractualise their aid. Non-payment of contributions is turning us into international beggars. If the money is managed properly, funders will give again and we at EIER can show them just how profitable their investment is. The problem is that it is hard for us to get any additional financing ... Budgets are being cut everywhere.

Member countries are under pressure to make their contributions and, if they pay up, it is usually on the eve of the Council of Ministers' meetings. Trips by presidents-in-office of the Councils of Ministers are also an opportunity to bring back a few cheques. At CILSS, the supreme sanction is exclusion, although no members have had this yet. At the ICHS, the suggestion is that countries must be up to date with their payments if one of their nationals is to be appointed to a post in the institution, but the finances are such that there are rarely any jobs to fill. At CAMES, the secretariat-general sends reminders to the State in the form of letters to the Education Ministers, heads of universities and so on. 1991 saw the application of a hard-line decision, whereby 'all dossiers (*agrégation* and advisory committees) should now be accompanied by the relevant handling charges'. ETSHER can refuse pupils from countries which fail to pay up, but has not done so to date. ECOWAS can refuse projects, withdraw speaking rights and dismiss and refuse further applications from nationals of non-paying countries, but has not so far done so either.

The inter-State organisations could generate resources ... if the member countries called upon their services. Burkina's Minister of Water, for example, suggested getting the ICHS to carry out studies and give reasoned opinions and involving it in whatever activities were within its scope.

Many of these inter-African bodies — and the OAU (Organisation of African Unity) is just one example — are moribund. Will the countries of Africa have their death on their consciences? Or will they surge forward and save them? ○

A.M.P.

ECOWAS: progress steady, but problems aplenty

by Bi Ballo KOUAME *

Illela, the first big place in Nigeria on the way in from Niger, is just by Sokoto, a frontier post, and Hassan Guindo crossed it cheerfully one February morning in the cool Harmattan winds, his passport and his ECOWAS travel card in his hand. He was off to Lagos for a holiday. But he was dreadfully upset when the Nigerian immigration services granted him a four-day pass and made him pay 20 Naira per day for it. That was wrong.

As a regular participant in ECOWAS meetings, and one well versed in the texts governing the status of the Community, he knew full well that one of its major achievements was the right of every citizen to stay in any member country for 90 days.

For ECOWAS, the 1980s were years of enthusiasm and hope. It was set up in 1975 and became operative in January 1977, and the decade which followed was a time to fire the imagination, bring forth ideas and take every initiative to ensure at least the viability of the most immediate objective — the free movement of people and goods.

An Ivorian economic operator taking chicks to Lagos had the consignment checked by the Nigerian customs at Sémé, on the Nigerian border. It was a long, gruelling exercise and entry to Nigeria was refused at the end of it. The chicks died, millions of CFAF went up in smoke and a promising move for cooperation and trade came to nothing through ignorance of the rules and over-zealousness on the part of the customs officials.

The story of economic integration in West Africa is full of such blundering and controversy. Information is wanting, obviously, and the reluctance to apply the texts of the agreements is notorious. ECOWAS, as a means of integration and cooperation, is still inaccessible to or misunderstood by its 180 million citizens, who are constantly asking questions about it.

So what is the point of the organisation? The Economic Community of West African States — its 16 members are Benin, Burkina Faso, Cape Verde, Côte d'Ivoire, Gambia, Ghana, Guinea, Guinea Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone and Togo — was set up by a treaty between the Heads of State and Government at their Lagos (Nigeria) Summit on 28 May 1975. The main aim was the economic, social and cultural integration of its members, which meant doing away with customs duties and all other taxes of equivalent effect on imports and exports of goods between the member countries and removing the obstacles to the free movement of individuals, goods, services and capital — all of which was expected to lead to the creation of a customs union after a period of 15 years.

ECOWAS celebrated its 18th birthday on 28 May 1993, but the machinery of integration was still silted up. People from Mali, Côte d'Ivoire, Senegal, Sierra Leone, Niger and Cape Verde have all had their share of troubles and misfortunes at airports and other frontier posts. People from Ghana, Liberia, Benin and Burkina Faso have been on Weeknews, the very popular Nigerian TV programme presented by the delightful and irrepressible Maudleen Park, to tell their tales of crossing frontiers between Côte d'Ivoire and Nigeria, to complain, to proclaim their frustration and bitterness, to express their disappointment and to give their final verdict — that ECOWAS does not do its job properly. For how could they praise or believe in an organisation whose acts fail to reflect their desire for freedom?

The negative view of ECOWAS is also overdone, however. Experts and delegates have indeed found themselves in meeting rooms on occasion, speculating over the botches and blunders of frontier and immigration services, but there is no doubt that all the movement and the flow of all kinds of traffic around the Economic Community, a clear sign of its good health, are encouraged by the fact that the citizens of one country do not need a visa to enter another — a minor achievement maybe, but a major incentive in the drive for bigger groups prompted by a variety of achievements, plans and prospects.

The movement of people and goods and the removal of customs duties are in fact the backbone of the community's programmes and the ECOWAS travel card, the pride of the organisation for two years now, is by no means the least of its practical achievements. Another development is the free trade plan, which took effect in January 1990. This was designed to remove customs duties and taxes of equivalent effect on imports and exports between the member countries, thus boosting the volume of intra-community trade, currently estimated at 4.6%. However, it is being hampered by other plans — those of the CEAO and the Mano River Union, for example, which are incompatible with it and a serious barrier to its success — and so a radical rationalisation of the inter-governmental organisations of West Africa has been mooted. Once this is complete, ECOWAS will be undertaking constant checks to ensure that all cooperation programmes in the sub-region are being properly implemented and harmonised, to avoid any duplication of effort or waste of resources.

Informal trade, by contrast, is doing very well. 'Trippers' go up and down the roads between Abidjan and Ouagadougou, Accra and Niamey, Bamako and Cotonou and Abidjan and Lagos by the coachload, feeding a lucrative black market trade — which does not, however, escape the attentions of the ever-watchful customs services.

All this movement is encouraged, to a large extent, by the 88% completion of the Lagos-Nouakchott trans-coastal highway and the 82% completion of the Dakar-N'Djamena trans-Sahelian highway. ECOWAS is finishing connecting roads which will help open up the landlocked countries.

* The Ivorian writer of this article was Head of the Conference Division of ECOWAS from December 1986 to December 1992.

ECOWAS is still a long way from achieving freedom of movement for people, goods, services and capital

The Economic Community's greatest success is its telecommunications programme. Its new regional networks have made telephone links between the capitals of the member countries relatively easier and it is now looking for money to service and maintain the facilities, make technical improvements and enhance transmission quality.

A large number of integration projects are under way in agriculture, industry, tourism and, most importantly, the monetary sector, the subject of about ten years of study aimed at converting this region of a dozen different currencies into a single currency zone.

ECOWAS is tremendously ambitious and has its heart set on a comprehensive programme, but both, alas, are dependent on the interest shown by its funders and the mood they are in. Money is all too often short, forcing programmes into quasi-hibernation and arousing impatience in the critical onlooker, who loses hope and wonders what will become of the Community.

But economic integration is a long and exacting exercise in which the basic rules and regulations have constantly to be amended and adjusted to cater for changing circumstances. When the Treaty proved to be obsolete in a recent rereading, a committee of leading lights spent a year overhauling the text to produce a Revised Treaty, the purpose of which is to revive the organisation. Once ratified, the new text, which provides for a Community Tribunal and a Community Parliament, will have a major advantage in that the agreements will be supranational.

The Treaty of Maastricht made the political leaders of ECOWAS sit up, persist, keep faith and take up the challenge of integration. But the real problem is elsewhere. The bleak economic picture in almost all the member countries is reflected in the irregularity of contributions to the Community's operating budget and the Executive Secretariat's programmes, and internal upheavals threaten both the stability of the states themselves and the cohesion of the sub-region. Against that background, can ECOWAS survive periodic upheavals and the unstable economic situation? ○ B.B.K.

Port services for landlocked countries

by Robert REZENTHAL *

Why is a planet with water over more than 70% of its surface called 'Earth'? The sea has done much to shape the history of mankind, not only by keeping coastal peoples and regions alive, but above all by being a means of communicating and trading and discovering distant lands.

The Phoenicians were among the first to use the sea to develop trade and their civilisation was the start of the gradual development of maritime transport.

Today, despite the many means of transport now in existence, most imports and exports still go by sea — 95-98% of them in the case of the developing countries, where export goods tend to have little value added and there is scant domestic transport infrastructure. There is no country in the world today which can entirely do without the sea. Where caravans once struggled across inhospitable regions to deliver salt to people who lived a long way from the coast, now raw materials and consumer goods are shifted by sea. Maritime transport is vital to some countries and there are several international conventions, including Lomé and the Montego Bay Convention (10 December 1982) on the Law of the Sea, which recognise the coastless countries' right of access to the sea. Outside Europe, most of the least developed countries (by UN criteria) have no direct access to the sea.

The African, Caribbean and Pacific (ACP) States, some of which are faced with the constraints of being islands, are of course concerned by the problem of landlocked areas, either because they are landlocked themselves or because they are on the coast and goods from the ports transit to landlocked countries across their territory. Solidarity has developed quite naturally between the countries involved, over and above any international conventions.

* Mr Rezenthal, a Doctor of Law, is Secretary-General of the Autonomous Port of Dunkerque.

Constraints of coastless countries

Distance from the sea affects different countries in different ways and the developing countries are the hardest hit, for being landlocked is an extremely expensive business. Burundi, for example, has to add about $60 million annually to its foreign trade costs to make up for the constraints of having no ports.

The effects on external trade

A comparison of Europe and Africa reveals that the landlocked country of Europe with the least foreign trade (Hungary) makes greater use of maritime transport than all the landlocked countries of Africa put together. Leaving aside the case of Europe, being landlocked makes under-development worse. Burkina Faso, for example, produces first-class mangoes, but the possibility of exporting them is seriously compromised by the country's geographical situation, for a study has shown that the cost of flying the fruit to Europe or the Middle East would be more than the price at which mangoes which travel by sea are sold on those markets.

Landlocked countries find it difficult to export perishables — livestock products, for example — to the big world markets and the bulk of their output often goes to the domestic market and to neighbouring countries, although competition and a very low standard of living may keep these particular exports down.

On occasion, a coastal State whose internal organisation has broken down will display all the effects of being landlocked. This has happened in Zaire, for example, which has an outlet on the Atlantic Ocean, but channels the bulk of its foreign trade through ports in East Africa and some through ports (Douala and Pointe Noire) in neighbouring countries on the west coast.

The organisation of transport

The development of trade is directly linked to transport organisation and efficiency. Goods unloaded when ships reach port may still have thousands of kilometres to go overland before they reach their destination. Some journeys are particularly long. Bujumbura (Burundi) to Mombasa (Kenya), for example, is 2100 km and the round trip takes a month by truck. And in the tropical wood industry, the production zones in northern Congo, the CAR and Zaire are 1500-1800 km from the Atlantic coast.

Choice of transport is affected by cost, of course, but the security it offers is important too. Foresters in central Africa sometimes prefer to shift their timber by road instead of river to avoid the drawbacks of waterways — i.e. the cost of making rafts, the possible loss of some of the cargo and the slowness of river transport. And it may be difficult to take delivery of goods at the coast. For example, the mouth of the Zaire is silted up during the low water season and can only cope with vessels of 12 000 t, which have to load with deck cranes and cargo booms.

The hazards of climate and topography also have to be taken into account. Some road and rail routes are impracticable and thus to be avoided during the rainy season, while waterways are not used during periods of drought. In continental Europe, there may be temporary hold-ups in water traffic when rivers and canals freeze.

Other drawbacks of a landlocked situation

Distance from the sea is the biggest handicap as far as the foreign trade of coastless countries is concerned, not just because of the time and money which it takes to get to the coast, but because those transport costs are added to the price of the goods when customs duties are calculated. And the longer the journey, the greater the risk of theft or damage.

Carriers' problems do not stop there either, since there are variations in the exchange rate, with the attendant costs, to think about. Transport costs, port dues and customs duties in the countries of transit all have to be settled in the strong currencies which the coastless countries find so hard to come by, particularly if they are already heavily in debt.

Landlocked developing countries have many more handicaps, but we shall only list two of them here. Carriers who have to cross several countries have to contend with a large number of complicated regulations, often involving considerable expense. For example, the maximum axle weight varies from one country to another, making expensive loading and unloading necessary, and this sometimes leads the owners of the goods to use carriers from the country of transit. Another example is that goods in transit may have to pay road maintenance taxes.

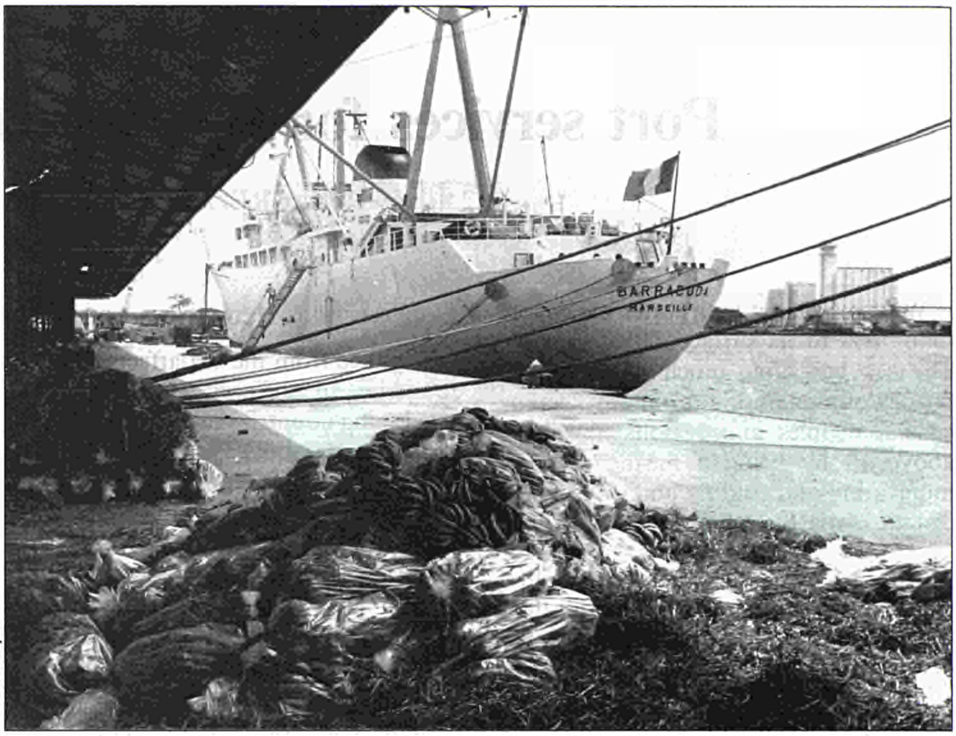
Political considerations may also affect the choice of route to the sea. Since South Africa has had a policy of apartheid, for example, transporters in neighbouring countries prefer to take longer and more difficult routes to ocean ports in Tanzania or Kenya. Political instability in countries of transit is another reason for going the long way round, as illustrated by the present situation in Nigeria and Togo and its effect on goods to and from Burkina Faso, Niger and Chad. Lastly, the geographical situation of some countries is such that there is virtually no choice of port, as in the case of Lesotho, Mongolia and Nepal.

Not all the disadvantages of being landlocked are irreversible, however, and landlocked countries can expect to see their economic situation improve, particularly with international conventions and bilateral agreements.

Loosening the constraints of a landlocked situation

A look at the landlocked African countries' trade with the European Community countries shows that the figure for all imports and exports shifted by sea (the commonest means of transport) in 1991 was 2 million t, which is relatively small, and that only 31 000 t went by air over that period.

Although the volume of shipping involving the coastless countries is small, it nonetheless represents 200 million people worldwide, more than 93 million of them in the continent of Africa.



Port d'Abidjar

Coastal countries perform a vital communication and development function for their landlocked neighbours, as Côte d'Ivoire, here, does for Burkina Faso and Niger

International conventions

Since the early 20th century, various international conventions have given coastless States access to or use of the sea. The Treaty of Versailles (28 June 1919) recognised the right of every allied associated power without a coastline to sail under its own flag on all the seas and oceans.

One of the basic texts on access to the sea for landlocked countries is the Convention on Transit Trade of Landlocked States (New York, 8 July 1985), the preamble of which says that recognition of the right of every coastless State to have free access to the sea is a vital principle when it comes to the expression of international trade and economic development. Despite it, however, transit arrangements have to be laid down by inter-State agreements, for the New York Convention alone is not enough to create a law the carriers and transporters can invoke.

The ACP countries and the Community institutions are aware of the vital importance of the right of access to the sea and have enshrined it explicitly since Lomé II. Lomé IV is more specific about it than the preceding agreements, in that it recommends giving support for the installation of a system of buffer stocks — to be kept in the 'dry' ports of the countries concerned and in the ports of the countries of transit on the coast — for those ACP States which are landlocked, to avoid the risk of supplies breaking down. It also insists on developing regional cooperation, particularly with transport and communications, where it says that priority should go to the establishment, rehabilitation and development of road and rail links with the sea for the benefit of landlocked ACPs.

Lomé IV in general clearly encourages cooperation in the matter of development financing, to help the landlocked countries overcome the specific obstacles impeding their development drives.

The Montego Bay Convention on the Law of the Sea (10 December 1982) also makes a large contribution to international law by stating that the high seas are open to all States, coastal or not, and that those which are not are entitled to access to and from the sea. However, it has yet to take effect and it cannot be directly invoked by private operators.

Bilateral agreements

In Africa, access to the sea is a natural right for people from landlocked countries and countries of transit and the concept of solidarity is a reality there.

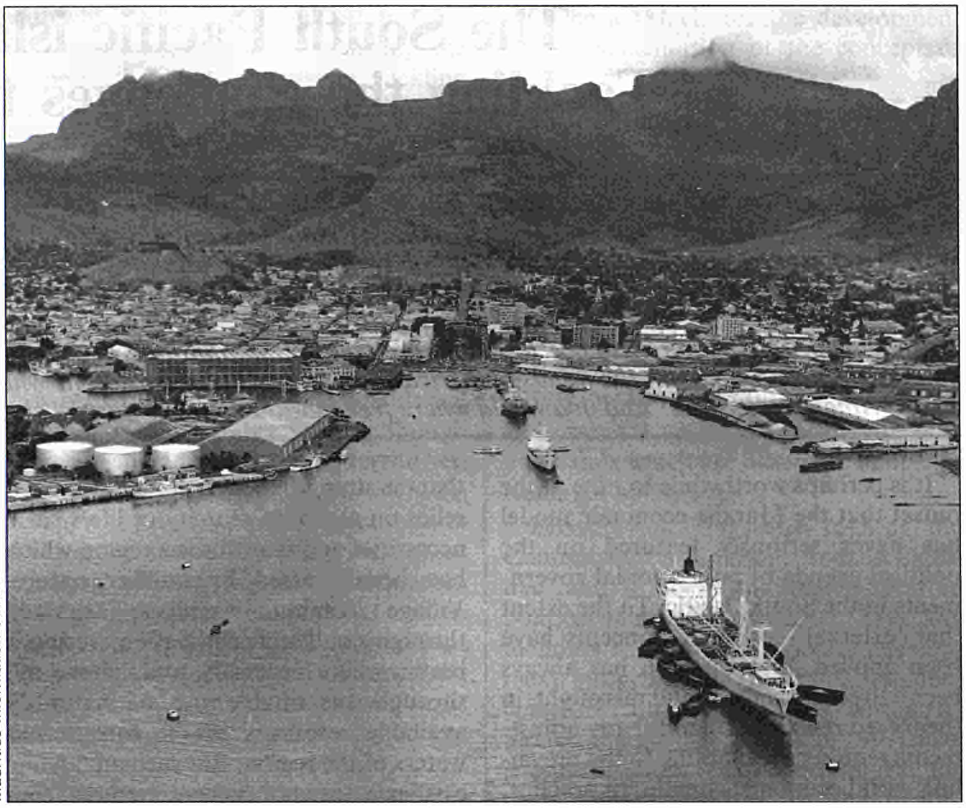
There are many intergovernmental agreements on road and rail transport (between Côte d'Ivoire and Mali, for example) and on the storage of goods in ports (Entrepôts Maliens in Senegal (EMASE), for example, and Entrepôts Maliens in Côte d'Ivoire (EMACI)).

These goods are stored in areas of the coastal countries' ports which are specially reserved for traffic to and from landlocked countries, under the latter's customs control — a system not without its drawbacks, such as having to pay for goods or vessels to be moved about the port.

In the interests of African solidarity, port authorities on the west coast of Africa sometimes give longer grace periods for the storage of goods from landlocked countries than they do for national traffic. Tax exemptions are common. In the port of Cotonou, Benin, for example, the owners of goods in transit for landlocked countries are exempt from the statistical tax and the customs stamp. There are also reductions on port dues and berthing priorities for ships carrying goods deemed strategic for landlocked countries (petroleum products, food aid and so on).

The landlocked countries' share of African port traffic varies, representing 5% at Pointe Noire (Congo) and Abidjan (Côte d'Ivoire), 15% in Lomé (Togo) and 30% in Cotonou.

Mauritius Information Service



Trade develops in line with the effectiveness of the means of transport available

International aid

Solidarity between the nations must be worldwide and the international institutions have a crucial part to play in the economic development of the geographically underprivileged nations.

The European Economic Community makes various contributions (interest-free loans and grants, for example) to operations to reduce the negative effects of being landlocked. Its aid may be for a complete project or it may contribute in tandem with other countries or international institutions to such things as improvements to the Beira (Mozambique) corridor, Zimbabwe's most direct route to the sea. This particular project, which involves rehabilitating some of the quays in the port of Beira and building an oil pipeline and railway lines and roads, is being cofinanced by the EEC and some of its Member States, the Scandinavian group, other European countries, the African Development Bank (ADB), the USA and the World Bank.

The Community institutions are also involved through the European Development Fund in various schemes such as the building of the Isaka (Tanzania) rail-road terminal on the central corridor linking the port of Dar es Salaam to landlocked countries and regions such as Burundi, Uganda, Rwanda and Eastern Zaire.

In some cases, aid is granted for reception infrastructure in the countries of transit. For example, the European Investment Bank is lending the Tanzania Harbours Authority (THA) ECU 11 million at 3% over a maximum of 20 years to extend the container terminal at the port of Dar es Salaam, which is handling more and more goods for landlocked countries.

The strategy of the landlocked countries

The landlocked countries are not just counting on foreign aid to help them out of their economic isolation. Some of them have embarked on a strategy of diversifying their port services or encouraging the installation of industries to process raw materials. The Central African Republic, for example, is encouraging wood processing in forestry areas and sawn timber and veneer are marketed at home and on regional markets in Congo, Cameroon, Chad and Sudan.

Even in countries which have no direct access to the sea, such as Mongolia, Bolivia, Laos and Burkina Faso, external trade is more dependent on maritime transport than ever before. The drawbacks of being landlocked may well be taken into account in international relations, but it is difficult to deal with the situation in practice, because there is a constant war to be waged on all the practices threatening the economic and even political sovereignty of some States in the long term. Once they have signed international agreements, governments have to run awareness campaigns, targeted to show particular categories of civil servants how vital it is for the population to have access to the world markets. This is done quite naturally in Europe, so why should it not be done on other continents too? You cannot put a price on solidarity. But effort and understanding always pay off in the end. ○

R.R.

The South Pacific islands
Tackling the challenges together

In many respects, the island countries of the South Pacific face challenges which are common to the developing world — for example, the need to develop infrastructures, improve health provision, expand education and generate more diversified economic activity. The problems that politicians in Pacific nations have to tackle are frequently similar to those which tax the minds of African, Asian and South American leaders. And in a world where free market economics are in the ascendant, the solutions proposed are often not very different nowadays. But these similarities notwithstanding, there are obviously special factors — notably geographical and cultural — which affect the development equation in the South Pacific. In this article, we look at some of these factors and at the various regional organisations which have emerged to deal with the region's particular development needs.

It is perhaps worthwhile to note at the outset that the Marxist economic model has never seriously featured on the political agenda of post-colonial governments in the South Pacific. To the extent that 'external' economic concepts have been applied, the approach has always been a 'free market' one and this ought, in theory, to render less painful any adjustments required in adapting to the prevailing world economic climate. In practice, however, the Pacific island governments have not altogether escaped the discomforts of 'structural adjustment', for even mixed economies can suffer the problems of budgetary imbalances, bloated civil services and inefficient state enterprises.

Of more significance, however, is the fact that Pacific societies are latecomers — and some might think reluctant participants — in the world of free enterprise. Even today, many Pacific islanders have a subsistence lifestyle which is largely untouched by the cash economy. And there are those who would argue that western consumerism and the predominantly village culture of the Pacific are uneasy bedfellows. Could it be that development in the accepted (western) sense has no place here?

Those who take such a view, it should be acknowledged, are more likely to be idealists from the North, who compare their own frenetic societies with some imaginary Pacific idyll. They see a string of emerald isles set in a sapphire sea and lament the outside influences which threaten to drive people on to an economic treadmill driven by the profit motive. The reality is more prosaic.

It is true that Pacific island societies have managed for hundreds of years without much recourse to liberal economic theory. This is not surprising given that the strength of the 'property' concept relies on a certain scarcity of life's basic necessities and that this is a region which has been blessed by mother nature. Village communities have survived through small scale cultivation, irregular barter where necessary and, above all, through sustainable use of naturally available resources in the forests and waters of the region. But such an 'idyllic' existence does not prevent mothers from dying unnecessarily in childbirth, or stop the spread of otherwise curable diseases. Nor, more importantly, does it stifle the human aspiration for self-improvement and progress which exists in the South Pacific as much as anywhere else.

The question then is not whether development is desirable, but what sort of development is appropriate to this particular region of the world.

(Fiji Ministry of Information)

A ship loading sugar in Fiji

Isolation from world markets places the Pacific islands at a disadvantage in the quest for development

Problems

Despite the fact that there are considerable variations in terms of size, resource base and ethnic background, the Pacific island states share many common features which are relevant to the question of development. In the first place, their isolation both from each other and from the major world markets places them at a disadvantage in the quest for economic growth. They all have small populations (Papua New Guinea, with 3.5 million inhabitants, is the 'giant' of the region) and this makes domestic economies of scale difficult to achieve. Even within countries, the people are often widely dispersed, living on islands or in rural areas remote from the capital. In these circumstances, it is not surprising that transport costs are high or that the improvement of transport infrastructures is a development priority.

Environmental questions also feature prominently as the region's fragile ecosystems face dangers from a number of quarters. The destruction of tropical forests by overseas logging companies is a source of particular concern in a number of Pacific states while the (as yet unproven) threat of global warning could, it has been suggested, threaten the very existence of the low-lying atoll nations. Associated with this is the region's particular susceptibility to tropical storms. Nothing can be done to prevent these, of course, but the islands clearly need to have access to reliable and timely meteorological information.

A third important area is fisheries. Developments in the Law of the Sea over the past two decades mean that most Pacific island countries have exclusive economic zones which are immensely larger than their actual land areas. These nations have the right to manage and exploit the fish resources of their EEZs but this requires resources which are not always available. Development priorities in this area may include expansion of domestic fishing capacity, establishing or extending onshore processing activity and licensing (and controlling) the fishing activities of distant water fleets of other countries. There are also the mineral resources of the sea-bed. These are not currently exploitable on a commercial basis but they offer potential for the future.

These are all areas of *particular* concern to the Pacific countries but, of course, there are also other challenges with which most developing countries are familiar. These include broadening the scope of the education system, tackling endemic diseases (notably malaria) and new health threats (such as AIDS), rural development aimed at preventing migration to towns and cities whose services are already overburdened, providing safe water supplies, encouraging small and medium-sized enterprises and so on.

Institutions

Most of the South Pacific islands are grouped into sovereign states although there are still a few dependent territories. Not surprisingly, each has its own development priorities and policies, but, in seeking to tackle the many issues of common concern, they also participate in a range of regional international bodies. The two main international organisations with an interest in general development issues in the region are the *South Pacific Commission* and the *South Pacific Forum.*

South Pacific Commission

The SPC is the older of the two bodies, having been established in 1947 by the six metropolitan powers, which, at that time, were involved in administering the territories of the region. (Australia, France, Netherlands, New Zealand, United Kingdom and United States). Australia and New Zealand are, of course, Pacific countries in their own right. The founding treaty is usually referred to as the Canberra Agreement, having been concluded in the Australian capital. The current membership of the South Pacific Conference, which governs the activities of the Commission, is 27 — 22 Pacific developing countries and territories and five of the six founding states (the Netherlands left the SPC in 1962 following that country's withdrawal from Irian Jaya). Membership of the Conference, previously restricted to sovereign states, was extended to the remaining dependent territories of the Pacific in 1983. The Commission's permanent secretariat is based in Noumea, New Caledonia.

The SPC has the objective of 'encouraging and promoting the economic and social welfare and advancement of Pacific peoples'. Under the Canberra Agreement (as amended) its functions include the following:

— to provide a forum for the discussion of issues, problems, needs and ideas which are common to the region;

— to be a vehicle for the development and implementation of the concept of regionalism;

— to assist in meeting the basic needs of the peoples of the region;

— to foster and develop means to facilitate the flow of indigenous products, technical know-how and people among the islands;

— to serve as a catalyst for the development of regional resources that are beyond the capability of individual island governments to develop;

— to serve as an aid-organising machine for islands which are otherwise unable to reach aid sources.

Broadly speaking, the role of the Commission is 'advisory and consultative' and it does not involve itself in political matters. Nor does it have any mandate to control or operate development programmes within its member countries although it does within its modest budget ($30 million in 1990) have a number of projects which reflect the development priorities of the region. These include food and plant protection, marine resource assessment and a wide range of educational activities covering health, the environment and community education training. More than 90% of its funds are provided by the five remaining original members, Australia being the largest single contributor (one third of the total).

South Pacific Forum

The Forum, which strictly speaking is simply an annual gathering of Pacific heads of government, came into being in 1971 when the leaders of seven countries — Australia, the Cook Islands, Fiji, Nauru, New Zealand, Tonga and Western Samoa — decided that they needed a mechanism for discussing political issues, something which was expressly excluded in the SPC. According to the publicity material; 'It resulted from the desire of the independent countries of the region to tackle common issues from a regional perspective, and to enhance their collective regional voice so as to give their views greater weight in the international community'. [1] Although the Forum has no formal rules of membership, it is generally recognised that it is not open to countries from outside the region. And it has, in practice, evolved

[1] Source: New Zealand Ministry of External Relations and Trade, Information Bulletin no. 38, December 1991, p 3.

The Courier

A traditional Kava ceremony in Tonga

'Pacific island governments are working to achieve balanced development which fits in with global trends but which also preserves their distinctive lifestyles and cultures'

into a fully-fledged regional international organisation complete with a secretariat which is based in Suva, Fiji. It currently has 15 member countries.

Although more 'political' than the SPC, the Forum also has a strong interest in development questions. One of its subsidiary bodies is the *Forum Fisheries Agency*, which is based in Honiara, Solomon Islands. This organisation plays a key role in assisting its members to develop fisheries policies, in collecting and disseminating information and in coordinating a regional approach in negotiations with third countries which have fleets operating in Pacific waters. In the late 1980s, the Forum took a common stance against the practice of driftnet fishing and the resultant over-exploitation of fish resources in the region. This unified approach appears to have paid off with the distant water fishing nations committing themselves to abandonment of the practice.

In recognition of the importance of shipping links for trade in the region, the Forum also set up its own commercial operation in the form of the *Pacific Forum Line*. Ten Forum countries are involved in this venture.

Other bodies

The particular development concerns of the Pacific islands are also reflected in a range of other regionl agencies and organisations, most of which receive external support in one form or another.

The *South Pacific Regional Environment Programme*, which was set up initially by the SPC and is now an autonomous organisation based in Apia, Western Samoa, has as its mission 'to help the peoples and governments of the South Pacific to apply their insights, skills and resources so as to develop and sustain the harmony which should characterise humanity's relationship with other components of the environment'. The wording of this mission statement illustrates the special relationship felt by most Pacific peoples with their natural environment. In practical terms, the Programme of Action of this organisation is aimed at protecting the region's high level of biological diversity, promoting the ecologically sustainable use of resources, preventing and managing pollution and improving awareness and understanding of environmental issues.

The *South Pacific Applied Geoscience Commission* was established as a United Nations project in 1972 but it also subsequently became a regional organisation in its own right. Based in Suva, Fiji, it has the task of assisting in the assessment, exploration and development of mineral and other non-living resources in the exclusive economic zones of the Pacific countries. There is, as yet, insufficient technical capacity for large-scale and viable exploitation of deep sea bed minerals, but, in terms of Pacific island development, the future potential of such resources could be very great indeed. In its research and training activities, SOPAC is working to close the gap and to ensure that the countries of the region are able to derive maximum benefit, when extraction for commercial purposes becomes feasible.

Education poses particular challenges in an area of scattered islands with small populations. This is particularly true at the tertiary level, where a critical mass, in terms of both students and resources, is required to create a viable operation. The *University of the South Pacific* is a cooperative venture which is designed to provide such a critical mass. New Zealand has been and continues to be a major supporter of the University, which now has campuses in Fiji, Western Samoa and Vanuatu as well as 'University Centres', studios, classrooms and libraries spread throughout the region. The Schools of the University illustrate the particular educational needs of the region. In addition to traditional tertiary-level courses in humanities, pure and applied sciences and social and administrative studies, the University has departments devoted to Agriculture, Marine Resources, Natural Resources and Pacific Studies. In 1991, the University had 8400 students.

On the research side, the *Pacific Islands Development Programme* is a small team based in Hawaii which undertakes research projects in fields of particular regional concern. Over the last twelve years, it has looked in detail at issues such as the commercial feasibility of aquaculture, dealing with natural disasters and the prospects for indigenous business development. It also runs courses for senior and middle-level government officials from Pacific island governments.

External assistance

For the developing countries of the Pacific, external support is vitally important. The principal donors are from the region itself with Australia and New Zealand playing a major role in development projects and programmes. The European Community also has a significant commitment, both through the Lomé Convention and in bilateral programmes operated by a number of its Member States. The United States and Japan are the other important development partners from the North. Much of the aid coming from these sources is directed through the various regional organisations discussed above.

The Pacific island governments recognise that just as 'no man is an island', in the philosophical sense, no society is an island in today's world even if it happens to be geographically located upon one. In cooperation with each other and with their traditional partners from outside the region, they are working to achieve a form of balanced development which fits in with global trends but which, at the same time, preserves their very distinctive local lifestyles and cultures. The extent to which the 'local' element can be maintained, in the face of pervasive economic and cultural influences from outside the region, is one which has yet to be answered. ○ Simon HORNER

Regional cooperation through the Lomé Conventions

by Nathalie BRAJARD *

The Community has backed the ACP countries' regional cooperation efforts throughout the period covered by successive Lomé Conventions, special financial support having been provided right from the start, under Lomé I, which came into force in 1975.

The Community has made a point of giving pride of place to regional integration and cooperation as an instrument of development policy. This both reflects the obvious interest of operating joint development schemes in areas where they are a better proposition than individual schemes and expresses a shared Community-ACP political will to boost regional cooperation by giving support to regionally coordinated sectoral policies.

Changing provisions

Although the Community financed regional projects and organisations under the Conventions of Yaoundé, the official introduction of regional cooperation came in 1975, with Lomé I, when 10% of the total allocation (ECU 300 million) was earmarked for it. Provisions at that stage focused on regional cooperation, economic diversification, import substitution, larger markets, cross-border infrastructure and trade promotion.

Lomé II put far greater emphasis on regional cooperation and highlighted the two new aims of boosting regional organisations and laying down specific measures for island and landlocked countries. The money was doubled, to ECU 631 million, almost 14% of the total allocation.

Lomé III, also with 14% of the programme funds (ECU 1 billion) earmarked for regional cooperation, broke new ground, in terms of quantity but especially of quality. It went into great detail as to the definition of regional schemes to encourage proper regional cooperation, it provided the possibility of combining regional and national funds to encourage the States concerned to work out concerted regional policies and it set out a clearer definition of the programming process.

The most striking feature of Lomé IV (which includes ECU 1250 million for regional cooperation) is of course, economic integration. The Community and the ACP States realise that integration is vital if there are to be viable, coherent areas of development and are therefore anxious to commit themselves to devising proper regional economic integration strategies based on the liberalisation of intra-regional trade, better payment and trade financing arrangements and regional coordination of sectoral policies.

With this in mind, this Convention also pays particular attention to the regional dimension of adjustment. Structural adjustment and economic integration are closely linked. They are two branches of cooperation which can boost each other, creating productive dynamics, but they can also hold each other back. The Convention heads off any such negative effects by providing support for schemes and organisations which encourage the coordination of macro-economic and sectoral policies from the programme formulation stage onwards.

The idea that regional cooperation can transcend geographical location was implicit in Lomé III and explicitly recognised in Lomé IV. It is a principle which makes it possible to run schemes for several ACP States which are in different regions but have the same needs in a particular area (cultural cooperation, for example).

Lomé IV also provides for the field of regional cooperation to be extended and so has introduced or stepped up schemes for the environment, scientific cooperation, research and training, women's status as an aspect of cultural and social cooperation, drug control, the development of services (particularly transport and tourism) and support for intra-ACP technical assistance.

The principle of mixing national and regional financing is also confirmed and there is greater emphasis on the role of regional organisations, which, if so mandated by their member countries, are allowed a say in both the planning and implementation of regional programmes.

Breakdown of funds

Since Lomé I, the regional cooperation allocation has been divided by region, after deduction of an amount for schemes involving all or a large number of the ACP States. Under Lomé I, the division was based on applications for financing received. Since Lomé II, it has been made in the light of objective criteria at the beginning of the Convention.

The whole ACP Group has been divided into seven sub-regions — the Caribbean, the Pacific, the Indian Ocean, Western Africa, Central Africa, Eastern Africa and Southern Africa. This is the most natural way of grouping the different countries for the purposes of regional cooperation and does not rule out cooperation between countries in different sub-groups.

The programming of regional cooperation

Under Lomé 1, regional cooperation was programmed in two instalments in the light of applications for financing for about 120 projects, but with Lomé II came more systematic programming. Each sub-region was notified of its allocation, the regional aims and priorities of each ACP State were discussed in the course of the national programming process and a programme was then designed for each sub-region. The idea was to make the various schemes more consistent by preventing the scattering of resources and making for tighter focusing and structuring of each sub-region's series of schemes — although not all the pitfalls were avoided. In Lomé III, programming was more efficient, there was greater sectoral focusing and the ACPs consulted each other more on programming policy and in some cases asked regional organisations to coordinate the programming, as with SADCC in Southern Africa, the IOC in the Indian Ocean, SPEC in the Pacific and, partly, CARICOM and the OECS in the Caribbean. [1]

* The author is an expert with the Development Directorate-General of the EC Commission.

[1] (SADCC) Southern African Development Coordination Conference – (IOC) Indian Ocean Commission – (SPEC) South Pacific Economic Commission – (CARICOM) Caribbean Common Market – (OECS) Organisation of Eastern Caribbean States.

Breakdown of regional cooperation funds (ECU million)

Region	Lomé II (1) (1980-84)	Lomé III (1) (1985-89)	Lomé IV (2) (1990-94)
Western Africa	160	210	228
Central Africa	60	80	84
Eastern Africa	140	185	194
Southern Africa	70	110	121
Indian Ocean	20	26	30
Caribbean	55,6	72	90
Pacific	30,4	34	35
Sub total	*536,0*	*717*	*782*
Miscellaneous (3)	95,5	283	468
TOTAL	**631,5**	**1000**	**1250**

(1) Grants and special loans from the Commission and risk capital and own resources from the EIB.

(2) Allocations by region do not include EIB-managed resources, which are included under Miscellaneous.

(3) Included here are 'All-ACP' allocations, i.e. schemes covering all or a large number of ACP States, in particular financing for the Centre for the Development of Industry (CDI), trade promotion, groundwork for the ACP-EC Joint Assembly, the Centre for Agricultural and Rural Technology, the ACP Group Secretariat, cultural cooperation, production of The ACP-EC Courier etc.
Under Lomé IV, this amount also includes a system of regional cooperation between the five Portuguese-speaking countries of Africa, a reserve fund and the EIB schemes.

Regional cooperation by sector (commitments) under the first three Lomé Conventions

Sectoral breakdown	Lomé I ECUm	Lomé I %	Lomé II ECUm	Lomé II %	Lomé III ECUm	Lomé III %
Transport & communications	166	55	193	32	412	45
Industry, energy & mining	42	14	92	15	52	6
Rural development	34	11	162	27	167	18
Social development	36	12	74	12	90	10
Trade promotion	12	4	30	5	77	8
Subject schemes	—	—	19	3	75	8
Miscellaneous	11	4	25	4	42	5
TOTAL	**301**	**100**	**595**	**100**	**915**	**100**

The programming procedure under Lomé IV is much the same as under Lomé III. The first guidelines laid down and discussed with the ACP States in each region were summarised and a pre-programming document was then produced for discussion by the Member States of the Community. Once the document was passed, the countries and organisations concerned used it as a basis for a regional indicative programme, laying down the focal sectors and the main aims in each, the type of scheme which the Community was planning and the steps which the ACP States needed to take to provide support and help reach the targets.

Main areas of regional cooperation

Transport and communications infrastructure (roads, railways, airports, ports etc.) is by far the biggest sector of intervention, because of all the opportunities, not to say the need, for regional cooperation here. The second sector is rural development (herding, fishing and farming), in which there was a large increase under Lomé II because of the emphasis on food and farming in the national indicative programmes. Industry, energy and mining, a fairly important sector under Lomé I and II, dwindled under Lomé III. Social development (teaching, training, health, hydraulic engineering and housing) is stable and schemes focused on particular subjects, such as the environment, prevention of desertification and the control of endemic cattle diseases, seem to be on the increase. 'Miscellaneous' includes various technical support schemes for regional organisations.

The Lomé IV rate of commitment is still too low (40%) for the sectoral breakdown figures to be considered significant. But a look at all the regional programmes reveals the focal sectors to be:

— transport and communications;
— food security and the preservation of natural resources;
— development of trade and investment;
— development of human resources.

Economic integration, an objective in all seven sub-regions, underlies a large number of the projected schemes and is reflected in political initiatives already launched by the ACP States. The regional indicative programme for Central Africa, for example, furthers economic integration via a tax and customs package and helps achieve sectoral aims (such as the transport and transit policy) which the states have laid down in their UDEAC regional programmes. In Southern and Eastern Africa and the Indian Ocean, regional programming incorporates the SADCC, PEZ and IOC countries' guidelines on an initiative to facilitate cross-border trade, payments and investments. In Western Africa, Community assistance is designed to back up initiatives which states in the region have launched in accordance with the political guidelines of ECOWAS and the creation of the West African Economic and Monetary Union.

Conclusion

The instruments have improved over the past 20 years, to provide more support for policies which are concerted and even integrated at regional level. The introduction of a regional allocation, divided up between the regions, has, with the programming process, facilitated dialogue, consultation and cooperation by the states of each sub-region and enhanced the thinking on what really is of regional interest.

The concept of economic integration gained fresh stimulus with Lomé IV, reflecting the fact that it is generally recognised as one of the aims of development over the coming years. It is clear that it will demand a great deal of work over a long period and that the success of the process will depend on both governments and societies in the countries in question taking it to heart.

Stronger, effective regional cooperation and integration will only be a success, basically, if the states are genuinely politically committed to putting these aims into practice.○ N.B.

Dear Mr Auclert...

The Commission's former Deputy Director-General for Development, André Auclert, recently received a moving letter from the technical assistant to a development programme funded by the EDF in northern Nigeria. The author, W.D. Knight, was involved in the North East Arid Zone Development Programme (NEAZDP) for several years, and in his words to Mr Auclert he paints a vivid picture of the challenges which have been identified and overcome in this dry region of Africa's most populous country. Readers will recall that we published an article in issue 140 (July-August 1993), describing the Katsina Arid Zone Programme in northern Nigeria. We are pleased to follow this up with the personal reflections of a 'grassroots' development worker who has worked in the same field. This is an abridged version of his letter.

A few years ago, you visited the village of Karasuwa Garunguna in northern Nigeria, as part of your tour of the area that was later to be covered by the EDF-funded North East Arid Zone Development Programme (NEAZDP). Your purpose was to pay your respects to the Lawan of Karasuwa who oversees the affairs, not only of his own village, but also of some 35 other villages in the vicinity.

The Lawan, an unusually young and progressive traditional leader, took this opportunity to make an impassioned appeal to you on behalf of his people. Water, he said, was their biggest problem; desertification was another; poverty, in terms of funding and development skills was yet another. Their problem was not an unwillingness to help themselves.

Your response was to praise the Lawan for his enlightened approach and to promise him that he and his people would be assisted to help themselves. The first of their problems to be solved would be that of water.

Then you went away.

May I inform you, however, that you were not forgotten.

Recently, I attended a ceremonial function in Karasuwa at which I was asked to pass on to you the good wishes and thanks of the people of the village, and of those in the surrounding area. The ceremonial was to mark my own departure from the programme and, inevitably, there was a great deal of reminiscing about how NEAZDP began and what impact it had had. Hence, your promise was brought to mind.

I think that you may wish to know that Karasuwa has benefited considerably from NEAZDP and that, in return, NEAZDP has benefited considerably from Karasuwa.

The community in Karasuwa, which was the first 'pilot' village, now manages its own water supply. The water comes from two connected boreholes and is distributed by an extensive reticulation system, backed up by five wells. The village has its own electrical power supply and its dispensary has been upgraded to a health centre with 12 beds, providing primary health care services. There is also a community-managed drugs revolving fund. The school is well attended and functions effectively, serving also as a teacher-training centre. Learning Centres provide adults with training in literacy and other essential rural skills. The women are experts in the fabrication of fuel-efficient ceramic mud-stoves, selling their products and training others from near and far. They also manufacture soap and pomade and run their own commercial sewing centre. The men are making improved ploughs and furniture, and are better equipped with oxen and carts. The village's loans from NEAZDP are paid into its own Community Bank and revolved by its own Development Association. The people generally are taking environmental problems seriously. Before even a single ecu of programme money was spent, the villagers had set up a conservation area on the windward side of Karasuwa and, by careful planting and 'social fencing', they have stabilised the sand dune that threatened their homes.

Tube well in the desert near Karasuwa allows villagers to cultivate a surplus of vegetables for the first time

Meanwhile, 18 of the villages that surround Karasuwa have benefited in similar ways: developing their own three nurseries; running their own health posts and veterinary clinics; owning and operating their own millet grinding machines, which save women time and energy and earn them funds which they can invest in other projects which the women develop themselves.

In conservative northern Nigeria, precedent is important. By allowing itself to be developed as a model, Karasuwa provided NEAZDP with precedents that other villages were willing to follow, even where it meant breaking with tradition. One particularly good example of this is provided in the area of women's development. By allowing their women to form a village women's development committee, the men of Karasuwa, guided by their Lawan, took a step that was previously unheard of in this rural area. Now it is widely spread.

Thus, as the programme's first pilot village, Karasuwa has both benefited from NEAZDP's inputs and, in return, has provided the programme with a model to use for extension purposes. Today, only three years after implementation began, NEAZDP already operates in 18 Development Areas, each with a pilot village surrounded by cluster villages — a total of some 350 — all of which have learned something from the Karasuwa example.

The Lawan and his villagers are grateful for the benefits they have received and are proud of the fact that Karasuwa has been able to demonstrate these benefits to others.

It is my pleasure to pass the thanks of the people of Karasuwa on to you. As for me — well, I am the Englishman who took you to buy peppers in the market at Jaji Maji before escorting you to the village. I have, since then, worked as the NEAZDP Community Awareness and Mass Mobilisation specialist, spending the last few years looking after the sociological side of the programme. I very much enjoyed working with NEAZDP, especially with the people of Karasuwa (who gave me the hereditary, traditional title of 'Grema'), and I send you my greetings too. ○

With kind regards
Bill Knight

Saving the trees

Now that more than a year has passed since the Rio Conference on the Environment and Development, one might be forgiven for assuming that ecological issues have slipped down the global agenda. Recession and war in Europe and elsewhere have clearly done much to shift the spotlight on to other economic and political concerns. But worries about the environment have not gone away — and will not do so while the threat posed by pollution, and the unsustainable exploitation of finite resources, remains. One of the main concerns continues to be the possible impact of the 'greenhouse effect'. Tropical forests, which have been described as 'the lungs of the world', are believed to play a crucial role in preserving the equilibrium of the earth's atmosphere and, hence, in preventing the onset of global warming. Below, we publish two articles on the related subjects of tropical forest conservation and eco-labelling of tropical timber. The first, by an official of the European Commission working in the field, describes the operation of EC policy for conserving the tropical forests. The second, by an environmental consultant, highlights some of the difficulties that have been encountered at the global level and looks at the possibilities for an integrated and viable approach to the issue of 'eco-labelling'.

The European Community and tropical forest conservation

by Kenny BELL *

Since *The Courier's* last piece on EC cooperation in tropical forest conservation, [1] the Community has continued to build up its cooperation programme for tropical forests, and the 1992-93 period has been marked by significant advances.

In April 1992, on the initiative of the European Parliament, a further ECU 50 million (over US$ 56 million) were allocated to 'actions in favour of tropical forests' in the general EC budget. This year, Council, Parliament and Commission are involved in discussions on drawing up a regulation to govern the use of this aid. Before discussing these developments, it is worth reviewing the reasons for the Community's involvement in providing assistance to regions which, on the face of it, appear far from current European concerns.

Why conserve tropical forests?

The tropical moist forests contain the largest reserve of terrestrial biodiversity in the world. Biodiversity is important as a source of new products, whether for food, medicines or a myriad other uses, and as an insurance against the risk of agricultural production failing, in a world where commercial crops are concentrated on a few key varieties and are thus susceptible to extensive losses through diseases and pests. The rainforests, together with the extensive tropical dry forests, are a major carbon store, and many scientists agree that their destruction could cause the release of greenhouse gases affecting global climatic patterns. Conserving these forests will therefore bring significant benefits to the global community.

Regional and local populations will also benefit from the conservation of the rainforests. Conservation can help maintain the forests' role in local hydrological cycles and thus local climate and erosion patterns, the protection they afford to the country's watersheds and the home they provide to indigenous communities with distinctive cultures. Lastly, rainforests are the source of a wide range of products, important both to local subsistence and in regional and international markets.

What is the threat?

The world's tropical moist forests have already been reduced to 70% of their original extent. The FAO estimates current rates of deforestation at 17 million hectares per year. Projections suggest that large proportions of the most important forests could be destroyed in as little as 25 years. The world's tropical dry forests are under equally serious threat, and their disappearance is provoking desertification in many countries.

What is the Community's interest in conserving the forests?

The degradation of natural resources threatens the welfare of the population and the development (and thus trading) potential of tropical countries. Furthermore, the Community is a major importer of tropical timber products and a beneficiary of environmental services provided by the forests in their role as climate regulators and biodiversity reserves. There are, therefore, both local and global grounds for the EC's interest in tropical forest conservation and the promotion of sustainable development.

How did the Community first become involved?

The Brundland Report was one of the first international responses to stress the need for the North to support the South in the implementation of sustainable development. In 1987, the Community was moved by evidence of increased rates of deforestation and by scientific estimates of the possible consequences for global climatic patterns, as well as increasing public concern, to list cooperation with developing countries on tropical forest protection as a priority area for action.

In 1990, a further mandate was provided for work on tropical forest conservation, and the subsequent G-7 summit reinforced this demand. Since then, the Commission has been engaged in the formulation of the Pilot Programme for the Conservation of Brazilian Tropical Forests, in cooperation with the Brazilian Government and the World Bank. Meanwhile, an initial programme had been put together for conservation and rational utilisation of forest resources in seven Central African countries. This programme confirmed a shift in emphasis in the Commission's forestry aid programme from forestry-based industrial development to forest conservation and

* Administrator in the Environment sector, Directorate for North-South relations, DG I, EC Commission.

[1] *The European Community and Tropical Forests*, Marcus Robbins, *The Courier*, May-June 1992.

institutional strengthening. Until 1992, the main sources of funds for Community forestry cooperation were those provided through the Lomé Conventions for the ACP nations and those allocated under financial and technical assistance to Latin America and Asia.

The big breakthrough came in April 1992, anticipating the UNCED Conference in Rio. At the instigation of the European Parliament, a decision was taken to allocate a total of ECU 52 million that year to actions in favour of tropical forests. The Rio declaration on forests, signed at UNCED in June 1992, laid down a framework for future international collaboration in forest conservation and management.

J. Vasconcelos/DG XI

'The world's tropical moist forests have already been reduced to 70% of their original extent.' Here, depleted forest in Venezuela, where the EC Commission is considering supporting the government's conservation plans

Principles

The scope of Community activities is set out in a Communication to the Commission of October 1989. Among potential activities identified was the protection of remaining forests, a reduction of the factors leading to forest degradation, and the promotion of sustainable forest management. Afforestation and recuperation of degraded lands are two further possible areas of interest.

The overall strategy is to promote tropical forest conservation by:

— devising and implementing protection and sustainable management measures for significant areas of forest, and making sure they are being carried out; and

— developing and disseminating technologies and systems for increasing the living standards of people living in forest regions through sustainable resource use, and monitoring their impact.

Implicit in this strategy is the notion that forests will only be conserved where inhabitants — and governments — have an interest in protecting them. Sustainable forest management will therefore succeed only in the context of broader-based sustainable development.

The first point above implies a range of measures aimed at strengthening local conservation institutions and taking measures on the ground to implement conservation in practice. This includes involving local people and, where possible, giving them an economic interest in conservation. Private and public institutions, whether national or local, protected-area authorities and NGOs (including indigenous associations and community groups) may be recipients of aid under this heading.

The second necessarily draws on the initiatives of local communities and their organisations. These efforts would test, apply, develop or disseminate alternative methods of economically and ecologically sustainable natural resource management, and would ideally be capable of replication across a given region. They would give local people a chance to become involved in on-the-ground testing and implementation of appropriate technologies and productive systems.

There are several other important factors for consideration. The policy and institutional factors which impinge on deforestation and may affect the success of cooperation measures need to be analysed. Country-specific approaches need to be devised, since the causes of deforestation vary widely. The potential for cooperation in the framework of regional programmes should be assessed. There should be coordination with other donors' programmes, especially those of the Member States, (the Tropical Forestry Action Plan provides a framework for this in some countries) as well as cooperation with countries responding positively to international efforts at forest conservation. Coordinated multilateral operations on a global scale, where these offer potential for effective forest conservation, could be undertaken.

Regional approaches

Ranking regional and country programmes in order of priority involves considering at least the following criteria in each area concerned:

— the extent of tropical forest cover;

— rates of deforestation;

— the distinctiveness of the ecosystems, and patterns of biodiversity;

— threats to the habitat of indigenous people and other forest dwellers;

— the policy and economic framework of each country;

— the planning and implementing capacity of the country's public and private institutions, including their capacity to absorb aid and development activities.

Latin America

In South and Central America, major causes of deforestation have included increasing inequalities in the distribution of wealth, especially land; migration and colonisation; and government programmes, particularly roadbuilding and the granting of incentives to settle, cultivate and develop forested areas. It is therefore important to support policy reforms aimed at sustainability and conservation and to encourage measures aimed at stemming migratory movements. Where governments have embarked on effective dialogue with civil society and allow it to play an autonomous part in conservation or sustainable development activities, resources may usefully be channelled direct to NGOs or community groups for these purposes.

Brazil, with the largest tropical forest in the world, is a case in point. The forests started coming under severe pressure in the 1960s, when government policies promoted migration to and ranching in the Amazon region. The authorities then began to recognise the unsustainability of these models for the development of the region. The Pilot Programme for the

Conservation of Brazilian Tropical Forests aims to combine an improvement in the living standards of local populations, through sustainable development of local natural resources, with forest conservation. An initial EC contribution of ECU 12 m was made to the Pilot Programme's core resources through the Rain Forest Trust Fund established in the World Bank in 1992, and cofinanced actions will follow during 1993 and thereafter.

Vast tracts of forest are also to be found in the other countries of the Amazon region. The Commission is developing contacts with the Amazon Pact's Pro-Tempore Secretariat in Quito. A start has been made on a programme of institutional strengthening for the Pact, with regional projects for the planning and management of protected areas across the region and for the consolidation of indigenous areas.

Colombia's indigenous policy is among the most advanced, as native peoples have been given title to vast areas of the country's Amazon region. Small-scale operations to assist indigenous peoples in Colombia have already been financed through European and Colombian NGOs. The Commission is also starting a programme of cooperation aimed at reducing pressure on the forest through the establishment of a fund for small, locally based initiatives. These resources will be channelled towards encouraging the development of sustainable income-generating activities as an alternative to migration and forest destruction. There will be further, smaller schemes to help develop indigenous administration of their territories.

In April 1993, UNESCO recognised the Alto Orinoco-Casiquiare biosphere reserve in Amazonas state, Venezuela. The Commission is considering proposals to carry out the Venezuelan Government's plans for the reserve, which involve mapping, management planning and support for conservation areas and indigenous territories.

Asia

In Asia, and more especially South East Asia, much deforestation has been caused by unsustainable logging and shifting (and 'shifted') cultivation. Forest management and monitoring is therefore a central concern in Asian cooperation programmes for tropical forest conservation. Where forest concession policies have established private incentives which encourage rapid short-term forest exploitation, efforts to change management regimes will be supported.

Indonesia has the third largest national area of moist tropical forest in the world. The Indonesian Forestry Action Plan encompasses forest-sector support schemes (radio communications and forest monitoring), to which a fire prevention and control project is being added. The Community will support coordinated operations in both production and protection forests, and hopes to test and demonstrate potential for certification for sustainably produced timber with a tracing study of the production, processing and export chain.

Malaysia is the world's leading log exporter. An initial forest monitoring operation is to be carried out for peninsular Malaysia. Further operations are under preparation in Laos, the Philippines and Vietnam.

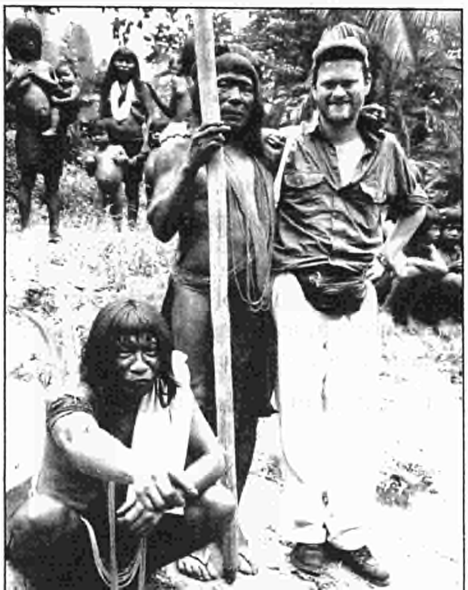
ACP countries

In Africa, population expansion and the resultant increasing need for lands and firewood have been significant factors behind deforestation. Possible long-term climatic changes have further implications for vegetative cover. Action to combat deforestation must include preserving remaining natural forest areas, strengthening weak administrative structures and providing fuel sources, as well as measures to arrest land degradation.

An initial large-scale programme for the Conservation and Rational Utilisation of Forest Resources with components in seven Central African countries is being implemented with ECU 24 m from Lomé regional funds. Cofinancing has been provided for the conservation of the Cross River National Park in Nigeria.

Several smaller projects in the fields of forest conservation and management, reforestation in dry zones and awareness raising and environmental education in countries in Africa and the Caribbean region have been approved for financing, including some proposed by NGOs. Progress in the TFAP [2] process is slow or at a standstill in many ACP countries, often because of insufficient capacity to plan and implement projects. Proposals for Country Capacity Projects designed to remedy this situation are being considered.

The author visits leaders of the Waiãpi Indians on an EC mission to their forest land in north-east Brazil. Demarcating territories for indigenous peoples contributes to forest conservation by giving them an interest in sustainable management of their economic resources



K. Bell/DG I

Across-the-board measures

The Community's programme for Scientific and Technical Cooperation with Developing Countries provides resources for research, including investigation geared to forest conservation and sustainable development. A European Tropical Forest Research Network, based on participation by national 'node' organisations in the Member States, was established in 1992. The EC's Joint Research Centre is carrying out a programme to develop techniques for global forest monitoring.

The Community is debating the use of trade preference reforms to encourage processing and thus raise value added for tropical wood exporters. It is also considering how it might play a role in the coordination and development of incentives for sustainable timber production through eco-labelling. The Community has also been active in recent discussions on the Convention on International Trade in Endangered Species, the World Climate and Biodiversity Conventions, the renegotiation of the International Tropical Timber Agreement and the Tropical Forestry Action Plan.

In Uruguay Round negotiations, it has participated in the revived GATT Working Group on Environmental Measures and International Trade, and in multilateral deliberations on intellectual property rights. Further, the Community will participate in the Commission for Sustainable Development proposed at Rio, and continues to press for a global and legally binding convention on forests.

[2] Tropical Forestry Action Plan.

A. de Villepin/DG I

Environmental degradation in a Malaysian rainforest shows how deforestation can be caused by unsustainable logging and shifting cultivation

Environmental impact assessment procedures which seek to ensure that Community assistance in other fields, such as industrial or rural development, does not contribute to deforestation are being put into place.

Various facilities are available to support small schemes run by NGOs, including community or indigenous groups, and finance has been provided for relevant conferences, seminars and workshops.

Conclusions

While the tropical forest issue has to some extent dropped from the forefront of public concern, considerable progress has been made by the Community in putting cooperation in this field on a sound footing. Substantial additional resources have been made available, and the regulation under discussion will formalise the legal basis and the procedures for this assistance.

Much, however, remains to be done. The Community must establish an open system for the submission and evaluation of project proposals, and seek ways of bringing the requisite specialist expertise to bear on its programmes for tropical forest conservation. Monitoring and evaluation must be improved, both at project level and in reviewing the overall effectiveness of the Community's actions and organisation. It must continue to develop its techniques for ensuring that its development assistance does not have adverse environmental effects. ○ K.B.

Towards eco-labelling of tropical timber

by Jean-Pierre KIEKENS *

Over the last few years, the timber trade and industry in Europe has come under increasing pressure from environmental organisations such as Friends of the Earth and the Worldwide Fund for Nature regarding the use of tropical timber and its role in tropical deforestation.

Boycotts were progressively implemented at the level of regional and local authorities in countries such the Netherlands, the United Kingdom, Germany and Switzerland. For example, cities such as Bremen, Hamburg, Frankfurt and Munich now boycott the use of tropical timber while, in the Netherlands, virtually all municipalities have adopted some form of restriction on its use.

Under pressure from environmental organisations, several national parliaments in Europe, as well as the European Parliament, have called for the introduction of import regulations on tropical timber. At the government level, two countries — Austria and the Netherlands — have sought to play an active role. In 1992, Austria introduced a special import levy and a system of compulsory marking of tropical timber imports. Both measures, however, were soon challenged under the GATT by tropical timber-producing countries and they were subsequently withdrawn. In the Netherlands, the central element of official policy is contained in the following statement: 'The Government will do what it can to ensure that from 1995 onwards... only timber from countries or regions with a forestry policy and forest management system geared to protection and sustainable production will be used.'

The international attention given to the problem of tropical deforestation culminated in the Earth Summit held last year in Rio de Janeiro. Regarding the conservation of the world's forest resources, the practical outcome of the conference was limited to the formulation of a loose set of 'forest principles'. These non-binding commitments — together with the limited achievements of international initiatives such as the Tropical Forest Action Programme, the Pilot Programme for Brazil and the Global Environmental Facility — have done little to appease environmental organisations. They continue to stress the point that tropical deforestation has accelerated over the last decade to reach a level of 17 million hectares per annum.

Another international arena where calls for a 'greening' of the tropical timber trade have been made is in the International Tropical Timber Organisation (ITTO) — a multilateral body set up under the United Nations Conference on Trade and Development (UNCTAD). The mandate of ITTO, which began its operations only in 1987, includes both the promotion of international trade in tropical timber and the conservation of the tropical rain forests. There was a remarkable development in 1991 when the producing country members of ITTO, including all the major producers (Malaysia, Indonesia, Philippines, Brazil, Côte d'Ivoire, Gabon and Cameroon) committed themselves to export only sustainably produced timber by the year 2000 ('Target 2000').

Tensions

Despite the magnitude of this task, practical progress by the organisation has been very limited. Instead, there are increasing tensions in trade relations between certain timber-importing countries (notably the EC, the USA and Australia) and the producing states. The latter stress their legitimate right to log tropical rain forests for economic development purposes, and their sovereignty over their natural resources. Indeed, the most outspoken proponent of this view, the Malaysian Prime Minister, Dr Mahathir Mohamed, has, on many occasions, depicted the demands of western countries in the area of tropical forest conservation as 'eco-imperialism'. The North-South polarisation of the tropical timber issue is now jeopardising the very existence of ITTO, as it is unclear if any meaningful consensus can be reached in the framework of the International Tropical Timber Agreement, which is due to expire in April 1994.

* Managing Director of the Brussels-based consulting firm Environmental Strategies Europe, and a lecturer in development economics at the Université Libre de Bruxelles.

Against this background of minimal progress at the governmental and multilateral level, increasing pressures are being brought to bear by environmental groups on companies involved in the timber trade. While some groups (notably Friends of the Earth) pressurise companies to refrain from using tropical timber altogether, other less radical ones, such as WWF, call for timber-importing companies to ensure that their supplies originate from 'sustainably managed sources'. In other words, importers are urged to encourage their suppliers to adopt sustainable forest management practices.

Responding to these demands, several timber eco-labelling initiatives have been taken recently in Europe, notably in the UK, Germany and the Netherlands. In Britain, the leading DIY ('do it yourself') retailer, B&Q, has undertaken to introduce environmental specifications regarding sustainable timber production in its procurement policies by 1995. This target is supported by WWF. As for the definition of these specifications, the company supports the creation of an independent body — the 'Forest Stewardship Council' — which would be mainly controlled by environmental NGOs.

In Germany, the professional federations representing the tropical timber industry together with a labour union, issued a joint declaration calling for member companies to trade exclusively in sustainably produced timber by the year 2000 at the latest. To implement the policy, a project unit — Projekt Tropenwald — has been set up.

In the Netherlands, the timber trade and industry have joined with the government and environmental organisations in drawing up a 'Tropical Timber Covenant' — an agreement requiring individual timber companies to commit themselves to trade exclusively in sustainably produced timber by 1995. A promotion campaign is to be launched once the agreement is signed by all the parties.

Limited prospects

If evaluated against their ultimate objective, which is to secure sustainably produced timber imports, these initiatives offer the prospect of only limited progress. This is overwhelmingly due to the fact that importers cannot easily influence the forest management practices of their suppliers. Even when they control timber concessions overseas, they have to abide by the legislation in place in the producing countries, where the basic regulatory requirements for adequate forest management and conservation are often not met. The situation is further complicated by the following elements:

— there is no consensus on what should be considered sustainable forest management and on how this should be evaluated;

— there is still disagreement about whether forest management for timber production can really be reconciled with the preservation of a reasonable degree of biological diversity in the tropical rain forest;

— the issue of the preservation of the traditional way of life of forest dwellers, such as the Penan in Sarawak and the Pygmies in Central Africa, leads most environmental organisations to reject the very notion of commercial logging in many tropical forest areas.

A subject on which there is growing consensus is that of the practicability of eco-labelling for tropical timber. Experience gained by organisations such as the Rain Forest Alliance (a New York-based non-profit organisation) shows that, from a technical standpoint, eco-labelling of tropical hardwood is feasible. Some private companies are now developing eco-labelling services for timber products.

There is a promising initiative by the African Timber Organisation (an intergovernmental organisation grouping all African timber producers) to introduce an eco-label on tropical timber originating from sustainably managed forests in Africa. This initiative is unique in that it is the only one emerging from the producer countries themselves. The other tropical timber-producing regions, Asia and Latin America, still show consistent and sometimes outspoken opposition to eco-labelling of tropical timber.

An element stressed by environmental organisations, in particular WWF, is the need to devise labelling schemes that are applicable not only to tropical timber but also to timber originating from temperate or boreal regions. Because of the diversity of the forest ecosystems involved and the large volume of temperate and boreal timber that is traded, this call has been met with considerable scepticism. Nor is it clear what benefit might be gained from such an approach.

Need for coordination

There is general agreement about the need for coordination, or even the merging at an international level, of the various initiatives that are currently being undertaken. A most desirable development would be an integrated approach. This should encompass both specific aid programmes in the area of sustainable forestry and a single timber-labelling scheme. European aid to sustainable forestry should mainly be targeted to African countries which rely extensively on the European markets for their exports. (Paradoxically, EC aid to tropical forests currently tends to be concentrated on Asia and Latin America). The issue of developing a single labelling scheme for timber marketed in Europe could be addressed in the context of the EC's Eco-Labelling Award Scheme.

The EC Commission is expected to announce a set of measures in the second half of 1993, the Belgian Government having made tropical forests a priority item during their Presidency of the European Community. A strategy which could be explored would be to incorporate in the ACP-EC Convention a special protocol for the promotion of sustainable forest management and a trade in sustainably produced timber. Current EC aid instruments such as STABEX (which covers logs and sawn timber) and traditional aid projects are not suitable for promoting a rapid transition towards sustainable forest management in ACP countries.

The prospect of ever seeing eco-labelled tropical timber products on the European market is still unclear. If current trends continue, tropical timber could disappear altogether from the local market in countries which are particularly susceptible to pressures from environmental organisations. However, if the present variety of initiatives can be merged into a single scheme, and if substantial assistance is provided to producing countries to increase their forest areas under sustainable management, tropical timber eco-labelling may well become a reality. This would stabilise the position of tropical timber on the European market, guarantee security of supply for importers and send a constructive market signal to producing countries as regards the urgency of bringing tropical forests under sustainable management and of attaining ITTO's 'Target 2000'. ○ J-P.K.

The Moroni season

by Benoît AUBENAS *

Over the past 12 months, theatre-goers in Moroni, the capital of the Comores, have seen two new French plays by young Comorian playwrights — one by Mahamoud Bacary, known as Moissy, performed by Moroni's ***Enfants du Théâtre,*** *and a collectively written piece by* ***Les Affamés du Théâtre*** *of Anjouan Island. Villagers involved in an EDF-financed scheme (Integrated rural development of North East Anjouan) have also been entertained by* ***Wassuiya,*** *a troupe of youngsters, who, with help from a technical assistant from the project, put on a music and variety show illustrating what the project was about and what it needed to make it a success.*

It is not by chance that these things happened together. In both subject and presentation, they are indicative of the fact that, in a society which is not totally literate, indeed far from it, young people need to get their ideas across to as large an audience as possible. Non-Comorians had the opportunity to see these works in French, first of all, because the versions of Comorian spoken on Grande Comore and Anjouan differ and the Comorians find French a useful means of communication, particularly in Moroni. Secondly, using French is a possibly subconscious expression of the wish to spread the aspirations of young people, who are faced with genuinely distressing problems as to their future, outside the restricted circle of a national community which is not always entirely attentive to their concerns.

Let us now outline the two plays put on in the city and see what they are about — or, to put it in another way perhaps, what their messages are. The third piece was too project-oriented to be usefully commented on here, but it would be a worthwhile subject of discussion on its own.

In 'Le droit d'aimer' (The right to love), the curtain opens on two young workers busy in a carpentry workshop. In sweeps the boss, magnificently attired Comorian-style; he gives one or two short explanations and then announces 'Prayer time', his cue to sweep out again — to discreet titters from the audience. Enter a girl in European dress, a modern young lady, who chats to one of the workmen, who is revealed as a childhood friend. That is how the love story begins. The young man, alas, is the son of a poor peasant, but the girl's father is rich and famous, disapproves of the engagement, for marriage is already being mentioned, and bribes the police with a kara-kara (a backhander) in an attempt to have the young man thrown into prison on trumped-up charges. What happens next? The boss, of course, keeps making lightning appearances ending with a 'Prayer time. I've got to go.' The boy's single sister unsuccessfully urges defiance, but the rest of the family is aggrieved but resigned. The girl's family tries to make her see reason, the father with threats and the mother with affection, the age-old refrain of parents everywhere. And the young lovers are soon declaiming radical, dramatic intentions. 'If that's the way it is, I shall leave the country,' announces the young man, at which the girl, in a fit of passion, claims 'I shall kill myself.' We do not need to go into all the intricacies of the plot. Suffice it to say that, in the last scene, in the drawing room of her parental home, the heroine lies dead, to the lamentations and unavailing regret of her mother and father.

First of all, let me make it clear that this gory drama did not take the audience by surprise, for star-crossed lovers are the stuff of the Comorian theatre — so the hearts of young Comorians are as one with young Europeans on this subject at least. The audience felt for the people on stage, but the audience participation was all catcalls and shouting and laughter, with no room for tears. Any external sign of feeling, particularly love, is taboo in this civilisation and the embraces of the hero and heroine triggered booing and hissing in the auditorium, a sign that the audience's sense of propriety was offended.

More important than that, however, are the observations on common experiences, evoked in poignant comments without need of lengthy analysis:

— untrained youngsters taken advantage of by the boss, with religion portrayed as closely associated with (in this case economic) power;

— the family, especially childhood ties and connections with school, which have an effect on life afterwards. Mention of these links often serves to indicate close relations with someone;

— the importance of young women in society — the heroine brings the couple together and the would-be sister-in-law suggests rebellion as a way of defusing the situation, although the ways of traditional society win through in the end;

— the power of money impeding the betterment of the poor, which is reflected in the State itself, with the urban rich against the rural poor;

— boy loves girl and girl loves boy, but, in the end, they are powerless against their parents, who are firmly against a dialogue which the children do not even dream of. So the only way out is death or departure — and let us not forget that this is only a play and, in real life, there would be resignation too, of course, to avoid bringing dishonour on the family;

— the hero wants to leave the country, probably for France (which is indeed the only course open to many young jobless Comorians in a land of no opportunity), particularly given his emotional state. And once he gets to France, he will have to show his solidarity by sending money home to the family and/or the village, so departure is not a total break, for the link with the national community stays alive; for a heroine in the stalemate from which her fiancé has beaten a hasty retreat, death is the only way out;

— authority (age, money, religion) both heads and organises a society of which more than 50% consists of young people with no say in how it is run;

— lastly, European fans of classical drama will be diverted to learn that this play respects the three unities — of time, place and action — dear to the ancients.

* Delegate of the EC Commission in the Comoros.


FAO — E. KENNEDY

Young women now have an important job to do in Comorian society, but traditional social mores tend to have the upper hand

The second play, a piece of group writing called 'Kapahuwa kawoya', is also a social piece. What happens, briefly, is this. A girl, an early school-leaver, loses her father and realises that her lack of training closes every door to her, a particularly difficult situation now the family has fallen on hard times. Her mother asks the headmaster, a vain man who kowtows to the authorities, to take the girl back, pressing home her point with references to the fact that he and she were childhood friends. 'Tell her to come here herself and I'll see what I can do,' he replies and indeed, when he sees her, he believes there is plenty he can do — provided, of course, she cooperates — and he takes advantage of the situation and the girl. The girl, finding herself pregnant, goes crying to her mother and mother soon takes things in hand, complains to the authorities about the headmaster, humiliates him and ... forces him to marry her daughter, who can now carry on studying without any problems. Never mind that he is already married and a father of three, for the Koran allows four wives and Comorian men commonly have more than one. The future bride does not seem displeased.

This play of course echoes some of the themes of 'The right to love', subjects taken from a common fund of material which authors dip into because it is popular with the public, because it is life itself. There is no point in going over these again, but there are other, up-to-the-minute topics, as follows.

— Education and training are what make success in life. In a family where father provides for every need there is no need to go to school while awaiting a husband, because fathers are duty-bound to look after their daughters. But with father dead, a daughter must not be a burden on her mother. Uncles perhaps, but in this case uncle is missing. State education has been in turmoil for the past two years, with one side striking and the other not paying the wages. Decent education alone fits people for the future, but if the teachers themselves are disreputable, then Comorian youth will lose hope — and, in fact, the man in the street is currently fairly critical of them for being absent without leave from the classroom.

— The solution to a delicate situation of this sort is not the civil sanctions of courts and sentences. The problem is resolved within the framework of traditional society (this includes religion), in which the mother, the authorities and the victim herself do not seem too upset with the outcome and even the new husband goes along with it.

— This play deals with the present situation and the problems which shape the life of the nation — education and training alone enable people to get on — and to the up-and-coming younger generation, which must be allowed to play a role of its own and not be used or manipulated (in the most practical meaning of the term) by the present society. No doubt our poor heroine will take charge once her marriage certificate has been signed!

These two plays illustrate universal human problems, not just Comorian issues, obviously, but what is interesting is the clear-sighted, honest and sometimes resigned eye which these young people cast on their own society and their ability to pass on their message to outsiders — one of the keys to a better understanding of Comores' complex society, with all its traditions and potential.○ B.A.

Religion and conservation in southern Zimbabwe

by Chris McIVOR *

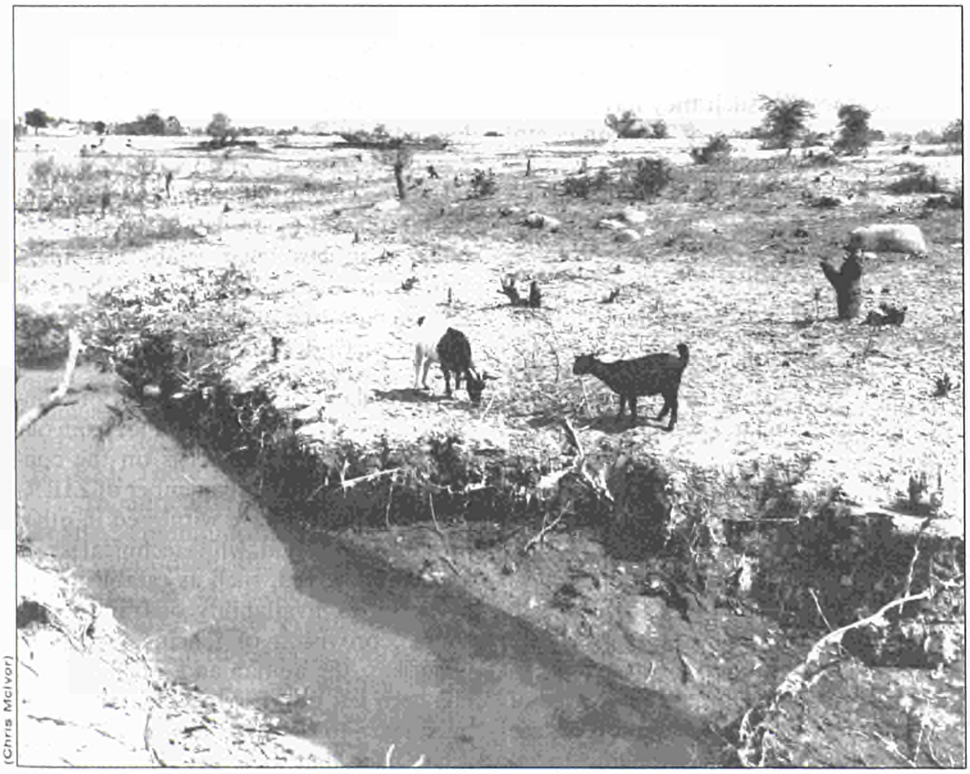
Chivhi district is situated in the province of Masvingo, southern Zimbabwe. A short visit is enough to explain why it has often been described as an ecological disaster. Apart from a few exceptions around individual homesteads, the area has been systematically stripped of trees. Women now have to walk an average of two hours a day to collect enough fuelwood for their households. Goats wander around in search of the remaining vegetation, creating conditions which have led to the loss of thousands of tonnes of topsoil every year. The unprotected ground cannot withstand the erosive effects of wind and rain, and farmers acknowledge that crop yields have declined drastically over the last few years. There is hardly a drop of surface water throughout the region, which has nothing to do with the current drought that has gripped the southern half of the country. Even in a season of good rainfall, many of the rivers dry up much more quickly than they used to. Dams constructed less than a decade ago are now silted up. Boreholes have to be deepened each year to locate the ever shrinking water table. 'The disaster in Chivhi,' concluded one agricultural advisor, 'is entirely man-made. In particular, disrespect towards the environment has led to the destruction of its greatest asset — trees, and today we are paying the price for that neglect.'

* A freelance writer in Harare, Zimbabwe.

Reforestation a failure

Chivhi district is not dissimilar to many communal farming areas in Zimbabwe where overcrowding and competition for scarce resources has led to deforestation and soil erosion. It is estimated that Zimbabwe loses up to 60 000 hectares of woodland annually through clearing for agriculture and fuelwood consumption. The crisis has precipitated some attempts by Government to reforest the district and encourage preservation of natural vegetation, but, as most observers agree, these programmes have been failures. Woodlots established by the Forestry Commission, for example, remain untended by communities near which they are located. Owing to lack of watering and attention, and to destruction by goats and other livestock, the survival rate of trees in such plantations has been placed as low as 10%. In particular, its promotion of exotic species like 'Blue Gum' and 'Neem', chosen because they grow quickly, has aroused little enthusiasm among communal farmers, who have indicated a preference for both fruit trees and indigenous species. 'It is these we are familiar with and from which we know we can derive some financial benefit,' claimed one farmer from the district.

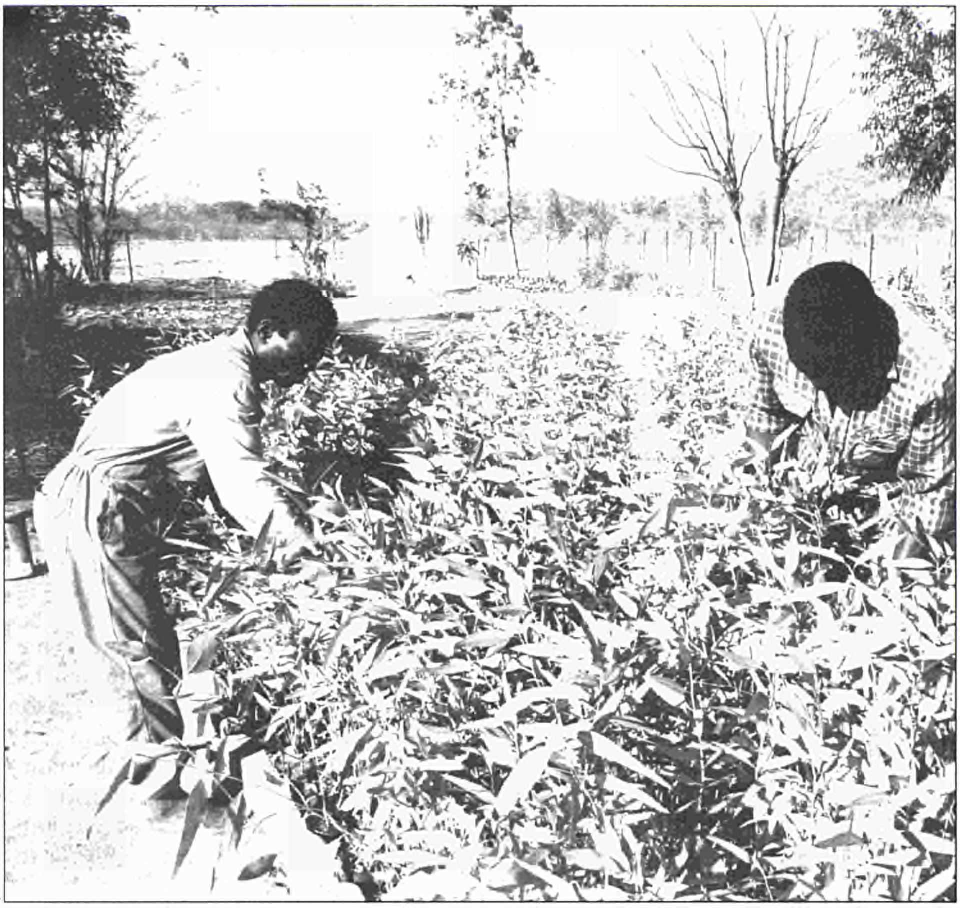
It is this lack of involvement and consultation with local communities that has generally been regarded as the reason for the failure of reforestation and conservation schemes. One villager complained that forestry officials acted like policemen who dismissed local inhabitants as 'ignorant' and 'backward'. Plantations were regarded by them as places from which locals had to be excluded, even though the establishment of such protected areas deprived farmers of valuable grazing land. Worst of all, however, was the fact that they were rarely consulted about what kinds of trees they wanted, or why a particular tree was chosen, or how best to ensure the survival of those that were planted. 'Without community mobilisation and support, tree planting schemes can never hope to solve our deforestation problem. It is in this area we have been most unsuccessful,' agreed a forestry worker operating in the district.



(Chris McIvor)

A deforested area in Chivhi district, southern Zimbabwe

Community support is the key concept in a unique attempt by a local Zimbabwean organisation to do better than the official tree planting programmes mentioned above. The Zimbabwe Institute of Religious Research and Ecological Conservation (ZIRRCON) is based in Masvingo and, since 1989 when it began operations, it has planted some 750 000 trees in districts like Chivhi throughout the province. A recent survey established that in those places where drought had not dried up available water for irrigation the survival rate of trees in ZIRRCON-supported plantations was upwards of 70%. This figure is in excess of other schemes in the region.



(Chris McIvor)

Members of ZIRRCON tend tree seedings at one of their nurseries in Chivhi

Beliefs and values

According to the general secretary of ZIRRCON, Rev. Zvanaka, part of the reason for their success is that unlike other programmes they have taken time to find out the system of beliefs and values that motivate communities in the communal areas where most deforestation has occurred. An initial research project in 1987 was launched to determine the role of both traditional religion and Christianity during the Zimbabwean liberation struggle which led to independence in 1980. From the study it was clear that key figures in both religions, particularly the traditional spirit mediums and the African Independent Church prophets, had played a major role in mobilising peasant support for the struggle. 'It was decided to base our ecological endeavours on the same world view and belief systems, since these seemed to provide the rationale for gaining local acceptance and support for development work.'

Enlisting the support of spirit mediums in tree planting and conservation in districts like Chivhi was not difficult, claimed another ZIRRCON official who also represents the society of traditional healers in the province. 'In our traditional religious system, chiefs and spirit mediums are regarded as guardians of the land, placed in that position of trust by our ancestors. As such they have always been in the forefront of environmental protection and conservation.' In particular they promoted the creation of 'Marambetemwa', local holy sites established to venerate an ancestor or to host a particular ritual. Cutting down of trees as well as agricultural activities in such places, some of which cover large areas of land, was strictly prohibited. The erosion of the power of chiefs over the last few decades has helped to eradicate this tradition, although the enthusiasm displayed for the re-establishment of such places would indicate that local support and enthusiasm are still widespread.

Success brings expanded demand

One of ZIRRCON's main areas of success has been in the provision of tree seedlings to communities wishing to re-establish a previously destroyed holy site. The organisation has also utilised traditional religious festivals as a forum to promote its conservation message, a move which has helped guarantee support for the establishment of village woodlots and their subsequent care and attention. Unlike other schemes, many of the seedlings that are donated are for indigenous trees which local groups have indicated as a preference. 'What we are finding is that the mobilisation of local people in the planning and establishment of forestry schemes is crucial to its success. The sanction of the community is a much more effective deterrent than Government fines or penalties for indiscriminate cutting down of trees.' A measure of ZIRRCON's success is that over the last year its six nurseries have been unable to cope with the level of demand for tree seedlings from a host of groups and individuals in the province.

As part of its aim to meet such expanded demand, it is in the process of setting up satellite nurseries with trained personnel to offer advice and support to those who have expressed an interest in tree planting.

For the indigenous churches, over 50 of which are registered under the ZIRRCON umbrella, environmental protection has now become an established part of church ritual and belief. Caring for the land, claimed one minister, is as much a biblical injunction as caring for other people. Several of the local churches now include 'confession of environmental sins' as part of their ritual, which in turn has promoted an awareness of environmental issues among its membership, estimated in Masvingo at some 40% of the churchgoing population. In addition, many churches have established plantations around their places of worship and include tree planting ceremonies on major occasions.

'We believe that other parts of Zimbabwe and Africa can learn a lot from our approach to the tree crisis on the continent,' concluded one member of ZIRRCON. 'What we have witnessed in other programmes is that, while technical issues have been solved, such as establishment of nurseries, availability of trained personnel, provision of fencing, access to water etc., the human and social element has been left out. Environmental groups must learn to promote their objectives in a language that local people can understand.' ○

C.McI.

CTA Bulletin
TECHNICAL CENTRE FOR AGRICULTURAL AND RURAL COOPERATION

Scientific communication training: a crucial element of agricultural development

by J. MUKANYANGE *

Science and scientific research are essential components of development, but a scientific experiment is not complete until the results have been published or otherwise effectively disseminated. If the results are not published, or are poorly disseminated, the research is largely wasted. Agricultural research, like most other fields of science in ACP countries today, is characterised by weak communication capabilities, which inhibit the development of the region's research capacity and the utilisation of research results.

Most African countries have established one or more agriculture-oriented research institutions to support the agricultural sector, generally the most important sector in the national economy. Nigeria alone has over 15 agricultural research centres. In the continent as a whole, several international agricultural research centres are represented, some European research institutes have branches there and a multitude of local and international non-governmental organisations (NGOs) carry out research and extension work. In spite of this extensive research activity, very little reaches the people who could use the research results — other scientists who need to adapt or improve technologies, and farmers who need new technologies in order to increase agricultural production.

One of the major reasons for the limited impact of research on development is the low level of scientific communication capability, particularly in the national agricultural research systems (NARS). There are several reasons for this. In agricultural colleges and universities, communication skills are generally overlooked, the emphasis tending to be placed on basic science. Most agricultural scientists graduate without an introduction to the principles of good communication, oral or written. There are very few formal or in-service training courses in scientific writing and publishing in ACP countries. The opportunities for scientists to develop these skills on the job are limited by numerous constraints.

Gaps in the scientific communication process

The publishing industry is generally underdeveloped. It faces a host of problems, such as the cost of importing printing materials, lack of trained manpower and a very small market because of the low purchasing power of the population. This affects a range of publications, from scholarly materials such as journals to technical books such as extension manuals.

Journals. The region can boast very few well-managed journals, published regularly and recognised internationally. In much of sub-Saharan Africa, journal publishing is characterised by the 'No. 1 syndrome' — only one issue is ever published.

The publication of research results obtained by scientists in international journals is limited by a number of factors. These scientists have to compete for publishing space with their peers in developed countries who have better facilities, a wider choice of journals and far greater exposure to the publication process through institutional and other local journals. There are relatively few international journals with a specific bias towards tropical agriculture and competition to publish in them is high. This means that although a research paper may contain interesting and publishable results, if it is poorly written it is likely to be rejected. Errors and omissions might mask perfectly good scientific work. African researchers, particularly those in the NARS, may find their submissions rejected not only because they lack training in how to present such work but also because their chosen topics have only local or regional relevance. It is important to make the right choice of journal and to ensure that the topic and presentation standard of the paper suit the subject matter and standards of the journal.

These factors highlight the need to provide agricultural research scientists with the opportunity to develop their skills in scientific communication through short training courses and seminars.

Technical books. In journals, scientists are communicating the results of their work to fellow scientists. In the case of technical books and extension materials, however, scientists are communicating information on improved technologies to non-specialists, such as extension workers and farmers. This requires a different set of skills from those needed to present results in a scientific journal.

The need to produce technical books is as great as, if not greater than, the need for journals. The latter can be imported; the former, because they must relate to local conditions and deal with subjects of local importance, should be written and published locally.

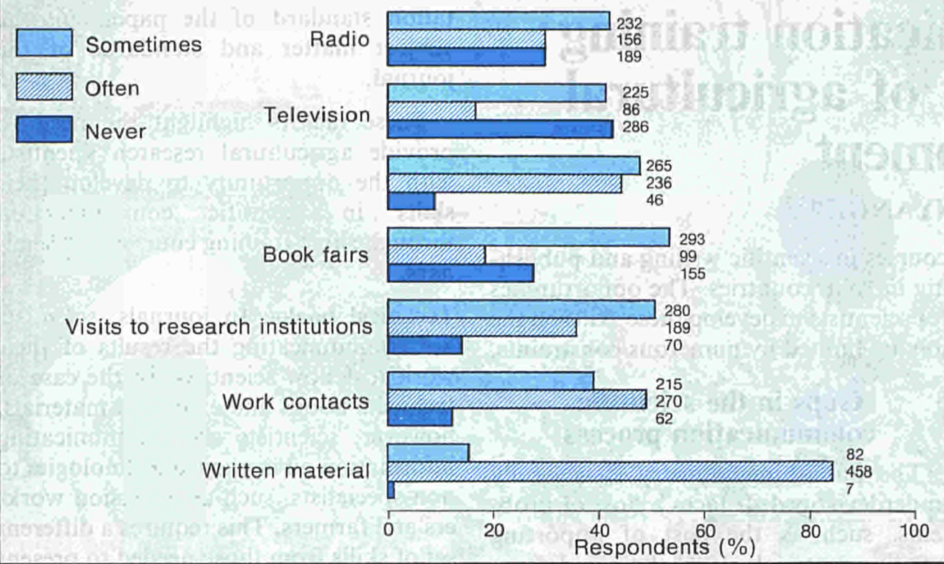
A survey carried out by the Technical Centre for Agricultural and Rural Cooperation (CTA) revealed that the gap between supply and demand for technical books in Africa is substantial (CTA uses the term 'technical books' to distinguish practical books and manuals, including extension materials, from scholarly and basic science publications). Most of the respondents in the survey indicated that they read four or five technical books a year. The majority (56%) considered that they should be reading more than 15 such books a year. Among the reasons given for this gap were 'not enough money' to buy the books (72%) and 'impossible to get' (66%).

There has been considerable debate as to whether the print media are appropriate for extension purposes in Africa, in view of the low levels of literacy. However, the survey indicated that books are still the preferred source of technical information, particularly among extension workers (see graph).

Publishing personnel. Another important link in the scientific communication chain is provided by the editing and publishing sections of research and development institutions.

* Technical Centre for Agriculture and Rural Cooperation (CTA), The Netherlands.

Graph 1: Response of extension workers in Africa to the question: When you look for technical information, how often do you use these sources?



Material written by scientists and intended for wider dissemination should always be edited by a trained editor. Many scientists do not understand the principles of editing and the process of publishing, and few understand the need to adapt their style of writing according to the audience for which their material is intended. Usually, only a trained editor has the ability to carry out such adaptation.

A capable editor is central to the communications programme of a research institution. The impact of the editor's work on the quality of material being produced by the institution can make a major contribution to the overall influence and reputation that an institution develops in its subject area. The role of the editor is not limited to reviewing and editing material produced by scientists. The editor should be capable of managing the publication programme of an institution, monitoring activities and suggesting what could be written about and how and where to publish material. He/she should be able to supervise and coordinate the work of all those involved in the publication process, from authors, artists and designers to printers and distribution personnel. Within a research institute, an editor can provide the link between researchers and the publishing community by keeping researchers informed about new trends in publishing and journal requirements.

Trained publishing personnel are scarce in Africa, and there are few opportunities for training in this field. Some polytechnics offer part-time courses in proof-reading, usually for the printing industry, and some multinational publishing companies provide in-service training in editing but these people tend to remain in the commercial publishing sector rather than seek positions in scientific research institutions.

Scientific writing course, Lomé 1991: visiting a local printing press

Training in scientific communication for researchers and extension workers

The unsatisfactory state of scientific communication has been recognised by a number of institutions and some effort has been made to rectify the situation. In 1990, WARDA, in collaboration with CTA, the Semi-Arid Food Grain Research and Development (SAFGRAD) project and the African Association of Science Editors (AASE), developed a plan designed 'to strengthen scientific communication capabilities in West Africa'.

The plan targeted two of the areas described above where training is needed: scientific writing for agricultural research scientists, and writing and producing agricultural extension materials. It envisaged a training programme spread over three years, at the end of which 150 West African agricultural research scientists would have received training in scientific writing and a further 150 specialists would have received training in writing and producing extension materials.

Both courses were intended for all countries in the West African region. They are conducted concurrently in two languages (English and French), in separate lecture rooms, but at the same venue. Trainees from the two language groups are encouraged to interact after lecture sessions.

Course on scientific writing. The main objective of this course is to introduce young scientists to the principles of good scientific communication and to improve their skills in writing scientific papers suitable for publication. Scientists need to communicate not only with other scientists through journal publications and conference papers but also with decision makers and planners through official documents and reports and with agricultural producers through the general media, including magazines and newspapers. The course provides guidance on writing for all these media.

Because of a shortage of funds and other logistical problems, this course has been organised only twice so far, benefiting some 54 scientists.

With CTA's assistance, the Caribbean Agricultural Research and Development Institute (CARDI) has organised a series of technical writing workshops, and has produced a set of training materials adapted to the region.

Course on producing extension materials. The main objective of this course is to strengthen the capabilities of NARS in the production of agricultural technology transfer materials. The course is aimed at agricultural extension workers, field officers and other people who are called on to produce such materials as manuals, charts and farmers' primers.

The emphasis is on developing the ability to communicate scientific information to non-specialist audiences. The documents produced need to be less technical and more concise than materials written for specialist audiences, and they should be visually effective. There is also more emphasis on design and printing procedures, including familiarisation with desk-top publishing. The CTA Regional Branch office at IRETA in the Pacific organised a number of successful workshops in this field in the 1991-93 period.

Training in scientific editing and publishing

There have been some efforts to train scientific editors in Africa, notably by the International Development Research Centre (IDRC) of Canada. Voluntary associations such as the AASE and its francophone equivalent, ARESA (Association des Rédacteurs et Editeurs Scientifiques d'Afrique Francophone) have also been running training courses in scientific editing.

In line with its mandate, CTA has supported several activities in this area. In collaboration with the International Institute of Tropical Agriculture (IITA), CTA has organised two training workshops (one in English, the other in French) for editors and information officers in research institutions, extension services and other development organisations which publish the results of research. The courses were based on a series of successful courses run by the International Rice Research Institute (IRRI) in the Philippines.

Participants in the workshop on scientific writing for research scientists, Côte d'Ivoire (1992)

The two-week workshops explored the basics of communicating in print, with special emphasis on research results. They covered the following topics:

— the communication process, from researcher to reader;

— the roles of editors, publications officers and information officers;

— identifying the needs and characteristics of the target audience;

— determining publication and dissemination strategies;

— gathering information from scientists;

— the art of writing effectively and clearly;

— book and page design, and the use of illustrative materials;

— print production techniques;

— promotion and distribution of written materials, including writing press releases and other public relations materials.

The emphasis was on practical, hands-on experience. Although two weeks is too short a time for trainees to master all the skills involved in editing and publishing, it does give them an introduction to these skills and a clearer view of all the ingredients in the publishing process.

Conclusion

The need for training in scientific communication in ACP countries is demonstrated by the tremendous response to course announcements. Often, a group of 15-20 participants have to be selected from 60 or more applicants. Participants invariably recommend that more courses should be organised, either at a slightly higher level or covering specific topics in more depth. Clearly, what has been done to date has touched only the tip of the iceberg. Of the relatively few people who have received adequate training in scientific communication, a number have moved into different positions and no longer use the skills acquired, while others have been unable to attend follow-up sessions and are thus left with only the most rudimentary knowledge acquired during initial training.

The question of funding also needs to be addressed. It is clear that a considerable amount of funds and resources are wasted because, as a result of lack of coordination and collaboration among relevant organisations, training efforts tend to duplicate rather than complement each other. All available resources (human, financial and infrastructural) should be coordinated in an effort to make far greater progress in meeting the scientific communication training needs of ACP countries. ○ J.M.

Technical Centre for Agricultural and Rural Cooperation (CTA), «de Rietkampen», Galvanistraat 9, 6716 AE Ede
Postal address: **P.O.B. 380, 6700 AJ Wageningen, The Netherlands,** Tel.: (0) 8380 60400 / Telex 30169

Andreas LIEBMANN — **Leitfaden zur europäischen Entwicklungszusammenarbeit** (Guide to European Development Cooperation), 'Europa' series of the Office of the Federal Chancellor of Austria, Vol. 3, Verlag der Österreichischen Staatsdruckerei, Rennweg 12a, Postfach 129, A-1037 Wien, 140 pages, ÖS 138, 1993

In this study the author gives a brief overview of mainly practical aspects of development cooperation undertaken by the European Community, focusing on cooperation within the context of the Lomé Convention, and examines all the potential consequences of accession to the EC for Austria's development policy. The author's aim is to give Austrian agencies (non-governmental organisations, private enterprises and government departments) a guide through the sometimes complex system of European development cooperation and thereby to smooth the way for their introduction to development cooperation in the Community. The study is also intended, however, to serve as a basis for discussion of this key element of European integration.

In his analysis of Community development policy, the author starts from an overview of Community development cooperation ranked on a geographical basis. He pays particular attention to cooperation with the ACP states.

Chapter 2 deals with the sources of finance for European development cooperation and includes calculations of the possible size of Austria's contribution. According to estimates, an annual figure of some ÖS 1.6 billion (ECU 116 million) will go to development aid via the European Development fund and through the Community budget. Although this would represent a substantial increase in Austria's development aid spending, it would still be a long way off the overall average for the EC Member States.

Chapter 3 looks at some of the broad range of Community instruments for cooperation which could be particularly significant for Austrian development cooperation. These include financial and technical cooperation through the European Development Fund, cooperation with non-governmental organisations (NGOs), food aid and the Generalised System of Preferences.

In his analysis of technical and financial cooperation, the author shows that, despite the concession of competitive advantage to ACP enterprises, an overwhelming majority of contracts go to European firms. An examination of the procedures for the awarding of EDF-financed contracts demonstrates that Austria needs to improve its administrative procedures to give Austrian tenderers a reasonable chance in competition for EDF contracts.

In the author's opinion, cooperation with European NGOs occupies a key and increasingly important role in Community development policy. EC membership would mean that Austrian NGOs' cofinancing capability would rise considerably and release them to a greater extent from dependency on state mechanisms. Contacts with other European NGOs and the NGO liaison committee in Brussels would be of great assistance in facilitating access for Austrian NGOs.

The author considers that Community food aid is a further significant element in European development policy and has progressed from being a means to utilise surpluses to being a genuine instrument of development cooperation. He suggests that further, more detailed analysis should be undertaken to find practical ways of improving the chances of Austrian firms submitting food aid tenders after accession.

The system of tariff preferences for developing countries that Austria would be required to adopt on accession, together with the trade preferences granted in connection with the Lomé Convention, would give developing countries much better access to the Austrian market.

Chapter 4 of the study is devoted to the future of European development cooperation. On the basis of the Commission's own critical assessment of the success of its development policy, the author goes on to examine the impact of Maastricht on the future of the Community's development cooperation.

In his conclusion, the author sees EC membership as both an opportunity and a challenge for Austria's development policy — an opportunity in that accession to the Community would enable Austria to participate in the most far-reaching development policy system in the world, but a challenge in that the extent to which these new possibilities could be exploited would depend, in the final analysis, on Austria's NGOs, enterprises and, above all, its national administration. He considers that Austria must redouble its efforts in order to ensure an adequate role for Austrian development policy on the European stage and to guarantee opportunities for all the players involved in development policy in Austria on the Community scene.

About the author: Andreas Liebmann, Mag. Dr. iur., born 6 August 1967, studied jurisprudence at Graz (graduated 1989), dissertation in the field of development cooperation, former trainee in DG VIII, Trade Policy Division.

ooo

Sylvie BRUNEL – **Le gaspillage de l'aide publique.** (Official aid wasted) – 'Histoire immédiate' collection – Editions du Seuil, 27 rue Jacob, Paris VI – 188 pages, FF 95, 1993

Ms Brunel, the head of Action Internationale Contre la Faim and the holder of an advanced qualification in geography and a doctorate in economics, has written several books on the Third World. Her argument this time is that a large amount of French ODA is ploughed into Africa, but most of it makes no useful contribution to development and indeed only enriches those inhabitants of the poor countries who are already well off.

Certainly, of all the leading industrialised nations, France is the one to channel the largest percentage of GNP into official development assistance — 0.57% in 1992. This is about FF 40 billion annually, representing FF 2000 from every one of the country's taxpayers, and more than two thirds of it goes to Africa. France is Africa's biggest funder and countries on that continent have apparently received nearly FF 400 billion since 1950. But Sylvie Brunel claims that 'less than 5% of the money paid over actually provides development'. So what happens to the other 95%? That is the question.

The answer, she says, is that 30% goes to finance technical cooperation, i.e. French expatriates, more than two thirds of them teachers, about 20% goes to project aid, including the famous white elephants and probably the 5% mentioned above, and the rest goes as non-project aid, to balance budgets and pay

Continued on inside back cover

THE CONVENTION AT WORK

EUROPEAN DEVELOPMENT FUND

Following, where required, favourable opinions from the EDF Committee, the Commission has decided to provide grants and special loans from the 5th, 6th and 7th EDFs to finance the following operations (grants unless otherwise stated):

ECONOMIC AND SOCIAL INFRASTRUCTURE

Niger: ECU 1.6 million for sanitation works in the city of Agadez.

Cape Verde: ECU 7 million to improve the water distribution and sanitation system in Praia.

Benin: ECU 29 million for the rehabilitation of the Béroubouay-Malanville road.

Bahamas: ECU 3.86 million to improve the road infrastructure on Long Island, and in particular, for the renovation of the Queen's Highway.

São Tomé and Príncipe: ECU 450 000 for improvements to the Port of São Tomé (upgrading of the quay, drainage and provision of electricity).

TRADE PROMOTION/ STRUCTURAL ADJUSTMENT

Dominican Republic: ECU 9.5 million from the Structural Adjustment Facility for a sectoral import programme in respect of petroleum products (second contribution).

Gambia: ECU 4.2 million from the Structural Adjustment Facility for a general import programme.

Benin: ECU 15.7 million from the Structural Adjustment Facility for a second general import programme.

Côte d'Ivoire: ECU 18.5 million from the Structural Adjustment Facility for a second general import programme.

Zambia: ECU 39 million from the Structural Adjustment Facility for Phase II of the structural adjustment.

ACP countries and OCTs: ECU 7.75 million (ECU 6.81 million for the ACPs, ECU 940 000 for the OCTs), provided under the heading of regional cooperation, to finance the participation, during 1994, of ACPs and OCTs in fairs, exhibitions and other related activities aimed at developing trade and services.

All ACPs: ECU 7 million to assist ACP/EC professional organisations in improving the production, and commercialisation for export purposes, of tropical fruits, out-of-season vegetables, flowers, ornamental plants and spices.

AGRICULTURE

Ethiopia: ECU 1.9 million for Afar rural development in the Amibara area.

ENTERPRISE

Burkina Faso: ECU 10.5 million to support the establishment of small and medium-sized enterprises.

Ghana: ECU 4.8 million for a programme to develop SMEs.

Comores: ECU 1.3 million to provide a line of credit for small enterprises, particularly those involved in agriculture, small-scale industry, trading and craftwork.

HEALTH

Mali: ECU 10.22 million towards a programme for improving the national health system. The overall programme, cofinanced with six other donors (Germany, France, Belgium, the World Bank, UNICEF and the United States), will cost $61.4 million.

Portuguese-speaking countries in Africa: (Angola, Cape Verde, Guinea Bissau, Mozambique, São Tomé & Príncipe): ECU 3.48 million, under the PALOP regional programme, for professional and management training in the health field and for coordination of health policy in the five countries.

Angola: ECU 15 million for the 'health' component of the Social Stabilisation Programme, which is aimed at the socioeconomic integration of displaced persons and refugees. The aid will consist of technical assistance to the Ministry of Health, medical supplies and support for the fight against AIDS.

EDUCATION

SADC Member States: ECU 2 million for the SADC road transport management training programme.

Zambia: ECU 6.8 million for phase two of an education project in support of the Zambian Centre for Accountancy Studies. The aid will take the form of technical assistance and professional training.

Pacific ACP States: ECU 1.855 million for a multiannual programme aimed at improving the skills of senior public sector officials.

ACP coastal states in West Africa: (Senegal, Cape Verde and Gambia): ECU 1.5 million for a technical assistance project in the fisheries sector.

ENVIRONMENT

Burkina Faso: ECU 1.95 million to make cartographical equipment for environmental management purposes.

Tanzania: ECU 9 million for a conservation and development project in the Serengeti region.

INSTITUTIONAL SUPPORT

Tanzania: ECU 1.9 million for a regional institutional support project involving ESAMI (the East and Southern Africa Management Institute).

MISCELLANEOUS

ACP Pacific States: ECU 4.4 million for development of human resources in the energy field.

Tanzania: ECU 7.1 million for a multiannual programme in the field of human resource development.

Pacific ACPs and OCTs: ECU 11.53 million for phase three of the regional tourism development programme.

French Polynesia: ECU 3.16 million for phase two of a project designed to strengthen the fishing fleet.

French Polynesia: ECU 1.15 million for a zootechnic research programme into pearl oysters accompanied by a training and information campaign.

Solomon Islands: ECU 1 million for a rehabilitation programme following the passage of Cyclone Nina.

West Africa, Southern Africa, Central Africa and the Indian Ocean: ECU 1.273 million for the International Price Comparison Programme (ICP), Phase VI.

Guinea Bissau: ECU 1.65 million for a programme of cultural activities.

Somalia: ECU 1.35 million for an ICRC veterinary programme. This is designed to improve food security and herders' incomes by providing treatment for livestock and camel herds, support for livestock export centres and assistance in the restoration of water supply points.

EUROPEAN INVESTMENT BANK

On 22 June, the Board of Governors of the EIB announced that Corneille Bruck would succeed Ludovicus Meulemans as Vice-President of the Management Committee. Mr Meulemans becomes Honorary Vice-President.

The Management Committee, which is the executive body of the EIB, consists of a President, currently Sir Brian Unwin (UK), and six Vice-Presidents: Mr Buck, who comes from Luxembourg, Lucio Izzo (Italy), Alain Prate (France), Hans Duborg (Denmark), José de Oliveira Costa (Portugal) and Wolfgang Roth (Germany). Members of the Committee are appointed by the Board of Governors for a renewable six year-term of office on a proposal from the Board of Directors.

The Board of Directors consists of 22 Directors and 12 Alternates, appointed by the Board of Governors for a renewable term of five years. Having come to the end of the term, the Governors, at the annual meeting on 7 June, appointed the Board of Directors for the next five years.

The Board of Governors consists of a Minister (normally the Finance Minister) from each of the Member States. The term of office, in this case, is linked to the Minister's own political mandate. The Chairmanship, which is currently held by Luxembourg, runs from one annual meeting to the next and rotates following the alphabetical order of the Member States.

Loans

Botswana: ECU 7 million for the strengthening of the electricity network and, more particularly, the construction of a new 143 km line interconnecting Botswana with the South African power grid.

Mauritius: ECU 12 million to improve the drinking water distribution system.

Jamaica: ECU 8 million channelled through the Trafalgar Development Bank for SMEs in the industrial, agro-industrial and tourism sectors.

VISITS

President Aristide meets EC and ACP leaders

The exiled President of Haiti, Jean-Bertrand Aristide, was in Brussels in September for working meetings with the President of the EC Commission, Jacques Delors, and its Vice-President, Manuel Marín, who is responsible for EC development cooperation and humanitarian aid. Mr Delors and Mr Marín stressed the importance the Community attached to a return to constitutional order in Haiti and assured the President of its desire to resume cooperation as soon as possible.

The Courier

President Aristide of Haiti answers journalists' questions at a press conference in ACP House, Brussels

Following talks with leaders of the ACP group, President Aristide gave a news conference in ACP House on 9 September, at which he called for the European Community to be flexible in its attitude to cooperation with Haiti and to take account of the country's needs and special situation. A fund of ECU 120 million set up by the EC in 1991 as an indicative programme for Haitian development would go some way to coping with the serious economic problems of the country, where 67% of the population were farmers and the average peasant earned barely $200 a year, while 5% of the population possessed 45% of national income. Maintaining the army absorbed nearly half the national budget and the military were earning $200 million a year from trafficking in drugs. European Community aid, the President said, should focus on the social and economic rehabilitation of the country, including job-creation initiatives and measures to help refugees. On the ecological front, every month since the coup some 7500 trees were being felled for timber, leading to the loss of millions of tonnes of topsoil through erosion, and, although the Lomé Convention made no provision for a reforestation campaign, he hoped that some way could be found to use Lomé funds for that purpose, and for urgent road repair work. Other priorities were a campaign to reduce the present 80% illiteracy rate and create a macroeconomic framework in which investors would help the government establish integrated rural development and stimulate the industrial sector.

President Aristide invited Maria-Luisa Cassanmagnago Cerretti, Co-President of the ACP-EEC Joint Assembly, and Henri Saby, Chairman of the European Parliament's Development Committee, to accompany him on his return to Haiti, which was planned for 30 October.

(As the Courier went to press, the situation in Haiti was such that President Aristide was not able to return as planned) ○

R.R.

President Habyarimana of Rwanda

On 1 October, Manuel Marín, Vice-President of the Commission, met President Juvenal Habyarimana of Rwanda, who was accompanied by Mr Ngirabatware, the Minister of Planning.

Mr Habyarimana outlined the political situation in Rwanda following the signing of the peace agreements between the Government and the Rwandese Patriotic Front (RPF) in Arusha, Tanzania on 4 August. He spoke of his commitment to establishing real and lasting peace and hoped that the Commission would give the process its full backing. He expressed concern at the delay in the deployment of UN peacekeepers, which he felt to be the only way of guaranteeing security and restoring confidence in the country.

Mr Marín also welcomed the signing of the peace agreements and gave his full backing for the continuation of peaceful discussions and national reconciliation. Citing Angola, he warned Mr Habyarimana of the risks inherent in any delay in implementing the agreements.

The Rwandese President expressed thanks for Community aid and, in particular, relief for refugees and displaced persons, which accounted for more than half of the total received by Rwanda for that purpose. Pointing out the scale of the problem faced by his country, he went on to list the areas in which Rwanda most urgently needed further help. These included the demobilisation of the armed forces, the return of displaced persons and refugees, and the reconstruction and rehabilitation of regions affected by the fighting.

Mr Marín reiterated the Community's readiness to support reconstruction and rehabilitation in the country, but stressed that such support would only be forthcoming if the peace process made good progress.

MISCELLANEOUS

Cooperation resumed with Malawi

The referendum on the political system which was held in Malawi on 14 June resulted in a victory for the supporters of multi-party democracy (63% of the voters chose this option). This paves the way for the first multi-party elections in the country since 1964.

Following two months of negotiations between the Presidential Committee for Dialogue (PCD), representing the Government, and the Public Affairs Committee (PAC), which is the umbrella organisation of the opposition, an agreement on the transition has been reached. The elections will be scheduled within one year and, in the meantime, the newly established National Consultative Council (NCC) and National Executive Council (NEC), incorporating members of all political groups, will supervise the existing Parliament and Cabinet respectively.

Section 4 of the Constitution, prohibiting all political parties except the Presidential MCP, has been repealed and a general amnesty has been issued which will enable exiles to return to the country.

In view of these promising developments and of the agreement by the Community and its Member States on a gradual resumption of cooperation, the Commission has reactivated its development programme, which had been subject to a partial freeze since the last Consultative Group meeting of donors in May 1992.

EUROPEAN COMMUNITY

EUROPEAN POLITICAL COOPERATION

The European Community has, within the framework of European Political Cooperation (EPC), recently issued the following statements on events of international interest:

5 August 1993 Statement on the Arusha Agreements

The Community and its Member States warmly welcome the signing on 4 August 1993 of the Arusha Agreements.

These Agreements, signed by the President of the Rwandese Republic and the President of the Rwandese Patriotic Front, are the end result of long and laborious negotiations and constitute an appropriate basis on which to build a fair and lasting peace, to the benefit of all the countries of the sub-region.

The Community and its Member States appreciate the work done by the parties in the interests of the Rwandese people. They pay tribute to the sustained diplomatic efforts of the Tanzanian mediator and to the actions of the Organisation of African Unity, the United Nations Organisation and the observers from Western and African Governments.

They request all the parties concerned to ensure full compliance with and effective implementation of the Agreements concluded, in a climate of national reconciliation and of mutual confidence and tolerance. They stress that these Agreements must help to strengthen democracy and lead to free elections.

The Community and its Member States reaffirm their commitment to support the efforts of the Rwandese authorities and other partners and friends of Rwanda as part of the process of consolidating peace, restoring stability and security, and achieving economic and social development.

24 August 1993 Statement on Congo

The Community and its Member States welcome the agreement concluded on 4 August 1993 between the Congolese parties under the auspices of El Hadj Omar Bongo, President of the Gabonese Republic, and in the presence *inter alia* of Ambassador Mohamed Sahnoun, Special Envoy of the Organisation of African Unity.

The European Community and its Member States would urge all parties to respect the agreement reached so that the political crisis can be resolved swiftly and it will then be possible to re-establish at the earliest opportunity the conditions needed to solve the serious economic and social problems together with the foundations for effective cooperation with external partners.

The European Community and its Member States have taken note of the requests concerning participation in their Arbitration Board and the Committees responsible for the organisation and monitoring of elections, and several Members are prepared to give a favourable response.

31 August 1993 Statement on the Middle East peace process

The Israeli-Palestinian agreement in principle constitutes a historic step towards the establishment of peace in this sorely tried region.

The European Community and its Member States pay tribute to the vision and courage of the Israeli and Palestinian leaders who have managed to overcome numerous and thorny obstacles in order to lay the foundations for a better future for both their peoples. They are prepared to facilitate the implementation and success of this agreement.

The European Community and its Member States take this opportunity of reiterating their total support for the Middle East peace process, initiated in Madrid, with a view to it resulting, through full application of the relevant United Nations Security Council Resolutions, in a global, just and lasting solution to the whole Israeli-Arab conflict.

1 September 1993 Statement on elections in the Central African Republic

The European Community and its Member States welcome the fact that the balloting and vote counting in the first round of legislative and presidential elections were carried out under good conditions. They consider that the responsible attitude shown by all sectors of the population and the opposing political forces during both the campaign and the balloting is a clear indication of the commitment of the Central African Republic to the democratic process.

The Community and its Member States stress the importance they attach to the final results of the elections being published as soon as possible.

13 September 1993 Declaration on the Middle East Peace Process

The European Community and its Member States pay tribute to the vision and courage of the Israeli and Palestinian leaders who signed this historic agreement which represents a positive breakthrough in the peace process.

The European Community and its Member States offer their continuing political support and readiness to participate in further international arrangements arising in connection with implementation of the agreement.

Stressing the fact that the Community and its Member States are already the largest net contributor to the Occupied Territories, the Community and its Member States announce their intention to continue to be a substantive contributor. The European Community is ready to offer a package of immediate aid of ECU 20 million and to discuss medium-term aid with Palestinian institutions as they are formed.

The European Community and its Member States reiterate their commitment to a comprehensive peace and hope that progress will be accomplished in other bilateral negotiations and in the multilateral talks on future cooperation; as a chairman of the Regional Economic Development working group the European Community and its Member States are prepared to contribute to all forms of regional economic cooperation.

25 September 1993 Declaration on recent events in South Africa

The Community and its Member States warmly welcome recent events in South Africa, which have enabled Mr Nelson Mandela, the President of the ANC, to call in New York for the lifting of all economic sanctions still in force vis-à-vis his country. They consider these events as the culmination of the first phase of a process that will lead to non-racial democracy in South Africa.

The Multi Party Negotiating process at Kempton Park has now led to the decision to create a Transitional Executive Council. The Community and its Member States express the hope that once the TEC is in place it will be able to fulfil the historic task that the parties to the negotiating process have reserved for it, namely to be the first step in representative government and to facilitate the transition to a democratic order in South Africa.

The Community and its Member States appeal to all parties to continue their efforts and call on all South African political forces to participate in the process of transition, to ensure that all agreements reached in the multiparty negotiations are adhered to, to put an end to violence and to participate fully in the emerging democratic life of their country.

The Community and its Member States recall their decision of 8 June last to adjust their policy towards South Africa concurrently with developments in that country towards majority rule and democracy. They note with satisfaction that other important partners have recently announced that they will lift the economic sanctions still in place, as the Community and its Member States have done before. As to other measures, the Community and its Member States will shortly consider further steps in line with the decision of 8 June.

29 September 1993 Statement on Liberia

The Community and its Member States welcome the Agreement concluded at Cotonou on 25 July 1993 between the Liberian Parties during the Summit of Heads of State and Government of the ECOWAS. The Community and its Member States support the efforts made in this connection by the United Nations Organisation and the Organisation of African Unity.

The Community and its Member States encourage all the Liberian Parties to apply the Cotonou Agreement in good faith and take part, in accordance with the conditions laid down, in the provisional institutions responsible for administering the country before the elections. They take note of the decision to extend the participation in ECOMOG to other African States and express their hope that such decisions will be implemented swiftly.

The Community and its Member States are pleased to note the inclusion of humanitarian aid in the process of a return to peace. They welcome the fact that the principles relating to this in the Cotonou Agreement are being implemented and would urge that adequate arrangements be made to allow aid to reach all Liberians in all regions of the country by the most direct routes.

Finally, the Community and its Member States confirm that they are prepared to consider when the time comes what assistance they will be able to provide in the context of the process of a return to peace in Liberia.

Statements on Haiti

(At the time of going to press, hopes for the restoration of democratic government in Haiti appeared to have receded, following the assassination of the Justice Minister and attacks on other supporters of President Aristide. UN sanctions were reintroduced on 19 October. The European Community's political statements on Haiti up to mid-October, which are published below, reflect the deteriorating situation in that country.)

1 September 1993

The European Community and its Member States welcome the ratification of Mr Malval as Prime Minister by the Haitian Parliament and his investiture by President Aristide. This investiture constitutes a fundamental stage in the implementation of the New York agreement of 3 July 1993.

Following the suspension of sanctions on 27 August 1993 by the Security Council, the European Community and its Member States are suspending the measures which they had introduced pursuant to Resolution 841 of 16 June 1993. In accordance with their statement of 6 July 1993, they will be resuming their cooperation with Haiti, which was interrupted by the coup d'état.

The European Community and its Member States sincerely hope that the taking up of his duties by the Prime Minister will be followed by the implementation of the other points in the agreement of 3 July 1993 in order to swiftly conclude the process of restoring constitutional order and make possible the return of President Aristide to Haiti.

20 September 1993

The European Community and its Member States express their indignation at the series of assassinations of supporters of President Aristide and at the threats made against members of the constitutional Government and political activists who are in favour of the return of the President.

The European Community and its Member States condemn such violence, which runs counter to the national reconciliation to be achieved on the basis of the Governor's Island Agreement. They stress the obligation to maintain order which is incumbent on the army and the police and demand that those responsible be prosecuted and punished.

15 October 1993

The European Community and its Member States express their indignation following the murder of the Minister for Justice of the Constitutional Government of Haiti, Mr Malary. They call for those responsible to be pursued and punished. The European Community and its Member States condemn attempts to sabotage the Governor's Island Agreement of 3 July, which is to lead to the restoration of constitutional order and the return of President Aristide on 30 October. They reiterate their full support for the Government of Prime Minister Malval.

EUROPEAN PARLIAMENT

Plenary, 29-30 September

Development policy high on agenda as Parliament convenes for first time in Brussels

The first 'part-session' of the European Parliament ever to be held in Brussels took place in the new 'Espace Leopold' building at the end of September. Although, under the agreement reached at the Edinburgh summit last December, Strasbourg is the designated seat for this institution, and the regular (monthly) plenary meetings must be held there, additional part-sessions may be staged in the new Brussels hemicycle. It is not without significance that the members of the Community's only elected institution, who had no part in the Edinburgh deliberations, should have chosen to stage no fewer than three extra meetings in the Brussels 'hemicycle' in the latter part of 1993. Some members at least, were unhappy with the Council's decision, which maintains the physical separation of the Parliament from the other Community institutions whose work it seeks to scrutinise.

It was not entirely surprising that there should be teething troubles at the inaugural meeting in the new chamber. In fact these were relatively minor. Initially, it was difficult to hear the speaker without headphones and after what was presumably an adjustment to the amplifying system, the opposite problem arose with the speakers' voices tending to drown out the interpretation. By the second day, the right balance was achieved. MEPs also had some difficulties with the electronic voting system. Additionally, there were some pointed questions about the cost of the new building to the European taxpayer, and members of the Green group, in particular, expressed concern about the use of tropical hardwoods in the furniture and fittings.

Despite lengthy interventions on these and other points, the Parliament found time to debate a number of substantive issues including Community development policy in the run-up to the year 2000 and the common organisation of the banana market.

The development policy discussion began with a presentation by Mrs Barbara Simons (Socialist) of her Report, prepared in response to the Commission's 'Horizon 2000' document, which had already been agreed by the Parliament's Development Committee. Mrs Simons began by drawing attention to global income disparities, pointing out that the top 20% of the world's population were 150 times richer than the bottom 20%. More than one billion people went hungry and child mortality rates were ten times higher in the least-developed countries than in those of the so-called 'developed' world.

Welcoming the work of the Commission in preparing 'Horizon 2000', Mrs Simons nevertheless went on to argue that it was 'incomplete and contradictory'. She suggested that the Commission's analysis was purely economic and that it failed to take account of cultural or environmental factors. She then emphasised a number of key areas, as set out in her report, which should feature in future policy. These included giving priority to the eradication of poverty, drawing up measures to ensure an increase in resource-transfers from North to South (including, in the short term, a commitment by Community Member States to reach the UN's 0.7% GDP target for development assistance), implementing the environmental objectives agreed at the Rio Conference, developing a European strategy for relieving the debt burden and undertaking a study of the effects of the Common Agricultural Policy and European Monetary Union on the developing countries.

On the question of structural adjustment, the Simons Report seeks a reassessment of Community support for traditional SAPs and recommends that in the future this should be conditional upon the World Bank and IMF demonstrating that they are indeed effective. Related to this, the Report is critical of the 'serious democratic deficit' which is said to exist in the working of international bodies such as the Bretton Woods institutions, and its author urges the Community to find ways of tackling this 'deficit'.

Vice-President Marín was obliged, because of time constraints, to limit his comments to a few essential points, when he finally rose to deliver the Commission's response at 7.45 in the evening. (The preceding debate on the GATT issue, and earlier procedural points, had both lasted longer than expected.) Mr Marín pointed out that the essential purpose of 'Horizon 2000' had been to generate debate and he was pleased to see that this had been achieved. Congratulating the rapporteur on the quality of her report, he focused specifically on the crucial debt issue, stressing that he had taken an initiative in this area but that this had been blocked in the Council of Ministers. He pointedly suggested that on this particular question the Parliament might 'render unto Caesar that which is Caesar's, and to Member States' that which falls within their field of responsibility.

The debate was continued the following day with contributions from a number of members, and the Report was subsequently adopted by the Parliament. If, however, attendance at plenary debates is a reflection of the priority that MEPs give to a particular subject, then the ACPs and other developing countries may have some cause for concern. At one point during the debate, there were only 17 members in the Chamber.

The discussion of the Community's 'Common Organisation' of the banana market revealed something of a division along national lines with German MEPs lining up, irrespective of their political affiliation, to express concern about the new trade regime. This debate is clearly of interest to banana-producing ACPs, notably in the Caribbean, but the argument focused mainly on the alleged effect of the new rules on prices in Germany, and on the traditional ports of entry of 'dollar' bananas.

In the event, the MEPs who complained about rising prices and possible job losses in Bremerhaven, Rostock and Hamburg (Antwerp and Rotterdam were also mentioned), received short shrift from many of their colleagues as well as from the Agriculture Commissioner, René Steichen. The general consensus, given that the system had only begun operating in July, was that it was far too early to assess whether it was functioning properly. Mr Steichen insisted that there was no evidence so far of a shortfall, either in Germany or on the wider Community market, and pointed out that the rules allowed for the tariff quotas to be amended in due course should such a shortfall be identified.

With the Community's banana regime under scrutiny by a GATT panel and continuing German opposition, this is no doubt a subject to which the European Parliament will return.○ S.H.

Human Rights sub-committee, 22 September

Nobel laureate criticises 'restricted democracy'

Latin America has too many examples of 'authoritarian governments with a veneer of democracy'. This was the view expressed recently in Brussels by the 1980 Nobel Peace Prizewinner, Perez Esquivel. Mr Esquivel, who was speaking to members of the European Parliament's Human Rights Sub-Committee, acknowledged that matters had improved since the 1970s, when military regimes had predominated, but he argued that the situation was still far from perfect — and indeed was in danger of deteriorating.

He alleged that in a number of Latin American countries human rights infringements continued to take place, involving, in particular, the persecution of journalists and young people. He also spoke of 'restricted democracy' in which government by decree had replaced normal parliamentary procedures. And he was especially critical of the fact that many former oppressors had succeeded in extracting commitments from the new authorities which gave them immunity from prosecution.

In talking of meaningful human rights, Mr Esquivel focused particularly on the social aspects. He said that a process of 'systematic impoverishment' was taking place, highlighting the tragedy of children abandoned in the streets and the growing problem of malnutrition. His stark conclusion was that, at least in parts of the region, there was a move towards the disintegration of democratic structures — a trend which could only be exacerbated by the economic plight of a growing number of people.


VIVANT UNIVERS

Urban poverty in Brazil
'Systematic impoverishment' poses a threat to democratic structures in Latin America

In the question and answer session which followed, the Nobel laureate stressed the importance of cooperation between Europe and Latin America in economic, cultural and scientific matters. He also underlined his view that human rights and democracy are indivisible. In this connection, however, he insisted that development and 'quality of life' issues must also be part of the equation, observing wryly that 'capitalist policies are not automatically distributive in their effects'.○ S.H.

Development Committee, 11-13 October

Concern at slowness of Stabex transfers

The European Parliament's Committee on Development and Cooperation issued a press statement in October deploring the fact that Stabex transfers due to the ACP countries to compensate them for loss of export earnings in 1992 had still not been paid. An EC Commission spokesman told the committee the hold-up was due to failure by the EC Council of Ministers to reach agreement on a Commission proposal for an additional ECU 52 million in Stabex resources for 1992, but gave an assurance that the ECU 303m already agreed was not at risk and would be paid out, probably by the end of November. The chairman of the committee, Henri Saby (Socialist), pointed out that agreement on the amounts to be earmarked for Stabex was the responsibility of Member States' governments, not the Commission, and described the attitude of Ministers as 'intergovernmental neocolonialism'.

The committee heard a report from MEPs who had represented the European Parliament as observers during the second round of elections in the Central African Republic in September. The delegation had found a desperate economic situation: schools closed for the last three years, hospitals unable to function and civil servants unpaid for several months. The new, democratically elected President, Ange-Félix Patassé, had received the MEPs and, as a trained agricultural engineer, was realistic about what could be done with EC help. Government Ministers told them very little development was going on, but the Commission had now resumed aid, which was frozen when the first round of elections in October 1992 was declared null and void.

Rehabilitation of ACP countries emerging from natural or man-made emergencies, as a midway stage towards development proper, was the subject of a draft report presented by Sotiris Kostopoulos (Soc.). The EC Development Council last May voted ECU 100 million for rehabilitation work in sub-Saharan Africa, particularly Somalia, Ethiopia, Eritrea, Mozambique and Angola.

The committee adopted a report by Maartje van Putten (Soc.) on a proposal for a Council Regulation on operations to promote tropical forests. If adopted by the Council, this will commit the Community to supporting measures to promote the conservation and sustainable management of such forests, maintain their biological diversity and improve the quality of life of those living in them.

A report from the Council of Ministers was given by the Belgian State Secretary for Development Cooperation, Eric Derycke, who said that the EC was going through difficult times and budget stringency called for hard thinking about how to make development policy truly effective. He would ask the Member States to look at Article 130u of the Maastricht Treaty, which stipulates that EC development cooperation 'shall be complementary to the policies pursued by the Member States', with a view to deciding how to allocate and coordinate development tasks between themselves and the Community. Partnership was another aspect of development cooperation which needed to be stressed: the EC (56% of whose development aid goes to Africa) must make sure the international community did not start thinking that Africa would have to look after itself from now on.

Negotiations over the second financial protocol of Lomé IV could only be limited in scope, Mr Derycke said, as the gains achieved under succeeding Conventions must be safeguarded — partnership, political dialogue, predictability of aid and transparency. Lomé procedures, however, needed to be simplified, and fresh effort should go into making sure the human rights conditions laid down in Article 5 were better applied. Mr Derycke also promised continuing Council action on poverty alleviation, food security, population growth, the role of women in development, the work of NGOs and links between the EC and South Africa.

To encourage greater partnership at the ACP-EEC Joint Assembly, the State Secretary said that in future the EC should provide help so that more democratically elected MPs from the ACP countries, rather than government ministers or diplomats, could afford to attend. Winifred Ewing (Rainbow Group) expressed concern at what she understood to be a suggestion floated by the Commission that Joint Assemblies should be held only once a year, not twice, and asked for clarification at the next meeting. ○ R.R.

GENERAL INFORMATION

New strategy for relations with South Africa

On 29 September the Commission defined the outline for establishing a gradual normalisation of the European Community's relations with South Africa and its support for the transition to full democracy.

Following recent political developments in South Africa, especially the agreement reached on 7 September 1993 to establish a Transitional Executive Council (TEC), and the subsequent decision taken by the South African Parliament on 23 September, the Commission is ready to propose the necessary steps for the normalisation of the European Community's relations with a democratic South Africa. The TEC will for the first time provide a broadly representative interlocutor through which the European Community can consult with the South African State on a variety of issues.

The process of normalising and deepening relations with South Africa should take place in response to the acceleration of the process towards democracy itself. Some initiatives can be taken as soon as the legislation for the TEC has been passed by the South African Parliament; other actions should only be considered once the TEC is actually in place and operational; yet others must await the elections and the establishment of an interim Government of National Unity.

The Commission suggests the Council of Ministers should outline three phases in the transitional process in South Africa, gradually establishing its new relationship as and when those phases take effect:

— Enactment of the legislation establishing the Transitional Executive Council (TEC), following the decision of the South African Parliament on 23 September 1993.

— The time when the TEC is firmly established and is fully up and running.

— The effective establishment of a democratic government after the first democratic election in South Africa, which is scheduled for 27 April 1994.

In this context, the Commission will propose that the Council consider various elements, including:

— The international community lifting the sanctions that it still has in place.

— Supporting the democratic process, including the monitoring of elections.

— Launching measures to intensify economic cooperation between South Africa and the European Community.

— Opening an EC Delegation in South Africa.

— Preparing a new comprehensive framework for developing future political, trade, and economic relations.

Conference on Southern Africa Downgrading Lomé?

The Brussels conference on future relations between the EC and Southern Africa left one important question hanging in the air. What will become of the Lomé Convention if South Africa joins the Southern African Development Community currently composed of all the front-line states?

The two accords, as they now stand, are fundamentally incompatible. The free movement of South African goods within SADC would make it impossible to accurately determine the origin of goods exported from the front-line states, which are given preferential access to the EC market under Lomé. Nor will South Africa's joining the Lomé Convention prove easy. German Bundestag member and former Secretary of State for Development and Cooperation, Volkmar Köhler, understated the case when he observed that gaining the acceptance of the 69 ACP states and the 12 EC states for South Africa's membership 'could not be guaranteed'.

Speaking before an audience of diplomats, EC officials, economists, journalists and a sizeable contingent of business representatives, Alan Hirsch, economic adviser to the ANC, gave a nuanced reply to this dilemma. Hirsch said greater harmonisation between the EC and South Africa would require 'probably not all provisions of Lomé and perhaps some new ones', and this could be achieved 'either inside or outside the Convention.'

Clearly, South Africa's future membership of the SADC is fraught with difficulties arising from the nation's economic profile. On paper, South Africa's economy far outstrips those of its neighbours. South Africa's GNP last year was $120bn, compared to almost $35bn for all the SADC countries combined. South Africa's GDP per capita, at $2400, dwarfs Mozambique's $80. At present, South Africa's trade with the front-line states is seven times greater than the front-line states' trade with each other. The danger of 'Big Brother' taking over the region looms large. Bernard Chidzero, the Zimbabwean Minister of Finance, spelled out his country's position: 'South Africa is the dynamo of growth, in terms of its population, GDP, infrastructure and science and technology. But it might be easier to go bilateral. Zimbabwe has already a bilateral agreement with Botswana and is negotiating one with South Africa. We don't want to undermine the accords we have — if that happened then South Africa would become a destructive force and not a constructive one... I fear that we may end up with an economic war.'

Volkmar Köhler announced that the German government will soon fix the date of a conference of foreign ministers of the EC states to discuss 'a co-operation agreement between the EC and the Southern African states, including South Africa, on a new basis... Lomé will be the "little brother" of this accord.'

The stakes are high, particularly for South Africa, whose exports to the EC account for 40% of its total exports and 80% of its agricultural exports. Manuel Marín, the European Commissioner for Development, voiced his caution in his opening address to the conference. Mr Marín stated that the April 17 elections will not be the end of South Africa's problems. South Africa's economic protectionism has to go and an internal redistribution of wealth is needed. The average income of blacks in South Africa is a quarter of the national average, only 40% of the black population lives in the cities and the unemployment rate of 46% shows no sign of falling. ○

Stuart YOUNG

Africa Prize for fighting hunger

President Jerry Rawlings of Ghana and Father Nzamujo Ugwuegbulam, director of the Songhai Project in Benin, are this year's joint winners of the Africa Prize for Leadership for the Sustainable End of Hunger. They were presented with the $100 000 award in Tokyo on 4 October, on the eve of the Tokyo International Conference on African Development. The Africa Prize is awarded by the Hunger Project, a non-profit organisation dedicated to halting the needless deaths of 10 000 Africans every day as a consequence of hunger.

President Rawlings' commitment to protecting those most vulnerable to the impact of Ghana's structural adjustment programme earned him the prize. Rawlings said Ghana's recovery programme 'depends on restoring the small-scale farmer to the centre not only of Ghana's agricultural and economic policy, but also of the country's social and political affairs.' The Ghanaian president has launched initiatives to boost employment and to provide housing, sanitation, safe water and health care to rural communities.

Father Nzamujo, a Nigerian-born Dominican priest, founded the Songhai Project, a 25-hectare agricultural research and training centre on the outskirts of Porto-Novo, Benin. Aquaculture, crop production, livestock production, nutrient recycling and biogas production are carried out under the project's motto: 'Commitment to Excellence'. Father Nzamujo became convinced during his travels to the west and in Africa that development in the western sense contributed to Africa's 'crisis', as it consistently undermined the role of the African people. The project symbolises Father Nzamujo's belief that Africa's unique ecological characteristics are advantages rather than impediments.

Over the past seven years of the Africa Prize for Leadership, the award has commonly been split each year between a national figure and the leader of a grassroots project or movement. Three of the past eleven prize winners are women. ○ S.Y.

Euro-businessmen hear of development aid opportunities

Representatives of European trade and industry gathered in Brussels on 14 and 15 October for an in-depth briefing on how to take part in development work financed by the European Community. Some 300 men and women from all over the Community and other parts of Europe were told how to identify projects of interest to them and bid for contracts in the ACP countries, the Mediterranean area, Asia and Latin America, Central and Eastern Europe and the Commonwealth of Independent States. The Euroaid '93 Conference, the first event of its kind, was a private initiative by the Brussels Chamber of Commerce and Industry to mark the Belgian Presidency of the EC.

The stakes were high, said John Tattersfield of the European Federation of Engineering Consultancy Associations, in the chair: by the end of the century, the EC will have spent ECU 40 billion on external aid to projects in more than 160 countries. Each year the European Development Fund issued an average of at least 200 invitations to companies to tender for the supply of goods and services, and aimed to reach the widest range of businesses possible. On the ACP countries in particular, the EC's Director-General for Development, Peter Pooley, said that in 1992 the Community had committed and paid out ECU 2 bn, a record for the Lomé Convention and 60% above the average for previous years; more money than ever before was going to private-sector-led schemes, because they created jobs, as well as to projects in the health and education sectors and to capacity-building. Paying-out procedures were being speeded up. Mr Pooley warned, however, that funds for the second half of Lomé IV would be tight: there would be no more unconditional commitments of aid for five years, and allocations would be made on a 'use it or lose it' basis.

Paul Frix, Director of the EC's Centre for the Development of Industry, the 'technical tool' of Lomé, described how it could help industrialists wanting to take part in projects in ACP countries. An account of European Investment Bank loans to the private sector was given by the head of EIB operations in East Africa, the Caribbean, the Pacific, Asia and Latin America, Rex Speller. The Bank, he said, did its best not to suspend relations with the private sector even in countries where governments were defaulting on repayments of EIB loans for projects involving that sector.

Experts from the EC Commission's Directorate-General for Development made the point that 70% of the development cooperation money administered by the Commission under Lomé goes to the private sector, as it is private enterprise, not governments, which generates trade, exports and employment and diversifies economies. An investment of ECU four to five million in promoting Zimbabwean trade, for example, had generated ECU 100m in new exports and created 5700 jobs. Private contractors working with the Commission had a guarantee that they would be paid and that no national government could interfere in the terms of their contracts. There were major opportunities waiting for any European companies with an expertise in environmentally sustainable tourism and an interest in developing the natural advantages many African countries possessed.

A great deal of networking went on among participants, but disappointingly few representatives of the developing countries' own business interests were present — and there was only one person from the whole ACP at the conference. The organisers claimed this was because they could not afford the fares and registration fees, and suggested the EC Commission might usefully contribute to these costs in future.○ R.R.

An 'OPEC' system for agricultural commodities?

François Guillaume, a French Member of the European Parliament, has called for the establishment, by producing countries, of OPEC-style arrangements for a range of agricultural products. Speaking at a press conference in Brussels during the ACP-EEC Joint Assembly, Mr Guillaume welcomed steps taken recently by the main coffee-producing countries to restrict their exports on a voluntary basis, with a view to stabilising coffee prices. This initiative followed the failure of attempts to reach agreement with the consumer countries on an international agreement. Mr Guillaume drew attention to the fact that the international coffee price had risen considerably in the wake of the producers' agreement.

He went on to suggest that this could serve as an example for other commodities. The result, he argued, would be favourable not only to the developing countries, whose incomes would be more secure, but also to the Community's hard-pressed STABEX system.

Mr Guillaume's idea does not stop short at farm commodities produced by the developing world. He also proposed, for example, an agreement among the world's five main cereal producers — the EC, the USA, Canada, Australia and Argentina. The first four provide large subsidies to the sector and the MEP believes that such subsidies could be sharply reduced, if the states in question agreed to coordinate their activity — OPEC-style — in areas such as storage, the provision of food aid, research into new (non-food) uses for cereals and temporary measures to limit production.

This proposal seems to go against the prevailing current of trade liberalisation, as reflected in the ongoing GATT talks. However, the apparently interminable negotiations under the Uruguay Round suggest that it is not all plain sailing for the ship of free trade. The link between economic stagnation and low commodity prices in the developing countries is well established. Could the coffee producers' agreement be an early indication that the wind is changing in favour of more managed markets? Mr Guillaume is presumably hoping so.○ S.H.

HUMANITARIAN AID

The Commission has recently taken the following decisions to provide humanitarian aid (including emergency and food aid):

ACP countries

Angola: ECU 2 million for displaced persons, consisting of a medical-surgical programme (at the Benguela Hospital), the purchase and transport of equipment and sanitary products (for the Bengo and Luanda provinces) and food aid aimed at tackling malnutrition.

Sudan: ECU 6.7 million for the provision and transport of foodstuffs to displaced people.

Somalia: ECU 2.6 million for displaced people and refugees, consisting of four tranches of ECU 650 000. Three of these will be in the form of medical-nutritional aid while the fourth is for logistic support to the air transport operation being run from Kenya to three towns in Somalia.

Djibouti: ECU 100 000 to help arrest the cholera epidemic affecting poorer areas in the refugee camps of Ali Sabieh.

Sierra Leone: ECU 500 000 for the refugee camps and a further ECU 400 000 to supply seeds, agricultural tools and basic equipment to displaced families.

Zaire: ECU 1 million of which ECU 600 000 is for the provision of shelters and sanitary and nutritional aid for people displaced by the inter-ethnic conflict. The remaining ECU 400 000 will form a reserve fund for the rapid implementation of other projects for displaced persons.

Senegal: ECU 1 million for displaced people from the Casamance, of which ECU 600 000 is for medical and nutritional aid. The remaining ECU 400 000 will form a reserve fund for the rapid implementation of other projects for displaced persons in the region.

Non-ACP countries

Brazil: ECU 100 000 for medical assistance aimed at checking the cholera epidemic in the north-eastern state of Ceara.

Lebanon: ECU 1 million to help supply the basic needs of the victims of the bombardment in southern Lebanon and of those who have fled the combat zone.

Ex-Yugoslavia: ECU 57.35 million for the victims of the conflict.

Cuba: ECU 5.5 million in the form of food aid and scientific training to help combat the neuropathic epidemic.

Georgia: ECU 2.8 million for a programme covering the purchase, transport and distribution of essential provisions and medical aid for refugees and displaced persons.

Mongolia: ECU 1 million for the purchase, transport and distribution of essential medicines for rural people.

Venezuela: ECU 150 000 to help the victims of Hurricane Bret.

The Russian Federation: ECU 500 000 for the purchase, transport and distribution of vaccines to help tackle the growing incidence of cholera, diphtheria, tuberculosis, polio and plague.

Algeria: ECU 225 000 to help some 170 000 Saharan refugees in the Tindouf region of south-west Algeria. The aid will be used to tackle the food shortage which has particularly affected the children, women and elderly people among the refugees.

Azerbaijan: ECU 3 million to provide temporary shelters and essential products, for a three-month period, for displaced populations in the Arax Valley.

Nicaragua: ECU 200 000 for the victims of Hurricane Bret.

Russia: ECU 300 000 for medical aid for the victims of the violence in Moscow.

India: ECU 500 000 to help meet the initial basic needs of the victims of the earthquake in Maharashtra Province.

Colombia: ECU 470 000 for medical assistance aimed at preventing epidemics, for the victims of earthquakes and floods in the Choco Department.

Honduras: ECU 200 000 for the victims of Hurricane Gert.

FOOD AID

UNHCR

The Commission took a decision to finance food aid as set out in the chart which follows:

Country/ Organisation	Cereals	Milk powder	Other products
(in tonnes)			
Bolivia	15 000	400	250
Cape Verde	5 000		400
Haiti	1 540		
Nicaragua	10 000	2 500	2 500
Niger	5 000		
IFRC	18 000	990	2 225
UNICEF	300		
(in ECU millions)			
UNICEF			0.99
EURONAID			2.1
UNHCR			0.262
NGO/Lesotho			0.115

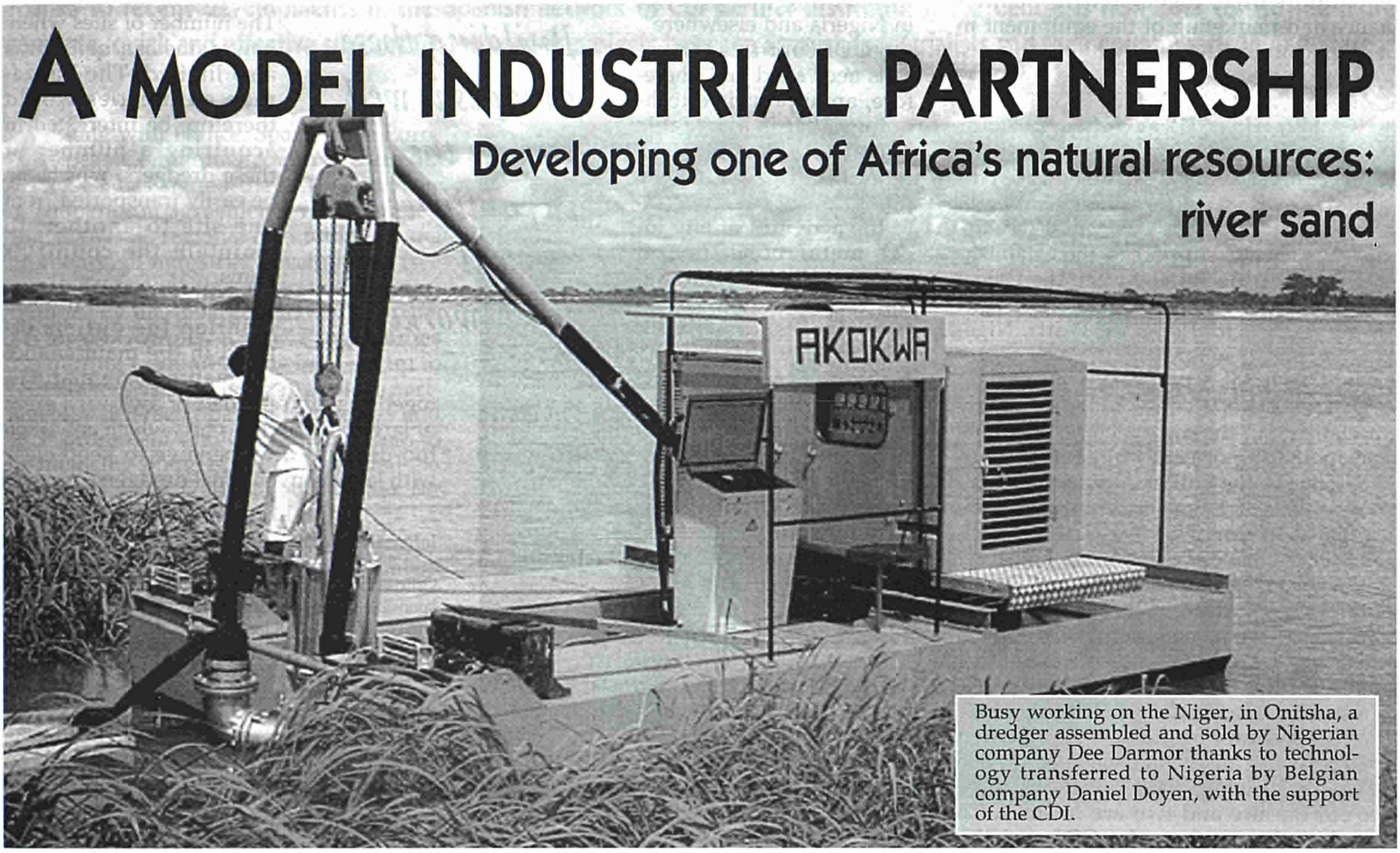
CDI

PARTNERSHIP

Information Bulletin from the Centre for the Development of Industry - November/December 1993 - No. 10

A MODEL INDUSTRIAL PARTNERSHIP

Developing one of Africa's natural resources: river sand



Busy working on the Niger, in Onitsha, a dredger assembled and sold by Nigerian company Dee Darmor thanks to technology transferred to Nigeria by Belgian company Daniel Doyen, with the support of the CDI.

Sand is a basic material in Africa and shortages often obstruct the development of the building industry. However, a new simple and lightweight dredging technology is opening up many attractive possibilities for African entrepreneurs.

In fact, whilst good-quality sand is rare on African *terra firma*, it can be found in abundance on the continent's river beds. It is already collected on a large scale using basic techniques, generally village women with buckets, and is an important additional resource for a good many villages. But this activity is not enough to meet demand. A few rare exceptions, the streams and rivers of all West Africa, from Guinea Conakry to Angola, and of Central Africa, are rich in sand. There are substantial outlets in the local building industry, for which it constitutes an essential raw material. Among the countries on the Atlantic coast with the greatest potential in this sector are Nigeria, Cameroon and Ghana. In East Africa, whilst sand can also be found there, the building market must be examined case by case to determine whether semi-industrial extraction would be profitable.

Today, however, a simple, lightweight dredging technology is available at a very affordable cost, specially designed for the African situation. It is an excellent alternative to the purchase of second-hand dredgers, which are often too large, cannot be transported and raise serious maintenance problems given the non-existence of spare parts.

Technology Transfer

This technology has been developed by Belgian company Daniel Doyen Toyo S.A., which has produced a dredger particularly well-suited to the needs of African entrepreneurs (see inset).

One of the major advantages of this type of dredger is that it can be manufactured almost entirely on the spot: "In most cases", explains Mr Edouard de Grand Ry, the firm's area sales manager for Africa, "we merely supply the pump, manufactured in Belgium, and possibly the electrical circuit and generator set, although second-hand generating units, which are easy to acquire in Africa, may also be suitable.

"For his part, our local partner manufactures and assembles the control panel, positioning winches and the sheet-steel dredge, according to our specifications. The best welders are African and I have no hesitation in saying that their workmanship is better than what we can offer in Belgium."

A dredger manufactured on the spot is not necessarily much less expensive than an imported dredger, given the high costs involved in purchasing imported sheet steel and clearing it through customs. On the other hand, this activity creates jobs, allows a transfer of technology to ACP countries and keeps down the outflow of

Contents

foreign exchange (the local value added represents 40% to 60% of the total installation cost). "We always work with a local partner, within a long-term perspective of at least five years", Mr de Grand Ry underlines. "We train the manager and the technicians of the local company, so that it is able to take on the production aspect on its own, together with maintenance and marketing of the equipment in its own country".

Nigeria: CDI assistance

Since this sector and technology are particularly favourable for the development of industrial activity in ACP countries, the CDI has lent its support to the establishment of a partnership between the Daniel Doyen company in Belgium and Dee Darmor Dev Co. Ltd. (DDD) in Warri, Nigeria, a country where the growth of demand for sand is exponential.

DDD is a metal construction company specializing in the manufacture, assembly and marketing of dredgers and in sand-dredging for the building industry. It employs a staff of 17 and its investments are estimated at some 435,000 ECU. In 1991, the CDI co-financed an initial technical assistance package to build the first Daniel Doyen design dredger on the spot. For two weeks, the manager of DDD received intensive theoretical and practical training at the Daniel Doyen workshops in Belgium, and also in Great Britain. Since then, his company has assembled ten dredgers with an average value of 100,000 ECU, five of which have been sold, three are out on hire and two are in stock. To develop the market, the CDI and the Brussels-Capital Region (Belgium) arranged a subsidy for the production of a scale-model dredger and for an exhibition stand at the fairs in Kaduna and Enugu, Nigeria, in spring 1993. This initiative was followed by a substantial demand for the equipment.

"The success of this first project in the sector has convinced us that we ought to give our full support to distributing this process, in Nigeria and elsewhere", the CDI confirms. "Africans need sand and, therefore, an appropriate technology that is affordable and simple to apply. The manufacture of these dredgers can be added on to the activities of any local metal construction company. In Africa, dredging river sand produces two benefits: directly, in the form of the income from the sand itself, and indirectly, through clearing out the waterways. We are now considering arranging further financial aid for marketing the technology, in the form of financing for prospecting activities in Nigeria, particularly towards the authorities responsible for maintenance of dams, ports and dikes."

Building these dredges is well within the capabilities of local metalworkers.

Various applications

One valuable effect of extracting sand from waterways is the fact that their navigability is improved. Many African rivers like the Niger silt up badly and dredging, even on a relatively modest scale, greatly facilitates the passage of boats and irrigation.

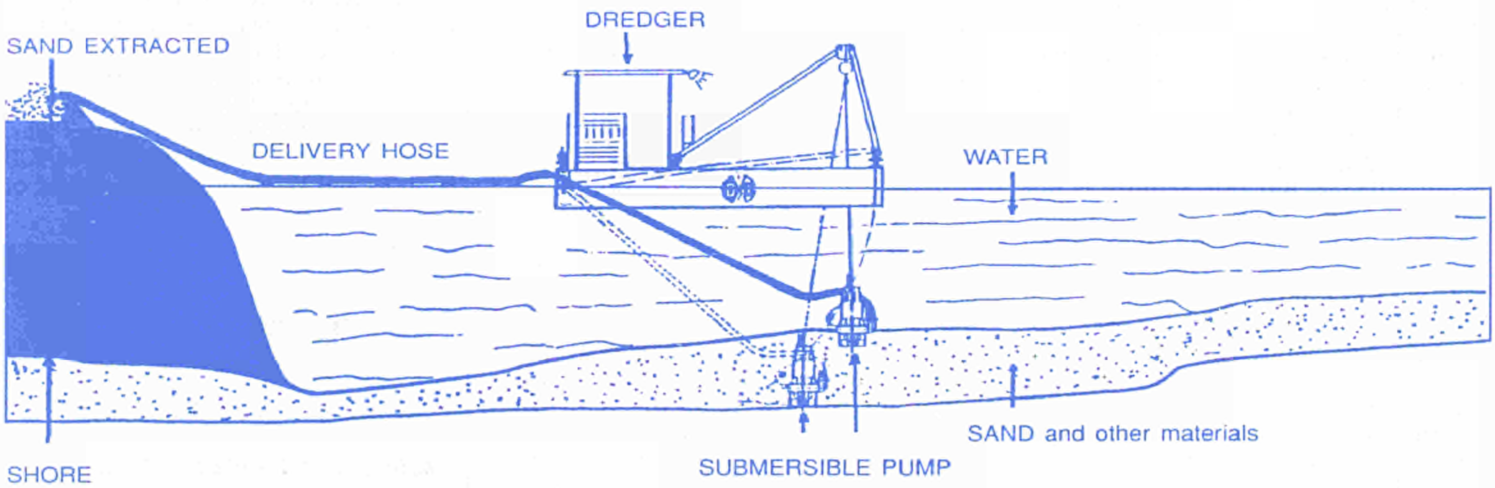
Another promising application for this lightweight technology is the cleaning of dams, a crucial problem in some countries, especially in East and North-West Africa and the Sahel countries. Tanzania, for example, has some 300 dams, and to keep a constant volume of water in the storage reservoir as the sediment builds up, the walls must be constantly raised, which does not solve the problem in the long term. The number of sites where new dams can be built is also limited. The Tanzanian authorities would therefore be interested in acquiring a number of these dredgers, which can be easily transported from one site to another, to maintain the country's dams.

Finally, we should also mention the outlets offered in the maintenance of small private marinas, together with secluded or awkward areas of large commercial ports which are often too difficult or expensive to keep clear with large conventional dredgers.

Information:

- In Brussels: Mr Georges Tatepo, CDI Geographical Officer for Nigeria, or Mr Jordi Tio Rotllan, Officer responsible for engineering industries.
- In Nigeria, the CDI local antennae:
  - NDIB, Mr Sabo, Lagos. Tel. (2341) 66 34 70/495
  - NNDC, Mr U.Suleiman, Kaduna: Tel.: (2341) 200 250-7.
  - G. Odia & Associates, Mr S.G. Odia, Lagos. Tel.: (2341) 822 712.
  - MITECS, Mr A. Adegboye, Surelere. Tel.: (2341) 83 41 08.
- The CDI has published a brochure entitled "Aggregates and Sand", in which it reviews in detail all the technical aspects of the extraction and processing of sand and aggregates in ACP countries and lists the main European suppliers of suitable equipment with references in the ACP States. This brochure is available on request from the CDI.

WORKING INSTALLATION LAY OUT



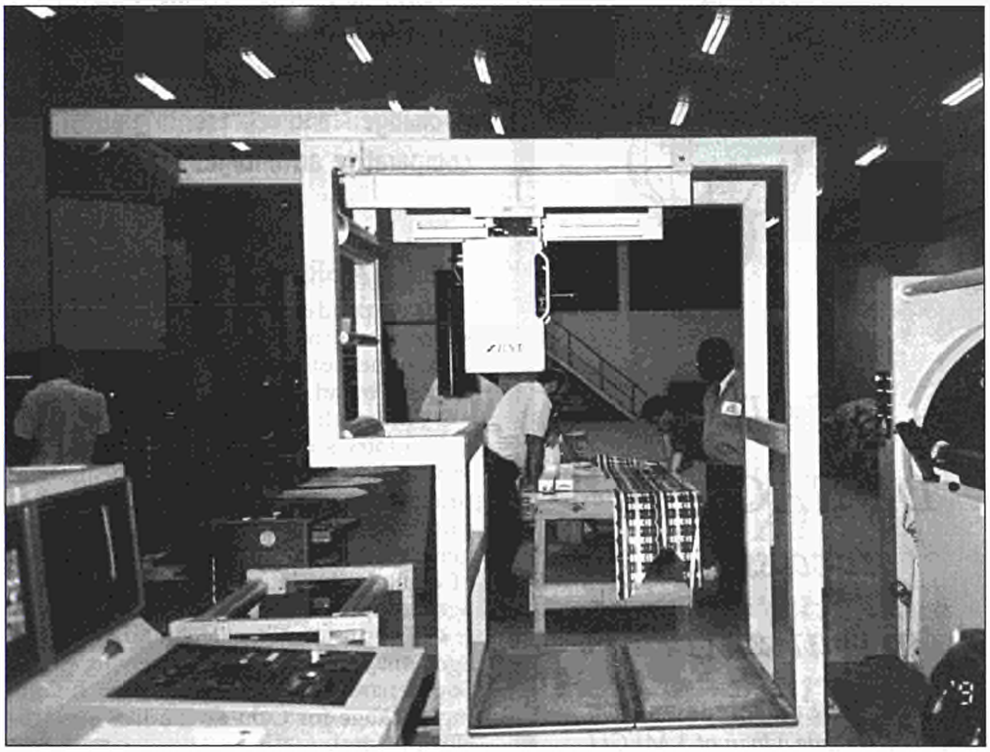
The small dredgers developed for Africa by Daniel Doyen Toyo are fitted with a suction pump with agitator which can be immersed to a depth of 20 m. This equipment can extract 90 m3 of sand an hour, consuming 18 litres of fuel oil per hour. The lightweight dredger can be operated by one man. It can be easily dismantled and reassembled in two days and fits into a 40-foot container for transport from one site to another. The pump, its central component, is designed for minimum maintenance: in principle, an inspection every six months and servicing every two years are enough, and these can even be carried out by a local technician. The rest of the construction, which is of extremely simple design, poses no particular maintenance problems. The unit, operating on its own or from an external power supply, represents an investment of 90,000 ECU, which can pay for itself in six months given the sustained local demand for sand, the price of which in Africa has stabilized at $US3/m3.

SPAIN TAKES AN INTEREST IN ACP INDUSTRIALISTS

Thanks to recent developments in the Spanish network of CDI partner institutions, the Centre is now able to provide more concrete, quick and effective support to partnership projects between Spanish industrialists and their counterparts in ACP States.

Along with France, Spain is the European Community country where the CDI has signed the largest number of cooperation agreements with national and, above all, regional institutions for the promotion of industrial development (see inset). To ensure the coherence of interventions by this enlarged network of partner organizations, a new Programmes Monitoring Committee has been set up to coordinate assistance for proposed partnerships between Spanish companies and ACP promoters, and to facilitate access to co-financing budgets. A CDI national expert has also been appointed in Spain, Mr Fernando Aceña Moreno.

■ **Partnership: Mr Aceña, what advantages can Spanish industrialists hope for by calling on your services ?**
□ Mr F. Aceña Moreno: Spanish industrialists wishing to develop their activities with ACP partners are generally unaware of the assistance that can be offered by Spanish and international institutions. Too often, they simply do not know that very positive assistance can be obtained from them, including financial backing from the preliminary stage of their projects: the search for reliable partners and sources of financing, organization of negotiations, market surveys and feasibility studies, etc. At the subsequent implementation stage, apart from the support traditionally offered by the CDI (technical and commercial assistance, training assistance, etc.), the Centre can also help mobilize financing for the investment, through its network of partner institutions. Financial packages can be arranged, particularly with the ICEX, the Banco Exterior de España, COFIDES or with the Ministry of Trade. But in practical terms it is not always easy to find one's way among the different assistance and financing formulae that are available. The creation of my post will enable Spanish entrepreneurs to contact the CDI more easily than at its headquarters in Brussels, and allow them to speak in their own language with a specialist fully acquainted with their problems.



Printpak is a Cameroon company manufacturing quality packaging. Formed in 1989, it received joint assistance from the CDI and ICEX, enabling 11 technicians to follow an advanced training course of fourteen months in the workshops of its Spanish partner Litografias A. Romero. In this way the factory, representing an investment of 9 MECU, was able to start up on a very sound basis.

The CDI network in Spain

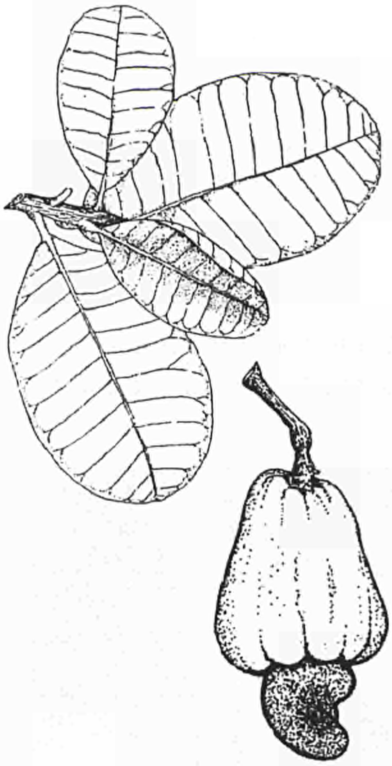
- SPRI: Society for the promotion and industrial conversion of the Basque Provinces, the first Spanish institution to sign an agreement with the CDI, in 1987.
- COPCA: Commercial promotion consortium of Catalonia.
- IFA: Promotion institute of Andalusia.
- PROEXCA: External economic promotion organization of the Canaries.
- ICEX: Spanish institute of foreign trade (national).
- The CDI also cooperates at national level with the COFIDES (Spanish development finance company) and the AECI (Spanish international cooperation agency).

Opening up to new countries

■ **In what sectors and countries do you see the greatest potential for partnerships between Spanish and ACP promoters ?**
□ We do not really give priority to any one sector, but we have noticed that the fishing industry generates the most initiatives. Agri-foodstuffs, leather and hides are other sectors with high potential. Textiles, especially in free zones in certain countries, also offer interesting opportunities.

Of course, Spanish companies tend to favour Spanish or Portuguese-speaking countries, but projects are also under way with partners in Mali, Burkina Faso, Kenya, and so on. And this diversification tendency is bound to grow: the Spanish economy began to take on an international outlook only relatively recently. Spanish promotion institutes are organizing meetings in some ACP countries to promote exports of Spanish goods and equipment and also to encourage partnerships between our companies and their ACP counterparts. For example, a mission is being planned to the Côte d'Ivoire, for the "Spanish Products Week" that is to take place there soon. We shall be identifying companies and projects in this country and seeking out potential partners in Spain. We are also hoping to organize a mission with several Spanish companies to the Dominican Republic.

Information:
Mr F. Aceña Moreno, CDI national expert
Paseo de la Castellana 14-16
28046 Madrid, Spain
Tel.: + 341 431 12 40
Fax: + 341 431 83 63.



CAJU DE NACALA: successful privatization

In 1992, the European Investment Bank (EIB) made a loan of 3 MECU to Companhia Caju de Nacala, a large cashew-nut processing plant (cashew nuts are a major export product from Mozambique's agricultural sector). This loan went to finance new equipment so that the plant, which used to belong to the State-owned company Empresa Nacional de Caju, could be started up again.

The operation was carried out within the framework of a joint venture with the Portuguese groups Nutrinveste and Entreposto.

In cooperation with the ICEP (Portugal), the CDI played an active role in putting together the financial package for this operation, assisting in the presentation of the dossier to potential investors. The new plant, due to come on stream before the end of 1993, will be able to process 6,000 tonnes of cashew nuts a year. It will provide the country's cashew-tree growers with a regular outlet guaranteeing a remunerative price. The CDI plans to provide technical assistance and help in training the personnel during the project start-up stage.

NEW INDUSTRIAL AS

By Mr Fernando Matos Rosa, CDI 0

The return of peace to Mozambique has generated major demands in the country's drive to put its economy back on the tracks, especially in the fields of road and port infrastructure, the building industry and foodstuffs. Observers returning from this country agree that Mozambique offers interesting prospects for investments and technical and commercial partnerships for European companies. Attached to a Southern Africa subcontinent that is going through a period of major political and economic change - and representing substantial potential markets - Mozambique also has comparative advantages for the installation of labour-intensive industries. Further-

AGRI-FOODSTUFFS

- Key products: cashew nuts, cotton, sugar cane and tea, but also beer, fruit juices and soft drinks, cigarettes, flour, biscuits, bread, oils, poultry feed and salt.
- Potential: representing over 40% of the country's industrial production, agrifoodstuffs constitute a clear development priority. The main companies, located in the provinces of Manica and Sofala, are generally private but are faced with a lack of capital, obsolete equipment and management problems.
- CDI interventions: technical and management assistance for the brewing group Sogere; assistance in mounting a financing package for Caju de Nacala (see article opposite).

FISHING AND FISH PROCESSING

- Potential: 2,500 km of coastline and numerous rivers. Current catch: 200,000 tonnes a year, mainly shrimps. Total resources estimated at 450,000 tonnes, with catches of species such as beryx, porgy and mackerel waiting to be developed. High potential.
- Infrastructure: the ports of Beira and Maputo have on-shore services for fleets and processing plants where fish can be properly handled.
- CDI interventions: in June 1993, several Mozambican fishing companies took part in "Indian Ocean Fishing" a professional meeting organized in Kenya by the CDI. A follow-up meeting is planned for Mozambique.

BUILDING MATERIALS

- Background: the authorities have plans to privatize the sector, which is currently 80% State-run. Main obstacle to competitiveness: the cost of energy (up to 50% of the overheads of some industries). In 1990, the sector employed 3,500 people, mainly at 15 quarries and 17 potteries. Use of installed capacity: 15%.
- Potential: the upturn in the civil engineering industry since the peace agreements were signed is opening up interesting cooperation prospects. Fresh investments will be necessary to improve competitiveness and product quality. Upstream from this sector, the country's non-metal mineral deposits, especially marble and black granite, are still largely under-exploited. The CDI is studying the possibility of an intervention for geological and feasibility studies.
- CDI interventions: rehabilitation study for the Nacala cement works, with a view to a possible takeover by a European partner. Luzalite de Moçambique (asbestos cement products): technical assistance with the company's rehabilitation. ICM (ceramic products):

CDI support for European investors

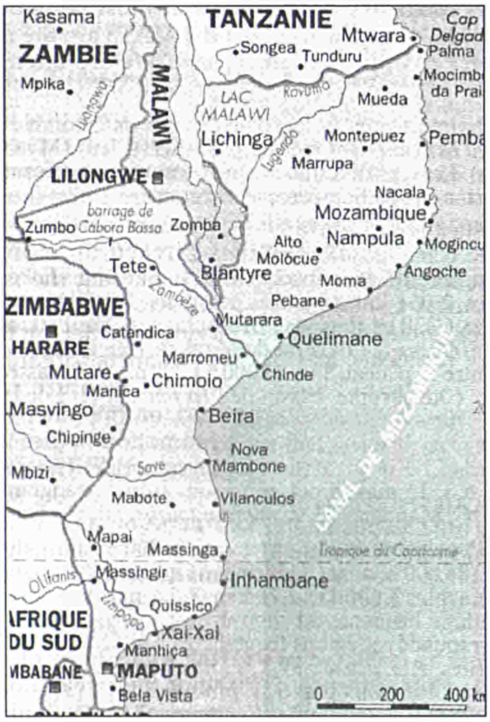
Provided that investments are over US$50,000, Mozambique allows direct foreign investors tax facilities and other incentives. The capital can be 100% foreign if it involves the use of advanced technologies or is essentially export-oriented. The CDI can help potential investors assemble financing dossiers in a form that can be presented to institutions such as the EIB, the World Bank or the AID, together with local subsidiaries of Portuguese, French and other financial institutions. Furthermore, the organization appointed as the local CDI antenna, the IDIL (National institute for the development of local industry), provides invaluable contacts with all the major players in the Mozambican economy.

TS IN MOZAMBIQUE

for institutional relations in Europe.

more, the Commission of the European Communities has framed a support programme for the country's industrial development, focusing on training, management assistance and the creation of industrial zones. In this context, the CDI is now cooperating with the Portuguese institutional investor ICEP (Investmento, Commercio e Turismo de Portugal) to prepare an inventory of industrial structures in Mozambique and, in particular, of privatization possibilities. Below is a brief review of the main opportunities offered to European industrialists, sector by sector, in the reconstruction of the country.

diagnostic and prefeasibility study.



TEXTILES AND GARMENTS

• Potential: various European firms have shown an interest in the development possibilities in this sector, particularly with regard to relocation of production.

• CDI interventions: global analysis of the sector. Interventions in course of preparation or already approved for spinning and weaving plants (Texlom, Texta'frica, Riopele) and factories producing garments and furnishing fabrics.

WOOD AND FURNITURE

• Potential: an activity as yet underdeveloped but offering major potential, given the country's forestry resources and the planned afforestation programmes.

• CDI interventions: local expertise in the ITM woodworking project in Beira and, in the light of the positive conclusions reached, economic and financial studies, market surveys and project start-up assistance.

METAL-WORKING AND ENGINEERING

• Background: the sector has eight main companies - large and medium-sized - based in Maputo. With very little product diversification, they mainly manufacture galvanized sheets, metal bars, steel tubes, truck bodywork sections, etc., and largely operate below capacity given raw material supply difficulties and technologically backward equipment.

• Potential: considerable, given the country's substantial iron ore and energy reserves (Cabora Bassa dam).

• CDI interventions: Cometal (manufacture of metal structures), Comec (iron fittings, locks, etc.) and Molaço (springs). Within the context of future privatizations, assistance is being studied for Mecangro, which is responsible for a large proportion of the maintenance of the country's agricultural machinery.

CHEMICALS

• Key products: soap, lubricants and plastic paints.

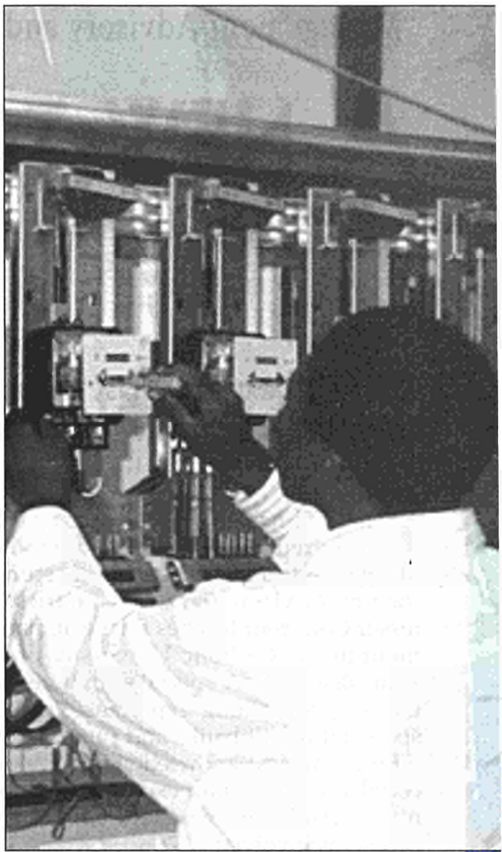
• CDI interventions: aid for the installation and start-up of the paint factory Tintas Cin de Moçambique.

* The interventions described in this article are often co-financed with the ICEP (Portugal) and constitute an illustrative and non-exhaustive list of companies in Mozambique receiving assistance from the CDI.

Information:

• In Brussels: Mr J. Borges, CDI Geographical Officer

• In Mozambique, the local CDI antenna: IDIL, Mr A. Bichinho, Av. 25 de Setembro 1509 - 1° Andar, PO Box 2132, Maputo.
Tel.: (258-1) 42 21 79, Fax: (258-1) 43 02 26



INAL: new products, new markets

The private company INAL (Industria Nacional de Precisão) in Maputo was formed in 1976, manufacturing clocks and watches which it used to sell to the COMECON countries. But with the recent upheaval in Central and Eastern Europe it lost this market and is therefore trying to diversify.

INAL submitted a request for assistance to the ICEP (Portugal) and the CDI for the installation of a production line to manufacture new high-quality measuring instruments adapted to suit the demand of regional African markets: category C electric meters and, shortly, a new category C water meter model. The CDI is assisting the company with staff training and installing and starting up the plant. The operation is being conducted in a partnership with the Portuguese firm Reguladora, a shareholder in INAL.

A NEW TOOL FOR ACP INDUSTRIA

With the creation of the first "Management Advisory and Technical Services Company" (MATS) imminent, it is a good time to take a look at this innovative new assistance instrument of CDI to ACP industrial promoters.

The CDI has given Professor Jean-Paul Couvreur the task of handling the legal and financial aspects of setting up the first MATS in the ACP countries. Professor Couvreur teaches financial management at the Catholic University of Louvain (Belgium). A specialist in investment matters, combining experience in the responsibilities of banks and finance houses with a practical knowledge of developing countries, he is in an excellent position to understand the financial and industrial problems involved.

■ **Partnership: The creation of MATS is one of the CDI's priority objectives. Now that the first of them is about to be officially created, in Burundi, could you explain exactly what this new concept involves?**

□ Prof. Couvreur: The expression "MATS" covers a complex reality: it applies to companies specializing in management assistance and the provision of services to firms in ACP countries. This assistance is aimed at giving companies concrete support in their creation, development and possible restructuring. The MATS represent not only greater decentralization or partial relocation of the CDI, but also a radical change in approach, in several ways: through a "physical" contact with the end user, the ACP industrialist, and above all because through these companies the CDI will be able to play a much more active role and ensure a better follow-up of the development of assisted companies. It will no longer be limited to action and assistance directed from Brussels. Given its geographical proximity to ACP operators, it will be much more involved in their practical problems, and in the effective application of the solutions proposed to them.

The CDI will now be close to ACP entrepreneurs, thanks to the Service Companies (photo: inside the Franco-Madagascan textile plant J. O. I. E., wich has benefited from CDI training assistance)

The Role of 'Orchestrator'

■ **What parties will be involved in the MATS and what improvements in efficiency can be hoped for compared to the present system of local CDI antennae ?**

□ It must be underlined first of all that the MATS are the missing piece in the jigsaw. We are often obliged to admit that praiseworthy efforts in carrying out studies and arranging financing do not always produce the expected results in so far as company development is concerned. The structure to be introduced will allow the different parties involved in the project to be linked up more effectively, with the CDI playing the role of catalyst and orchestrator. The Service Company will bring together, on the one hand, a number of financial organizations providing the capital (venture capital, subsidies, etc.) and, on the other hand, consultants, local promotion bodies and the CDI's European network. The geographical and human proximity of the structure will allow the operation as a whole to be orchestrated more harmoniously and efficiently, particularly with regard to implementation and follow-up.

The MATS that are planned will have the legal status of commercial companies with their shareholders being local commercial banks, national or regional development banks, investment companies and, possibly, chambers of commerce. This commercial form has been chosen in order to make managers as responsible as possible, obliged to present a balanced financial report every year. One of their tasks is to preserve the assets of the MATS, but of course the criteria for assessing the performance of the MATS are much broader. A financial balance is only one of the constraints, the main objectives being the creation, development and restructuring of companies. A set of indicators will therefore be used to evaluate the overall performances of company managers.

The CDI will make funds available to the MATS and, above all, will be responsible for their day-to-day management, via a management contract to be signed with the company.

■ **This innovative measure is the result of a number of experiments and analyses. Could you explain how the process has developed ?**

ISTS

Evaluation of a limestone deposit by Coosal's Construction Cy, in Trinidad & Tobago. This exercise was co-financed by the CDI, which has been developing a programme in this country to support the development of the non-metal minerals sector, regarded as a priority, for several years. Trinidad & Tobago now fulfils the conditions to have a service company of its own.

☐ It is based on a search for the weak links in the chain between assistance and industrialization: distance from decision-making centres, practical difficulties in setting up projects, insufficient follow-up during the implementation stage, the problems involved in restructuring, the need for better coordination of the different players concerned, etc.

It was the DEG, the German development finance organization, which blazed the trail through an initial experiment in Kenya, in which the CDI also participates: the Rehabilitation Advisory Service (RAS), which specializes in company rehabilitation. In the Comores in June 1992, the UNDP and the ILO set up the Private Sector Support Centre (CASP), a structure providing services to SMEs. In April 1993, the CDI co-financed a six-month assignment on the spot by an industrial expert who has already intervened in six local companies jointly selected by the CASP and the CDI. These first partial attempts allowed some practical lessons to be learnt. It is also interesting to note that reflections conducted in parallel led to very similar conclusions, especially by the International Finance Corporation, a subsidiary of the World Bank. The Corporation is currently trying to set up service companies in Central America which are similar in many ways to the MATS in their objectives and, above all, in their operating methods, since this initiative is also based on the creation of commercial-type companies.

Imminent Launch

■ **In your view, what are the prerequisites in a country for it to be able to lay the necessary foundations for the creation of a MATS ?**

☐ An applicant country must be able to demonstrate a certain political stability, liberalization of its economy and explicit support for the development of the private sector. Of course, there must also be a class of motivated local businessmen with their own funds and financial facilities. In the case of Burundi, for instance, where these factors all exist, the country's low level of industrialization also makes it necessary for a number of additional mechanisms offering support to entrepreneurs to be introduced at the same time, well upstream from the process, such as a "reception desk" for new promoters or training programmes for managers.

■ **Which countries are likely to be the first to have a service company ?**

☐ A pilot project is well under way in Burundi. All the essential preparatory stages have been completed and we have a number of first-rate partners who are interested. International investors will make financial facilities available to the company. This is the most advanced project, which should be inaugurated over the next few months, if not weeks*. A first approach has also been made in Trinidad & Tobago, on the occasion of a CDI mission there, which observed that the necessary conditions were fulfilled. It was able to sketch an initial outline of a local MATS (see Partnership No. 8, p. 5), since it must be emphasized that the exact functions assigned to the MATS vary according to the precise needs and the context of the different host countries.

In Burundi, for example, at sectoral level the company will have the more specific task of encouraging the establishment of businesses in the garment and agri-food industries. It will also take part in the promotion of the free zone and will help companies financed by banks that are shareholders in the MATS.

Synergies with Local Consultants

■ **Could one not reproach the future MATS for competing with genuine commercial companies of local consultants ?**

☐ This question needs a very clear answer. The aim is not to replace local experts or to create an additional firm of consultants in the countries concerned. On the contrary, it is to develop the activity of consultants on the spot by facilitating access to their services for the country's entrepreneurs. The role of the MATS will be to identify the most appropriate local consultants in the different specializations, to suggest them to companies that need their intervention, to finance this intervention if need be, to provide the follow-up and to ensure that the recommendations made are properly applied within the companies. This support from the MATS will in time allow these consultants to develop their activities and to attain a higher level of expertise and specialization. The local experts will also have a place within the MATS itself: its structure, fairly lightweight to begin with, is designed so that two of the three university level posts to be created are filled by nationals, in addition to the company's logistical and administrative team.

* This article went to press on 25.09.1993.

Mauritanian fishermen in Europe

Following the first professional meetings between Mauritanian and European fishing industrialists, organized by the CDI in Nouadhibou in December 1992, the Centre has been implementing a follow-up programme focusing on three main points:

• Preparation of a summary document on these meetings, intended for widescale circulation. It is now available free of charge from the CDI upon request.

• Publication of a guide providing all the necessary information for Mauritanian entrepreneurs in the fishing sector, and ACP entrepreneurs in general, wishing to find an outlet on the Community market. This guide is currently being finalized.

• Organization of a preparatory mission and business trip, this time to Europe, for eight Mauritanian professionals.

This trip took place from September 8th to 17th, 1993 in Lorient (France), where the "Pêche et Seapex" exhibition was being held, and in Barcelona (Spain). The entrepreneurs selected by the CDI were accompanied by twenty or so of their Mauritanian colleagues. The latter were invited and financed by the new trade association for the sector which has been created in Mauritania. The mission had three objectives.

• Taking the temperature of the European market, with its high demand, and familiarizing themselves with its commercial procedures and its processing and distribution methods. Apart from visiting many specialized companies, the delegation also looked at the auctions and fresh fish markets, wholesale systems which are unknown in Mauritania, where prices are largely determined by the authorities for frozen fish but already openly negotiable for fresh fish.

• Obtaining information on appropriate technologies in fishing, navigation and safety at sea. They purchased equipment, but above all made contacts with boatyards with a view to transferring the technology for manufacturing small polyester boats. They were also interested in lobster farms and the dissemination of long-line fishing techniques. A specialist in this method will soon be sent out by the CDI to teach the techniques in Mauritania.

Mauritanian fishermen take the temperature of the European market and familiarize themselves with its production and marketing methods.

• Consolidating the relations established with potential European partners and customers encountered at the Nouadhibou meeting, and making new contacts. An example of a tangible result: one of the main French companies specializing in fresh fish is to go to Mauritania in the near future to examine the possibilities of obtaining supplies from local sources. Spanish and Italian companies could also help find solutions to the transport problems faced by fresh fish exporters.

Contributions towards this particularly fruitful trip: ID-Mer and the CFD for the French trip and the ICEX and the Copca for the Spanish part.

Information:

• In Brussels: Mr Hamed Sow, CDI Geographical Officer for West Africa;

• In Mauritania, the CDI antenna: Mr Ch. Melainine, Bega-Consult, BP 938, Nouakchott. Tel & fax: (22 22) 53 003.

Partnership is a publication by the Centre for the Development of Industry (CDI), created under the ACP-EEC Lomé Convention.
Responsible editor:
Mr Paul Frix, Director of the CDI
Avenue Herrmann-Debroux, 52 B-1160 Brussels
Tel.: +32 2 679 18 11 - Fax: +32 2 675 26 03
Coordination:
K. MBayi, CDI Communication Officer
Editing and production:
European Service Network - Brussels
Tel.: +32 2 646 40 20 - Fax: +32 2 646 53 57
Layout: Made in V
Printing: Van Muysewinkel

In brief

■ **PORTUGAL.** At a press conference in Lisbon on September 13th last, attended by journalists from Portugal and Portuguese-speaking ACP countries, the CDI signed four assistance contracts for partnership projects between Portuguese and African companies:

• Mozambique: Texlom company (spinning and weaving), technical assistance and training. Portuguese partner (P.P.): GTM (Foncar and Coelima).

• Mozambique: Inal (water meters), technical assistance in starting up the production line. P.P.: Reguladora.

• Zimbabwe: EFACEC Motors Zimbabwe, a Portuguese company (manufacturers of motors and transformers), legal assistance. P. P.: EFACEC.

• Angola: Angolaves (poultry farming), technical assistance and training. P.P.: Agrocaramulo.

The contracts were signed by Mr P. Frix, Director of the CDI, Mrs Isabel Pinto Correia, President of the Fund for Economic Cooperation and Professor Athayde Marques, President of ICEP.

■ **FRANCE.** A cooperation agreement was signed on September 21st between the CDI and the ERAI (Entreprise Rhône-Alpes International), an institution responsible for the industrial promotion of the Rhône-Alpes region, which is very active in the field of industrial cooperation.

■ **BELGIUM.** On September 21st, an additional clause was added to the existing cooperation agreement between the CDI and the AGCD, to improve the conditions for joint assistance by the two institutions for projects in ACP countries involving Belgian partners.

■ **SPAIN.** A meeting introducing the CDI to Catalan industrialists took place in Barcelona on September 30th, organised by the Copca. In the afternoon, a technical sectoral meeting provided an opportunity for the CDI to meet leather professionals in Catalonia.

■ **MALI.** A CDI delegation comprising the Director, Mr P. Frix, and the CDI Geographical Officer for West Africa, Mr H. Sow, visited Mali from September 14th to 17th, where they were received by the President of the Republic, Mr Alpha Oumar Konaré, the Prime Minister, Mr Abdoulaye Sekou Sow, and four Ministers. They also met Malian entrepreneurs and visited local companies. The CDI is to provide technical assistance for several development aid programmes under way in this country. It is also considering the possibility of organizing a professional meeting for the gold-mining or agri-food sectors.

Operational Summary

No. 77 — November 1993

(position as at 3 November 1993)

EEC-MEDITERRANEAN
EEC-ACP
EEC-ALA
DEVELOPING COUNTRIES

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::

Mr. Franco Cupini
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

A1A Administrative buildings
A1B Economic planning and policy
A1C Assistance to the normal operations of government not falling under a different category
A1D Police and fire protection
A1E Collection and publication of statistics of all kinds, information and documentation
A1F Economic surveys, pre-investment studies
A1G Cartography, mapping, aerial photography
A1H Demography and manpower studies

A2 Development of public utilities

A2A Power production and distribution
A2Ai Electricity
A2B Water supply
A2C Communications
A2D Transport and navigation
A2E Meteorology
A2F Peaceful uses of atomic energy (non-power)

A3 Agriculture, fishing and forestry

A3A Agricultural production
A3B Service to agriculture
A3C Forestry
A3D Fishing and hunting
A3E Conservation and extension
A3F Agricultural storage
A3G Agricultural construction
A3H Home economics and nutrition
A3I Land and soil surveys

A4 Industry, mining and construction

A4A Extractive industries
A4Ai Petroleum and natural gas
A4B Manufacturing
A4C Engineering and construction
A4D Cottage industry and handicraft
A4E Productivity, including management, automation, accountancy, business, finance and investment
A4F Non-agricultural storage and warehousing
A4G Research in industrial technology

A5 Trade, banking, tourism and other services

A5A Agricultural development banks
A5B Industrial development banks
A5C Tourism, hotels and other tourist facilities
A5D Export promotion
A5E Trade, commerce and distribution
A5F Co-operatives (except agriculture and housing)
A5G Publishing, journalism, cinema, photography
A5H Other insurance and banking
A5I Archaeological conservation, game reserves

A6 Education

A6A Primary and secondary education
A6B University and higher technical institutes
A6Bi Medical
A6C Teacher training
A6Ci Agricultural training
A6D Vocational and technical training
A6E Educational administration
A6F Pure or general research
A6G Scientific documentation
A6H Research in the field of education or training
A6I Subsidiary services
A6J Colloquia, seminars, lectures, etc.

A7 Health

A7A Hospitals and clinics
A7B Maternal and child care
A7C Family planning and population-related research
A7D Other medical and dental services
A7E Public health administration
A7F Medical insurance programmes

A8 Social infrastructure and social welfare

A8A Housing, urban and rural
A8B Community development and facilities
A8C Environmental sanitation
A8D Labour
A8E Social welfare, social security and other social schemes
A8F Environmental protection
A8G Flood control
A8H Land settlement
A8I Cultural activities

A9 Multisector

A9A River development
A9B Regional development projects

A10 Unspecified

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

Rehabilitation national roads in the South-West region: Namibe-Serra da Leba section. Resp. Auth.: Ministry of Construction. 18.5 mECU. Road rehabilitation by int. tender (conditional). Supply of equipment and T.A. Project on appraisal. 6th and 7th EDF.
EDF ANG A2d

__Health project «After urgency».__ 15 mECU. T.A. to the Ministry of Health, supply of medecines, health projects in Luanda, fight against AIDS. Works, supplies, T.A. and training. Date financing September 93. 7th EDF.
EDF ANG 7007 A7

ANTIGUA AND BARBUDA

Livestock development. Phase II. Resp. Auth.: Ministry of Agriculture. 0.130 mECU. Supply of equipment. Project on appraisal. 7th EDF.
EDF AB 5003 (7001) A3a

BAHAMAS

Queens Highway, Long Island. Rehabilitation of the road. Estimated cost 4.800 mECU. EDF part 3.860 mECU. Works by acc. ★ tender. ***Date financing October 93.*** 7thEDF.
EDF BM 7001 A2d

BELIZE

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

Support programme to the health policy. Resp. Auth.: Ministère de la Santé. 11.846 mECU. Rehabilitation of the health infrastructure, supply of equipment, medicines and T.A. Project in execution. 7th EDF.
EDF BEN 7002 A7a

Structural Adjustment Programme — General Import Programme — II ★ **1993-1994.** 15.700 mECU. ***Date financing October 93.*** 7th EDF.
EDF BEN 7200 A1c

Construction works, Lot 1b Parakou-Djougou road. Km 65.000 – Km 136.634. Resp. Auth.: Ministère des Travaux Publics et des Transports. Estimated cost 16 mECU. Works, supervision, geotechnical control, follow-up and evaluation. Works by int. tender. Project on appraisal. Date foreseen ★ for financing ***November 93.*** 7th EDF.
EDF BEN 7004 A2d

__Beroubouay — Malanville road rehabilitation.__ Resp. Auth.: Ministère des Travaux Publics et des Transports. 29 mECU. Works, by int. tender. T.A. Date financing October 93. 7th EDF.
EDF BEN 6022/7001 A2d

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 — 4×4 pick-ups). T.A. and training. Project on appraisal. 6th EDF.
EDF BT 6026 A3e, A5i

__Wildlife conservation and utilization in Central and Southern Botswana.__ Resp. Auth.: DWNP. Estimated cost 6.4 mECU. Construction of buildings and staff houses, supply of equipments, T.A. and training. Project on appraisal. Date foreseen for financing December 93. 7th EDF.
EDF BT 6001/7001 A3e,A5i

BURKINA FASO

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 in execution. 5th and 7th EDF
EDF BK 6020 A2b, A3c

Douna Plain development. Resp. Auth.: Ministère de l'Agriculture et de l'Elevage. 2.050 mECU. EDF 2 mECU, local 0.050 mECU. Works, supplies, T.A. Project on appraisal. 7th EDF.
EDF BK 6005/7002 A3a

Electrification of 3 secondary urban centres. Resp. Auth.: SONABEL — Soc. Nat. d'Electr. 7.100 mECU. Power centre and distribution network in Diébougou, Kongussi, Nouna. Works, supplies and T.A. for supervision and control. Project in execution. 7th EDF.
EDF BK 7001 A2ai

Tougan — Ouahigouya — Mali border road. Resp. Auth.: Ministère des Travaux Publics. Modern earthroad. Supervision: short-list to be done. Estimated cost 18.5 m ECU. Project on appraisal. 6th and 7th EDF.
EDF BK 7004 A2d

Support programme to S.M.E's. Resp. Auth.: Ministère de l'Industrie, du Commerce et des Mines. 10.500 mECU. Investments, agencies, T.A. and training, line ★ of credit. ***Date financing October 93.*** 7th EDF.
EDF BK 7006 A4,A5

Support to the Structural Adjustment Programme. General Import Programme. 93-95. Hard currency allowance to import ACP and EC goods, with negative list. 38 mECU. T.A. for starting and follow-up. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF BK 7200 A1c

Sectoral Adjustment Programme — Agricultural — Livestock. Estimated cost 10 mECU. Works for production, supply of equipments, T.A., training. Date foreseen for financing October 93. 7th EDF.
EDF BK 7008 A3a

Sectoral Adjustment Programme — Agricultural — Cereals. Estimated cost 12.500 mECU. Support for institutional reform, works, supply of equipments, T.A., lines of credit. Project on appraisal. 7th EDF.
EDF BK 7009 A3a

Sectoral Adjustment Programme — Agricultural — Environment. Estimated cost 1.950 mECU. Soil map and inventory, soil management and T.A. Project on appraisal. 7th EDF.
EDF BK 7010 A3a

Project to place solar equipments in the Provinces of Sourou, Yatenga and Passoré. Resp. Auth.: Ministère de l'Eau. 2 mECU. Water supplies, works, wells, T.A. Project in execution. 7th EDF.
EDF BK 6001 A3a

Institutional Support to develop the Bagré region (610 ha). EDF part 2 mECU ★ for T.A. ***Date financing October 93.*** 7th EDF.
EDF BK 7011 A3a

Setting up cartographical schemes to manage the environment. Resp. Auth.: Ministère de l'Environnement et du Tourisme (MET). Direction Générale de l'Environnement (DGE). 1.950 mECU. This task will be carried out by local organisations. T.A. and evaluation by direct agree- ★ ment after restr. tender. ***Date financing September 93.*** 7th EDF.
EDF BK 7010 A1g

BURUNDI

Ruvubu Game Development. Resp. Auth.: Ministère de l'Aménagement, du Tourisme et de l'Environnement. 4 mECU. Supervision and management. Elimination of conflictual sources between the game and population. Make the game accessible to the tourism. Works, supplies, T.A., training and awareness-raising. Project on appraisal. 7th EDF.
EDF BU 6029 A5i

Support project for micro-entreprises. 10 m ECU. Support to prepare technical dossiers, management follow-up. T.A., training. Project on appraisal. 7th EDF.
EDF BU 7004 A4, A5

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: Saantui, 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. 6th EDF.
EDF CM 6012 A3a

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. Project in execution. 7th EDF.
EDF CM 7200 A1c

Support to the health services. Resp. Auth.: Ministère de la Santé Publique. 8.5 mECU. Works, supplies of medicines by int. tender, T.A. by restr. tender after pre-qualification. Project in execution. 6th and 7th EDF.
EDF CM 6030 (7004) A7e

Road maintenance programme. Resp. Auth.: Ministère des Travaux Publics. 22.5 mECU. Maintenance in 3 regions: Tikar plain, Ayos-Bertona, Yaundé. Project in execution. 7th EDF.
EDF CM 6031 (7005) A2d

Integrated rural development programme in the North-East and North-West Bononé regions. *Resp. Auth.: Ministère du Plan et de l'Aménagement du Territoire. Estimated cost 13.650 mECU. Works, equipments, T.A., training. Project on appraisal. 7th EDF.*
EDF CM 6002/7001 A3a

Development of the Mandara Mounts region. *Resp. Auth.: Mission de Développement Intégré des Monts Mandara (MIDIMA). 9 mECU. Works, supply of equipments, T.A. evaluation, studies. Project on appraisal. Date foreseen for financing December 93. 7th EDF.*
EDF CM 6026 A3a

CAPE VERDE

Water distribution and sanitation in Praia. *Resp. Auth.: Ministère des Infrastructures et Transports. Direction Générale de l'Aménagement du Territoire et de l'Environnement. 7 mECU. Works and works supervision. Date financing October 93. 7th EDF.*
EDF CV 6001/7002 A2b, A8c

Development of an industrial zone in Praia. *Resp. Auth.: Ministères des Infrastructures et transports. Estimated cost 1.290 mECU. Roads, electricity and telephone network and sanitation. Work supervision. Project on appraisal. 7th EDF.*
EDF CV 7002 A2, A8

CENTRAL AFRICAN REPUBLIC

North Region development programme. Phase II. Resp. Auth.: Ministère de l'Economie, du Plan, des Statistiques et de la Coopération Internationale — Ministère des Eaux, Forêts, Chasse, Pêche et Tourisme (M.E.F.C.P.T.). 16 mECU. Works, supplies and T.A. Works by direct labour, supplies by int. tender, T.A. by restr. tender after prequalification. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF CA 6002/7002 A3a

COMOROS

Seed, support and market-garden development. Resp. Auth.: Ministère de l'Agriculture. Total estimated cost 5.650 mECU. EDF 5.5 mECU, local 0.150 mECU. Production of improved vegetable material. Rural development actions, infrastructures, training teams. Works, supplies and T.A. Project on appraisal. 7th EDF.
EDF COM 5002(7001) A3a

Line of credit for SMEs. Resp. Auth.: Banque de Développement des Comores, 1
★ mECU. Small loans for farmers. ***Date financing October 93.*** 7th EDF.
EDF COM 7002 A5b

Micro-projects. Estimated total cost 3.4 mECU, EDF 2.5 mECU, local 0.4 mECU, local communities 0.5 mECU. Warehouses, rural hydraulic and electrification, health, education, works, supplies, T.A. Project on appraisal. 7th EDF.
EDF COM 7102 A3a

Support to the Structural Adjustment Programme. General Import Programme. 93-95. Hard currency allowance to import ACP and EC goods, with negative list. 5.500 mECU. T.A. for starting and follow-up. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF COM 7200 A1c

Sea-access to the Moheli island. Resp. Auth.: Ministère de l'Equipement — Direction Générale des Travaux Publics. 3.250 mECU. Works, by int. tender. T.A. for further investigations, tender dossier and works supervision. Project on appraisal. 7th EDF.
EDF COM 6006/7003 A2d

CHAD

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 done. Project in execution. 7th EDF
EDF CD 6001 (7003) A2d

Cotton rural roads maintenance. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 7 mECU. Rehabilitation works and supervision. Project on appraisal. 7th EDF.
EDF CD 7004 A2d

Rural hydraulics programme in the concentration zone. Resp. Auth.: Ministère des Mines, Energie, Ressources en Eau. Estimated total cost 8.509 mECU. EDF part 8.300 mECU. Drillings, wells, hand-pumps, solar pump, T.A. Works, supplies and T.A., follow-up, works supervision. Project on appraisal. Date foreseen for financing October 93. 7th EDF.
EDF CD 7003 A2b

CONGO

Support to the private sector and S.M.E.'s promotion. Resp. Auth.: National Authorizing officer, Ministère for SME, EEC delegation, Associations. 10 mECU. Lines of credit, development, promotion, viability of micro — small and medium entreprises. T.A., supplies and line of credit. Project in execution. 6th and 7th EDF.
EDF COB 6005/7001 A4, A5

Support to the anticipated general elections. 0.200 mECU. Contribution for the printing of ballot papers. Imprimerie Nationale and Imprimerie des Armées. Project on appraisal. 7th EDF.
EDF COB 7004 A1c

Support to the Health Development National Programme. Resp. Auth.: Ministère de la Santé. Estimated cost 10 mECU. Construction and rehabilitation works, T.A., training, supply of equipments and medicines. Project on appraisal. Date foreseen for financing October 93. 7th EDF.
EDF COB 7005 A7

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. 6th EDF.
EDF IVC 6009 A3a

Health sector support programme. 11.2 mECU. Strengthening basic care, correcting balances between regions and support to decentralization. Project in execution. 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. 7th EDF.
EDF IVC 7002 A8a, b

Research — development programme for market gardening, agro-forestry and fruit-trees sectors. Resp. Auth.: Ministère de l'Enseignement Supérieur et de la Recherche Scientifique and IDESSA-IDEFOR/DFO and IDEFOR/DFA. Ministère de l'Agriculture. 8.760 mECU. Supplies and T.A. Project on appraisal. 7th EDF.
EDF IVC 7003 A6f, A6c, i

Forest settlement programme in the Urumbo-Boka sector. Estimated cost 9 mECU. Rehabilitation and conservation of 7 forests. Project on appraisal. 7th EDF.
EDF IVC 7006 A3c, A8f

Wholesale market in Bouake. Estimated cost 10 mECU. Market construction and installation and starting. Works and T.A. Project on appraisal. 7th EDF.
EDF IVC 6009(7) A5c

Support to the Structural Adjustment Programme. Phase II. *18.5 mECU. Date financing October 93. 7th EDF.*
EDF IVC 7200 A1c

DJIBOUTI

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 equipment, studies, T.A. Project on appraisal. 7th EDF.
EDF DI 6008 A3a

Health training programme. Resp. Auth.: Ministère de la Santé Publique et des Affaires Sociales. 0.750 mECU. T.A., scholar-ships, seminars, training. Project on appraisal. 7th EDF.
EDF DI 7101/002 A7e

DOMINICAN REPUBLIC

Integrated rural development project in the NOROESTE (PROLINO). Resp. Auth.: Ministry of Agriculture. EDF 23.61 mECU. Building of earth-dams, infrastructure, supply of equipment, T.A. and lines of credit. Project in execution. 7th EDF.
EDF DO 7006 A3a

Integrated programme to develop primary education at local level. Resp. Auth.: Secretaría de Estado de Educación, Bellas Artes y Cultos (SEEBAC). Total cost 8 mECU. EDF 7 mECU, local 1 mECU. Buildings, equipment, T.A. Works by direct labour or acc. proc., the equipment will be purchased locally. T.A.; short-list done. Project in execution. 7th EDF.
EDF DO 7007 A6a

Integrated health programme in the south-east. Resp. Auth.: Secretaría de Estado de Salud Pública y Asistencia Social (SESPAS). Total cost 9.8 mECU. EDF 8.8 mECU, local 1 mECU. Physical health infrastructure by direct labour or acc. proc., health materials and equipment by int. tender, training, health education, T.A. Project in execution. 7th EDF.
EDF DO 7008 A7a,b,c,e

Sectoral Import Programme for petroleum products. Phase II. Resp. Auth.: Refineria Dominicana de Petroleo S.A. 9.500 mECU. Purchase of petroleum products, T.A. for follow-up and evaluation. ★ ***Date financing October 93.*** 7th EDF.
EDF DO 7200/001 A4ai

Geological and mining development programme. *23 mECU. Studies, programmes managements, works, T.A. and evaluation. Project on appraisal. Date foreseen for financing December 93. 7th EDF.*
EDF DO SYS 9999 A4a,e

Hydroelectric project «Los Toros». *Construction of an hydroelectric power station. Civil works, supply of electromechanical and hydromechanical equipment. Capacity 9.2 Mw. Annual output 57.27 Gwh. Estimated cost 25.4 mECU. Project on appraisal. 7th EDF.*
EDF DO 7005 A2ai

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. 6th EDF.
EDF EG 6001 A3c, e, i

Rural development programme in the South-East. Resp. Auth.: Ministère de l'Agriculture. 4.500 mECU. Works, supplies and T.A. Project in execution. 7th EDF.
EDF EG 6005 (7001) A3a

ETHIOPIA

Small Scale irrigation in the Western Lowlands of Eritrea. Resp. Auth.: Department of Agriculture. Estimated cost 1.690 mECU. Rehabilitation works, supply of drinking water, agricultural inputs, T.A. Project in execution. 7th EDF.
EDF ET 7255 A3a

AFAR Rural Development. To improve living conditions. Human health facilities, better animal disease control programmes, ★ microprojects programmes. T.A. ***Projet en exécution.*** 7th EDF.
EDF ET 7004 A3a

Structural Adjustment Support Programme. General Import Programme. Hard currency allowance to the Central Bank. 75 mECU. T.A. for counterpart funds, social policy and G.I.P. follow-up. Project on appraisal. Date foreseen for financing October 93. 7th EDF.
EDF ET 7200 A1c

Strengthening of water supply and sanitation in Addis Ababa. *Resp. Auth.: Addis Ababa Water Supply and Sewerage Authority. Estimated cost 1.990 mECU. Supply of metering and control equipment. T.A. and consultancies. Project on appraisal. 7th EDF.*
EDF ET 5006/7 A2b,A8c

FIJI

Construction of 2 bridges (Sigatoka, Ba). Resp. Auth.: Public Works Dept. Estimated total cost 11.060 mECU. EDF 9 mECU, local 2.060 mECU. Bridge reconstruction after cyclone Kina. Study to revise drawings: short-list done. Project on appraisal. 7th EDF.
EDF FIJ 7002 A2d

Vunidawa and Korovou bridges construction. Resp. Auth.: Public Works Dept. 1.135 mECU. Drawings and construction of Korovou bridge, deck construction for Vunidawa bridge. Project on appraisal. 7th EDF.
EDF FIJ 7002 A2d

GABON

Support for rehabilitation of the national health system. *Resp. Auth.: Ministère de la Santé Publique et de la Population. 11 mECU. Supply of equipments, essential medicines, T.A. and training, evaluation. Project on appraisal. Date foreseen for financing November 93. 7th EDF.*
EDF GA 7002 A7

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

Structural Adjustment Support Programme – General Import Programme 1993. 4.200 mECU. Hard currency allow- ★ ance. ***Date financing October 93.*** 7th EDF.
EDF GM 7200/001 A1c

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

Third microprojects programme. ★ **(Lomé III).** ***EDF 18.500 mECU*** Construction of schools, clinics, wells, sanitation facilities, markets. T.A. Project on appraisal. 6th EDF.
EDF GH 6102 A6, A7, A8

Structural Adjustment Programme. General Import Programme. 1993. Hard currency allowance to import ACP and EEC goods. There is a negative list of items not eligible (military-luxury and environmentally hazardous products). 29 mECU. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF GH 7200 A1c

Human resources development programme. *5 mECU. Supply of equipments. T.A. and evaluation. Project on appraisal. 7th EDF.*
EDF GH 7003 A6

Small and Medium Enterprises Development Programme. *Assistance in the preparation of business development plans. Financial contribution to the Ghana Venture Capital Fund. 4.8 mECU. Date financing October 93. 7th EDF.*
EDF GH 7004 A5b,e

GRENADA

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

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 (teachers national schools, primary schools). Water points. Work, supervision. Project in execution. 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 roads 50 mECU. Works, supervision, several T.A. Project in execution. 7th EDF
EDF GUI 6021 (7003) A2d

Rural Development Programme — Western Upper Guinea. Resp. Auth.: Ministère de l'Agriculture et des Ressources Animales. 15 mECU. Cotton, crop, stock-farming, rice-growing, bee-keeping, draught farming, market-garden, rural credit, processing, feederroads, Works, supplies, line of credit. Project in execution. 7th EDF
EDF GUI 6002 (7004) A3a

Agricultural Programme in «Guinée Maritime» (PAGM) II. Resp. Auth.: Ministère de l'Agriculture et des Ressources Animales. 15 mECU. Infrastructural works, supply of agricultural inputs, equipments, ★ T.A. and training. Project on appraisal. ***Date foreseen for financing December 93.*** 7th EDF.
EDF GUI 6001 (7) A3a

Development of the secondary towns. Resp. Auth.: Ministère de l'Aménagement du Territoire. Estimated cost 7 mECU. Buildings, market, railway stations, roads, T.A. and training, management, work supervision, supply of equipments. Project on appraisal. 7th EDF.
EDF GUI 7008 A8a,b

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. 11 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. Project in execution. 6th and 7th EDF.
EDF GUB 6013 (PRI) A7, A8

Farim bridge construction. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 11 mECU. Bridge over Cacheu river. Works and supervision. Project on appraisal. 7th EDF.
EDF GUB 7006 A2d

Cultural actions promotion programme. Resp. Auth.: Secrétariat d'Etat à la Culture et à l'Information and EEC Delegation in Bissau. 1.650 mECU. Safeguard of the cultural heritage, training, manifes-★ tations, studies. ***Date financing September 93.*** 7th EDF.
EDF GUB 7008 A5g,i

General Import Programme. 8 mECU. Hard currency allowance. T.A. foreseen. Project on appraisal. 7th EDF.
EDF GUB 7200 A1c

GUYANA

Sea defence programme. Resp. Auth.: Hydraulic Division. 12 mECU. Rehabilitation of 11 km of sea defences, procurement of materials and equipment. T.A. and training. Project on appraisal. 7th EDF.
EDF GUA 6003 (7001) A8g

Immediate action programme for the Demerara Harbour Bridge. Resp. Auth.: Ministry of Finance. 3 mECU. Works, supplies, T.A. and training. Project on appraisal. 7th EDF.
EDF GUA 6011 (7002) A2d

New Amsterdam water supply. Resp. Auth.: Ministry of Finance. 4.5 mECU. Construction of the ring main system, reservoir, supplies T.A. and training. Project on appraisal. Date foreseen for financing October 93. 7th EDF.
EDF GUA 6012 (7003) A2b

JAMAICA

Credit scheme for micro and small enterprises. Resp. Auth.: Planning Institute of Jamaica. Implementation by Apex Institution and Coordination and Monitoring Unit. 7 mECU. Line of credit, T.A. and evaluation. Project on appraisal. Date foreseen for financing **2nd half 93.** 5th, 6th and 7th EDF.
EDF JM 5020 A4,A5

Water Supply, sewerage, institutional strenghtening programme. Resp. Auth.: National Water Commission (NWC). Estimated cost 18 mECU. Works, supplies and T.A. Project on appraisal. 7th EDF.
EDF JM 7005 A8a,b,c

KENYA

Revival and Development of the Swahili Culture. Resp. Auth.: Ministry of Home Affairs and National Heritage. National Museums of Kenya (N.M.K.). 1.990 mECU. Safeguarding, acquisition and restoration, supply of equipment, T.A. Project in execution. 7th EDF.
EDF KE 7004 A5i

AIDS/STD Control in Kenya. Renovation and extension of the STD referral clinic in Nairobi. *0.385 mECU. Date financing October 93. 7th EDF.*
EDF KE 0/8000 A7

MADAGASCAR

Kamolandy bridge reconstruction. Resp. Auth.: Ministère des Travaux Publics. 1.540 mECU. Submersible-type bridge. Project on appraisal. 6th EDF.
EDF MAG 6027 A2d

Renovation of provincial airports. *Cofinancing with France. EDF 16.4 mECU. Works, equipment and supervision. Project on appraisal. Date foreseen for financing November 93. 6th EDF.*
EDF MAG 6016 A2d

Improvement of the agriculture and fishing in the Far South. *Resp. Auth.: Ministère d'Etat, du Développement Rural. Estimated cost 1.900 mECU. Works, supplies, study, T.A. and evaluation. Project on appraisal. 7th EDF.*
EDF MAG 7003 A3a

Road infrastructure rehabilitation. *Resp. Auth.: Ministère des Travaux Publics. Estimation 70.850 mECU. Rehabilitation works, supervision. Project on appraisal. 6th and 7th EDF.*
EDF MAG 7004 A2d

MALAWI

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. First part for 1st half: 1.998 mECU. Project in execution. 7th EDF.
EDF MAI 7255 A6, 7, 8

AIDS prevention programme Phase II. Resp. Auth.: Ministry of Health. 1.200 m ECU. Supply of information material, labo-★ ratory equipment, T.A. and training. ***Project in execution.*** 7th EDF
EDF MAI 7001 A7

Structural Adjustment Facility (SAF) — General Import Programme. *Resp. Auth.: Reserve Bank of Malawi. 30.6 mECU. Hard currency allowance to import ACP and EC goods, with negative list. T.A. for management and audit purposes. Project on appraisal. 7th EDF.*
EDF MAI 7200 A1c

MALI

Health programme and population. Resp. Auth.: Ministère de la Santé Publique. Estimated total cost 50 mECU. EDF 10 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). ***Date financing October 93.*** 7th EDF.
EDF MLI 7002 A7

Support to the Structural Adjustment Programme. General Import Programme. 93-94. Hard currency allowance to import ACP and EC goods, with negative list. 26.250 mECU. T.A. to improve efficacity of the taxes and incomes department. Project in execution. 6th and 7th EDF.
EDF MLI 7200 A1c

Fight against erosion around the road Bandiagara-Dourou. Dogon region. Estimated cost 0.900 mECU. Resp. Auth.: Commandant de Cercle de Bandiagara. Works by direct labour, T.A. by Association Française des Volontaires du Progrès (AFVP). Project on appraisal. 7th EDF.
EDF MLI 6001/003/7 A3i

Support to develop rural credit. Resp. Auth.: Banque Nationale de Développement Agricole. BNDA. EDF part 1.910 mECU. T.A. and line of credit, training. Project on appraisal. 7th EDF.
EDF MLI 6001/002 A5a

Fight against silting up and development of forest resources in the Northern regions. Resp. Auth.: Ministère de l'Environnement – Direction Nationale des Eaux et Forêts. Estimated cost 6.810 mECU. Infrastructural works, forest and trees, supplies, follow-up and training. Project on appraisal. Date foreseen for financing October 93. 7th EDF.
EDF MLI 6001/001 A3a

Strenghtening of hydraulic village infractructures in the Bankass and Koro Cercles in the 5th region. *Resp. Auth.: Ministère des Mines, de l'Energie et de l'Hydraulique. Direction Nationale de l'Hydraulique et de l'Energie (DNHE). 1.989 mECU. Drilling works by acc. tender. Supply and installation of hand pumps. T.A. and follow up. Project on appraisal. 7th EDF.*
EDF MLI 6005/001 A2b

Development of secondary towns in the 4th and 5th regions. *Resp. Auth.: Ministère de l'Administration Territorial et de la Décentralisation. 5 mECU. Water supply in 3 towns, sewage works, markets, schools, waste collect systems in 6 towns. Works by acc. tenders. Supply of equipments and T.A. Project on appraisal. Date foreseen for financing December 93. 7th EDF.*
EDF MLI 7008 A2b

Programme for the reception of 70 solar pumps. *Resp. Auth.: DNHE. 2.9 mECU. Works by acc. tenders. Supply of equipments and T.A. Project on appraisal. Date foreseen for financing December 93. 7th EDF.*
EDF MLI 7011 A2b

MAURITANIA

Support for the structural adjustment programmes. General Import Programme. Hard currencies allowance to purchase EEC and ACP goods with negative list. 18 mECU. T.A. foreseen for implementation of the G.I.P. Project in execution. 7th EDF.
EDF MAU 7200 A1c

Second Road Programme. Resp. Auth.: Ministère des Travaux Publics. 7.350 mECU. Supply of equipment and materials by int. tender. Studies, auditing, T.A. and training. Date foreseen for financing 2nd half 93. 7th EDF.
EDF MAU 6004-7004 A2d

MAURITIUS

West Coast Irrigation Project. *Resp. Auth.: Irrigation Authority. 7 mECU. Improvement of the water intake structures at Magenta dam. Rehabilitation of the Magenta canal. Works and supply of equipments by int. tender. Project on appraisal. Date foreseen for financing December 93. 7th EDF.*
EDF MAS 6013 A3c

MOZAMBIQUE

Structural Adjustment Support Programme. General Import Programme. Resp. Auth.: Ministères du Commerce et des Finances. 54.7 mECU. hard currency allowance to import ACP and EEC goods. There is a negative list of items not eligible (military-luxury and environmentally hazardous products). T.A. for management, follow up and evaluation. Project in execution. 7th EDF.
EDF MOZ 7200 A1c

Training for railway staff. Phase II. T.A. for the regional School at Inhambane and the provincial centres of railway training. 20 mECU. T.A. and supply of equipment. Project on appraisal. 7th EDF.
EDF MOZ-REG 6409 A2d, A6d

Support for the rural health sector. 15.390 m ECU. Assistance to populations, assistance for mutilated and disabled war victimes. Management by existing N.G.O.'s. Project in execution. 7th EDF
EDF MOZ 7255 A7

Support for road rehabilitation and water supply. Resp. Auth.: Ministère de la Construction et de l'Eau. Direction Nationale des Routes et des Ponts (DNEP) and Direction Nationale de l'Eau (DNA). 10 m ECU. Works and supplies. T.A. Project in execution. 7th EDF
EDF MOZ 7005 A2d

Reinstatement of displaced, refugee and demobilized people. 11 m ECU. For about 108,000 families. Supply of T.A., workshops, tools, building materials and equipments, 'Kits' for S.M.E's, agricultural tools, seeds. Project in execution. 7th EDF
EDF MOZ 7006 A3a

Support to the students in eastern countries. *Resp. Auth.: O.I.M. Organisation Internationale pour les Migrations. 1.950 mECU. Project on appraisal. 7th EDF.*
EDF MOZ 7101/002 A6i

NAMIBIA

Support programme for the mining sector. Resp. Auth.: Ministry of Mines and Energy. Day-to-day administration by the Industrial Development Corporation. 40 mECU. Mine development, expansion, drillings, tiling plant, recuperations, small scale mining. Works and supplies by int. tender. T.A. and training. Project in execution. 7th EDF.
EDF NAM SYS 9999 A4a

Institutional support for the Ministry of Agriculture, Water and Rural Development. Resp. Auth.: Ministry of Agriculture, Water and Rural Development. 1.3 mECU. T.A. for agricultural planning and marketing and production economics. Project on appraisal. 7th EDF.
EDF NAM 7003 A1c

Namibia Integrated Health Programme. Resp. Auth.: Ministry of Health and Social Services. 13.500 mECU. Infrastructures, equipment, training and T.A. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF NAM 7007 A7

Upgrading and rehabilitation of primary school physical facilities in rural areas. Resp. Auth.: Ministry of Education and Culture. 1.800 mECU. Construction, equipements, T.A. for supervision, evaluation. Project in execution. 7th EDF.
EDF NAM 7008 A6a

Expansion of NBC transmitter network and production facilities for educational broadcasting. *Resp. Auth.: Namibian Broadcasting Corporation. Estimated total cost 5.7 mECU. EDF 5 mECU, local 0.700 mECU. Works, supply of equipments, technical training and technical consultances. Project on appraisal. 7th EDF.*
EDF NAM 7005 A6i

Rural Development Support Programme for the Northern Communal Areas. *Resp. Auth.: Ministry of Agriculture, Water and Rural Development. 7.7 mECU. Strengthening of the agricultural extension service, training of extension officiers and establishment of a rural credit system. Supply of office equipment, vehicles, agricultural inputs, T.A., training, evaluation. Project on appraisal. 7th EDF.*
EDF NAM 7011 A3a

NIGER

Sectoral Import Programme for medical supplies and inputs for the productive system. Resp. Auth.: Ministère de Finances et du Plan. 23 m ECU. Hard currency allowance to finance imports. T.A. Project in execution. 7th EDF
EDF NIR 7002 A1c

Small-scale Irrigation in the Tarka Lower Valley (Phase II). Resp. Auth.: Ministère de l'Agriculture et de l'Elevage. 16 m ECU. Irrigation works, infrastructure, environment, supply of equipment and T.A. Project in execution. 7th EDF
EDF 6002/7001 A3a

Sanitation of the Agadez Town. 1.600 mECU. Sanitation works, interception and drainage canals, supervision works by acc. tender. Supervision by a local consultant. ***Date financing September 93.*** 7th EDF.
★ EDF NIR 7006 A8b

Small-scale irrigation in the South Zinder. *Resp. Auth.: Ministère de l'Agriculture et de l'Elevage. 1.750 mECU. Works, supplies, training. Project on appraisal. 7th EDF.*
EDF NIR 7009 A3c

Vocational and technical training project (NIGETECH). *Resp. Auth.: Ministère de Finances et du Plan. 3.8 mECU. Seminars, scolar-ships, trainer training, T.A. Project on appraisal. 7th EDF.*
EDF NIR 7101 A6d

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. 7th EDF.
EDF UNI 7200 A1c

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 repair work, supply of book, and scientific journals, equipment, T.A. and training. Project in execution. 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 in execution. 7th EDF
EDF UNI 7005 A3a

Urgent assistance for the News Agency of Nigeria (N.A.N.) Resp. Auth.: N.A.N. 1.300 mECU. Repair-reconstruction of N.A.N. communication building, procurement — installation of new telecommunication equipments. Works, supplies and T.A. Project in execution. 7th EDF.
EDF UNI 7007 A5g

NITEL Maintenance training programme. Resp. Auth.: Nigerian Telecommunications. 10.5 mECU. Rehabilitation works, supply of equipment, T.A. and training. Project in execution. 7th EDF.
EDF UNI 7008 (6004) A2c

PAPUA NEW GUINEA

Third Structural Adjustment Programme. General Import Programme. 8.5 m ECU. Same as 2nd programme. Project in execution. 7th EDF
EDF PNG 7201 A1c

Human resources development programme. Resp. Auth.: National Dept. of Education (NDOE) and Commission for Higher Education (CHE). 15 mECU. Works: building renovation, university construction, rehabilitation works, works supervision, scholarships, training. Works for the university by int. tender. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF PNG 6008/7001 A6a,b

Ramu road improvement. Resp. Auth.: Department of works. Estimated cost 17 mECU. Upgrading of 73 Km of the Ramu highway (Pompuquato bridge to Usino junction) from the present gravel pavement to a bituminous sealed pavement and associated bridge works. Works and supervision. Design study: short-list done. Project on appraisal. 6th EDF.
EDF PNG 6017 A2d

Environmental Monitoring of Mining. *Resp. Auth.: Dept. of the Environment and Conservation. EDF 1.4 mECU. T.A. for 30 man/months and technical consultancies. Training. Project on appraisal. 7th EDF*
EDF PNG 7001 A4a

RWANDA

Institutional Support. Resp. Auth.: Ministère du Plan. 3.5 mECU. T.A. by 4 experts for 4 years to strengthen administration capacities to implement Lomé IV. Project in execution. 7th EDF.
EDF RW 7001 A1f

Drinking water supply in the Bugesera East. Resp. Auth.: Ministère de Travaux Publics. 9.920 mECU. Pumps, treatment, tanks, renovation existing network. Works, supplies and supervision.

Works: int. tender already launched. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF RW 6007 (7002) A2b

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

SAO TOME & PRINCIPE

Sectoral Import Programme for Structural Adjustment Support. Resp. auth.: Secrétariat d'Etat à la Coopération — Délégation de la Commission à Libreville et Antenne de la Commission à Sao Tomé. 1.5 mECU. Medical supplies, school equipment, foods and T.A. Project in execution. 7th EDF.
EDF STP 7200 A1c

Improvement of the port. *0.450 mECU. Works and supervision. Date financing October 93. 7th EDF.*
EDF STP-REG 6202/001 A2d

SENEGAL

St-Louis regional development programme. 22.5 mECU. Jobs creation, lines of credit, T.A. to the S.M.E's, training, studies. Health centres, clinics, medical equipments and consumables, training, information. T.A. to the Direction Régionale in St-Louis and to the Service des Grandes Endémies in Podor. Drainage network, sanitation. Environmental protection with wind-breaks. T.A. Study of a water-engineering scheme in Podor. Works by acc. tender. Supplies by int. tender. T.A. by restr. tender. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF SE 6002/7002 A3a

Support to the national programme to fight AIDS. Phase II. Resp. Auth.: Comité National de Lutte contre le sida. CNLS. 1.700 mECU. Works, rehabilitation, supply of equipment, T.A., management, training. Project in execution. 7th EDF.
EDF SE 7003 A7

SEYCHELLES

Assistance to small industry. Resp. Auth.: Ministère de l'Industrie. 1 mECU. T.A. et formation. Project in execution. 7th EDF.
EDF SEY 6003/7001 A4d

Line of credit. Resp. Auth.: Department of Industry. 0.250 mECU. For handicraft and small industry projects. Project in execution. 7th EDF.
EDF SEY 6003/7002 A4d

SIERRA LEONE

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. 14.3 mECU. Construction of stores, rehabilitation of feeder roads, vehicles, agricultural inputs, materials, T.A. for project management, training. Project in execution. 7th EDF.
EDF SL 7001 A3a

Electricity Sector rehabilitation project. Resp. Auth.: National Power Authority. Estimated total cost 52 mECU. EDF 10 mECU, E.I.B. 15.5 mECU, World Bank 17.5 mECU, local 3 mECU, Japan 6 mECU. EDF part: rehabilitation of the distribution network. Works, supply of equipments and T.A. for supervision. Project on appraisal. 6th EDF.
EDF SL 6005 A2ai

Support to the Accountant General's Department. Ministry of Finance. 1.900 mECU. Supply of computing and office equipment. Training. T.A.: contract awarded. Project in execution. 7th EDF.
EDF SC 6011/7002 A1c

Rural water supply and sanitation. Estimated cost 7 mECU. Wells rehabilitation, water points, equipments and T.A. Project on appraisal. Date foreseen for financing October 93. 7th EDF.
EDF SL 5001/7 A2b, A8c

SOLOMON ISLANDS

Rural fishing entreprises project – Phase II. *Total cost estimated 1.630 mECU. EDF 1.5 mECU, local 0.130 mECU. Construction works, fishing and office equipments and T.A. for project coordinator. Project on appraisal. 7th EDF.*
EDF SOL 6010/001 A3a

Cyclone Nina Rehabilitation Programme. *Resp. Auth.: Ministres of Transport, Work, and utilities, Agriculture, National Resources and Education and Human Resources development and the EC delegation. 1 mECU. Rehabilitation of roads and public schools. Date financing October 93. 7th EDF*
EDF SOL 7002 A8g

SURINAME

Rehabilitation Road Section Jenny – Ingikondre. Resp. Auth.: Ministry of Public Works. 4.5 mECU. New asphalt surfacing on 37 km and ancillary works. T.A. for supervision and tender dossier preparation. Works: acc. tender (conditional) launched. ★ Opening 27.1.93. ***Date foreseen for financing November 93.*** 5th EDF.
EDF SUR 5011 A2d

SWAZILAND

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

Institutional Strengthening of Government's Central Agencies. 5 mECU. To achieve an appropriate level of institutional planning and management capacity in the central ministeries. Three T.A. for 4 years under 'link' arrangement with a European Public Administration training institution. Fellowships. Project in execution. 7th EDF.
EDF SW 5019/7003 A6c

VOCTIM – Phase II. *Resp. Auth.: Ministry of Works and VOCTIM. (Vocational and commercial Training Institute Matsapha). 1.100 mECU. Construction and equipment of buildings and staff houses. Date financing October 93 — 7th EDF.*
EDF SW 5006/001 A6b

TANZANIA

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 Programme – General Import Programme. Phase II. Resp. Auth.: Central Bank of Tanzania. 55 mECU. Import of goods in the context of Tanzania's open general licence system, subject to a negative list. T.A. Project in execution. 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 equipment and T.A. Project on appraisal. 7th EDF.
EDF TA 08000/000 (7001) A7c

Serengeti Conservation and Development project. Resp. Auth.: Ministry of Tourism, Nat. Resources and Envir. 9 mECU. Road and water supply rehabilitation, supply ★ of equipments, studies and T.A. ***Date financing October 93.*** 7th EDF.
EDF TA 7002 A3a

Mwanza-Nyanguge Road Rehabilitation. Resp. Auth.: Ministry of Transports and Communications. Estimated cost 35 mECU. Rehabilitation of 62 Km of trunk roads (Nyanguge-Mwanza and Mwanza airport) and rehabilitation of Mwanza sewerage system (main works). Design study ongoing. Project on appraisal. 7th EDF.
EDF TA 6021 A2d

Training and Training Institutions support project. Training materials, equipments, training, University Twinning. ★ T.A. ***Date financing October 93.*** 7.1 mECU. 7th EDF.
EDF TA 6001 A6b

Support to Ministry of Finance, Zanzibar. Estimated cost 1.300 mECU. Equipments and T.A. Project on appraisal. 7th EDF.
EDF TA 7007 A1c

Support Unit to N.A.O. Estimated cost 2 mECU. Equipments and T.A. Project on appraisal. 7th EDF.
EDF TA 7008 A1c

Mwanza Water Supply. Phase II. Resp. Auth.: Ministry of Water energy and minerals. Estimated cost 11.100 mECU. Works, pumping equipments, studies and supervision. Short-list done. Project on appraisal. 7th EDF.
EDF TA 5005(7) A2b

Iringa Water Supply. Resp. Auth.: Ministry of water, energy and minerals. Estimated cost 9.100 mECU. Pumping, Treatment, storage and distribution. Works, equipments, design and supervision. Short-list done. Project on appraisal. 7th EDF.
EDF TA 7009 A2

TOGO

General Import Programme. Hard currency allowance to import ACP and E.C. goods. T.A. for management and implemen-

tation. 17 mECU. Project in execution. 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

TRINIDAD AND TOBAGO

Support to the Structural Adjustment Programme. General Import Programme. Hard currency allowance to purchase EEC and ACP goods with negative list. T.A. for six months for GIP implementation and the use of counterpart funds. 9.7 mECU. Project on appraisal. Date foreseen for financing 2nd half 93. 6th and 7th EDF.
EDF TR 7200 A1c

***Rural Electrification.** Resp. Auth.: Trinidad and Tobago Electricity Commission. 2 mECU. Connection of isolated rural comunities to electricity supply network. Works, supply of equipments and T.A. Project on appraisal. 7th EDF*
EDF TR 5014 A2ai

***Road rehabilitation.** Resp. Auth.: Ministry of Works. 16 mECU. Rehabilitation of several road segments in Western Trinidad. Works by int. tender. Supervision. Project on appraisal. Date foreseen for financing December 93. 7th EDF*
EDF TR 6003 A2d

UGANDA

Structural Adjustment Support Programme General Import Programme. Phase II. 30,250 mECU. Hard currency allowance to import ACP and EC goods. There is negative list of items not eligible (military-luxury items). Project on appraisal. Identification study: short list done. 7th EDF.
EDF UG 7200 A1c

Human resources development programme. Resp. Auth.: Ministry of Finance and Economic Department. 12.8 mECU. Infrastructural rehabilitation, equipments, T.A. and training. Project in execution. 7th EDF.
EDF UG 7001 A6b, c, d

Smallholder Tea Development Programme. (STDP). Resp. Auth.: Uganda Tea Growers Corporation (UTGC). 20 mECU. Increase in the production and quality, management improvements, infrastructure development, institutional and financial sustainability, environment conservation and regional development. Works, supply of equipments, T.A. and training. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF UG 6002/7002 A3a

Uganda health project. Phase III of the Rural health Programme, West Nile Health Programme and the Uganda Blood Transfusion Service Project Phase II. Infrastructure rehabilitation equipment (vehicles, furnishings, offices), medical supplies and tests, in service training and T.A. and management. 20 mECU. Project in execution. 7th EDF.
EDF UG 6012/7003 A7

Institutional Support. Resp. Auth.: National Authorizing Officer. 2 mECU. Reinforce the capacity of the NAO office. T.A., training and supply of equipments. Project on appraisal. 7th EDF.
EDF UG 6023/7004 A1c

***Support to the Constituent Assembly elections.** Resp. Auth.: Constitutional Commissioner. 1.950 mECU. Supply of equipments with the exception of vehicles. Project on appraisal. 7th EDF*
EDF UG 7003 A1c

VANUATU

***Rural primary school rehabilitation.** Resp. Auth.: Ministry of Education. 3.600 mECU. Rehabilitation of 36 schools and 5 maintenance workshops, Works, T.A., training and evaluation. Project on appraisal. 7th EDF*
EDF VA 7005 A6a

***Rural access roads project.** Resp. Auth.: Public Work Department. EDF 2.305 mECU. Works, supplies and T.A. for design and supervision and P.W.O. management. Project on appraisal. 7th EDF*
EDF VA 6009/001 A2d

ZAMBIA

General Import Programme. Phase II. Resp. Auth.: Bank of Zambia. 39 mECU. Hard currency allowance to import ACP and EC good. T.A. already financed on previous ★ funds still on the spot. ***Date financing October 93.*** 7th EDF.
EDF ZA 7200 A1c

SYSMIN III – General import. Resp. Auth.: Bank of Zambia. 60 mECU. Project in execution. 7th EDF.
EDF ZA 9999 - SYS A1c

Zambian Centre for accountancy ★ studies. Phase II. ***EDF 6.8 m ECU, T.A., supplies and Works. Date financing October 93.*** 7th EDF.
EDF ZA 6001/7001 A6a

Social Sector Support Programme. Resp. Auth.: Ministries of Health, Education, Water Affairs and Local Governments. 12 mECU. Rehabilitation works and health infrastructures, water supply, education. Supply of drugs and equipments, and T.A. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF ZA 7003 A7,A8

Support Services Programme to Zambian administration. Estimated cost 1.850 mECU. Institutional support to the office of the N.A.O., budget office and Central Statistics office. T.A., consultancy and operational support costs. Short-list, done. Project in execution. 7th EDF.
EDF ZA 7200 A1b

Reorganisation and restructuring of the Department of National Parks and Wildlife Services. Resp. Auth.: Department of National Parks and Wildlife services. Estimated cost 5 mECU. Works, supplies and T.A. Project on appraisal. 7th EDF.
EDF ZA 7002 A3c,d

ZIMBABWE

OMAY Kanyati and Gatshe Gatshe land use and health programme. Resp. Auth.: A.D.A. 4.6 mECU. Raising the standard of living of rural populations. 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, equipment and supplies. Project on appraisal. 7th EDF.
EDF ZIM 6004/7002 A3a

Structural Adjustment Programme. Resp. Auth.: Ministry of Finance, Economic Planning and Development. 28 mECU. General Import Programme and T.A. Project in execution. 7th EDF.
EDF ZIM 7200 A1c

Support to the Faculty of Veterinary Science of the University of Zimbabwe. Resp. Auth.: Faculty of Veterinary. Estimated cost 5 mECU. Supply of vehicles and equipments. T.A., University link, fellow-scholarships. For Zimbabwe and SADC region. Project on appraisal. 7th EDF.
EDF ZIM 5004/7001 A6b

Mashonoland East Fruit and Vegetable Project. Phase II. Resp. Auth.: Agricultural Development Authority. 3.300 mECU. Provision of transport, construction of houses and assembly markets. Supply of equipments and T.A. Project in execution. 7th EDF.
EDF ZIM 5012/7003 A3a

***Wildlife Veterinary Project.** Resp. Auth.: Department of National Parks and Wildlife Management. EDF 1.500 mECU. Increase of wildlife population, particularly of endangered species: black and white rhino — tourism development, works, supplies, T.A., training and evaluation. Project on appraisal. 7th EDF*
EDF ZIM 6018 A5c, A8f

Overseas Countries and Territories (OCT)

NETHERLANDS ANTILLES

Curaçao – Business Development Scheme, phase 2. Estimated total cost 5.366 mECU. EDF 4 mECU. Development of international competitiveness in the export sector. Management training strategy. Project on appraisal. 7th EDF.
EDF NEA 6013/001 A5d,e

NEW CALEDONIA

Improvement of Magenta airport. Construction of Crash, Fire and Rescue Services (SSIS) building. Resp. Auth.: Civil Aviation Department. 0.700 mECU. Special loan. Building, parking area and slip roads, furnishing and technical equipment. Works by acc. proc. Project in execution. 5th EDF.
EDF NC 6006 A2d

Educational buildings in the Loyauté Islands. 2.375 mECU. Works by acc. proc. (conditional). Project in execution. 7th EDF.
EDF NC 7001 A6d

Construction of a vocational training centre for apprentices. Estimated total cost 2.95 mECU. EDF part 0.830 mECU. Works by acc. tender. Project on appraisal. 7th EDF.
EDF NC 7002 A6d

***Construction of section 5 of the Koné-Tiwaka road.** Resp. Auth.: Direction de l'Aménagement de la Province Nord. EDF 3.950 mECU. Project on appraisal. 7th EDF*
EDF NC 7002 A2d

FRENCH POLYNESIA

Development of fishing-boats fleet. Phase II. Resp. Auth.: Etablissement pour la Valorisation des Activités Aquacoles et Maritimes (EVAAM). 7.125 mECU. EDF part

3.160 mECU, local 3.965 mECU. Construction of 5 tuna-vessels (24-25 m). Int. tender (conditional) no. 3665 launched. Date submission and opening in Papeete 30.9.93.
★ *Date financing October 93.* 7th EDF.
EDF FP 6002/7001 A3d

Pearl Oyster programme. Resp. Auth.: EVAAM. 1.150 mECU. Supply of research equipment and training. T.A. and researches. Date financing October 93. 7th EDF
EDF POF 6006 A3d

FRENCH SOUTHERN AND ANTARCTIC TERRITORIES

Rehabilitation of the «Vie commune» building in the Kerguelen Islands. Lasting improvement of the daily life quality for scientists, researchers, technicians, meteorologists on duty. Works, supplies. Estimated total cost 0.900 mECU. EDF 0.600 mECU, France 0.300 mECU. Project on appraisal. Date foreseen for financing October 93. 6th and 7th EDF.
EDF TAA/6001/001 A6f

Regional Projects

ACP COASTAL STATES OF WEST AFRICA

Improvement of the legal framework for fisheries cooperation, management and development. *Resp. Auth.: F.A.O. 1.500 mECU. T.A., workshops, publications, evaluations. Date financing October 93. 7th EDF*
EDF REG 710 A3a

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 wagons and trolleys. T.A. for supervision of works, tender dossier and training. T.A. short-list done. Project in execution. 7th EDF
EDF REG 7003 A2d

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. 1.9 mECU. Extension of ESAMI installations plus provision of library, audio visual and printing equipment and improvement of kitchen and laundry facilities. ★ *Date financing September 93.* 6th EDF.
EDF REG 6311 A6b

Strenghtening Economic and Policy Research in NARS in Eastern Africa (NARS: National Agricultural Systems). Technical and logistic support for building-up strong socio-economic programmes in NARS in Eastern Africa. Estimated cost 1.200 mECU. Project on appraisal. 7th EDF.
EDF REG 7306 A3c

PALOP COUNTRIES – ANGOLA – MOZAMBIQUE – GUINEA BISSAU – SAO TOMÉ & PRINCIPE – CAPE VERDE

Support to improve educational systems. 4.450 mECU. Trainers training, production of pedagogical equipment, T.A. Project in execution. 7th EDF.
EDF REG 7901-001 A6b

Regional training for Middle Staff Statisticians. 3.5 mECU. Training of 900 middle staff statisticians in the five countries. Building-up a modular training system, training for trainees, workshops-newsletter. T.A. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF REG 7901-002 A6b,j

Regional Centre for Health Development. 3.480 mECU. Strenghtening of public health systems in the 5 countries and better management of 385 sanitary districts. Training programmes, trainers training, T.A. ★ for starting. *Date financing October 93.* 7th EDF.
EDF REG 7901-003 A6bi

COTE D'IVOIRE – ETHIOPIA – MALI

PAN African Rinder – Pest Campaign. Phase III. To improve financial autonomy of the livestock services, improving the vaccination programmes, supporting farmers associations and privatisation of certain profession in the livestock sectors. estimated cost 15.600 mECU. Project on appraisal. 7th EDF.
EDF REG 5007/003 A3a

MEMBER COUNTRIES OF C.O.I. – INDIAN OCEAN COMMISSION COMORES – MADAGASCAR – MAURITIUS – SEYCHELLES

Support for environmental programmes in C.O.I. countries. Resp. Auth.: Mauritius Regional Authorising Officer. 11 mECU. T.A. for the regional coordinating unit – for national coordinating units – for surveys on the coastal area and on the protection of plant biodiversity. Supply of equipment by int. tender, training. Project in execution. 7th EDF.
EDF REG 6511/7 A8f

Regional programme to develop tourism in C.O.I. countries. Resp. Auth.: C.O.I. – Comité Permanent du Tourisme – C.P.T. 6.239 mECU. T.A. for setting-up the training programmes, sale, promotion and marketing, back-up operations to assist management, transfer of know-how and intra-regional solidarity, specific studies. Supplies and training. Project in execution. 6th and 7th EDF.
EDF REG 6944/7 A5c

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. 6th EDF.
EDF REG 6310 (RW....) A2d

MEMBER COUNTRIES OF ECOWAS

Improvement of postharvest utilisation of artisanal fish catches. Resp. Auth.: Sierra Leone National Authorizing Officer as Regional Auth. Off. Technical Secretariat in Abidjan. 8 mECU. Interventions in 16 countries. Project in execution. 7th EDF.
EDF REG 6126 (001) A3a

PACIFIC ACP STATES

Human resources development in energy sector. 4.400 mECU. T.A. to improve management, technical performance and regulation of conventional power ★ supplies and petroleum import. ***Project in execution.*** 6th EDF.
EDF REG 5705/001 A2a,i

Pacific Tourism Development programme. Phase III. To assist Pacific ACP countries and OCT to develop their tourism sector. 11.530 mECU. Tourism marketing and promotion of the Pacific destination. Planning and policy capacities, research and ★ statistics, manpower. ***Date financing October 93.*** 7th EDF.
EDF REG 7701 A5c

Senior Public Sector Management Programme. *Resp. Auth.: Forum Secretariat. Institute of Social and Administrative Studies (ISAS) of the University of the South Pacific (USP). 1.855 mECU. Training programmes, seminars, T.A. and evaluation. Date financing October 93. 7th EDF*
EDF REG 7703 A6j

ANGOLA — MOZAMBIQUE

Training in the port and maritime fields. Training by experts and consultants. T.A., training and equipment. 0.950 m ECU. Project in execution. 7th EDF
EDF REG 7403 A6b

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 Mozambique 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. 2 mECU. Supply of equipment, T.A. ★ evaluation. Fellowships. ***Project in execution.*** 7th EDF.
EDF REG 6426 A6d

Collaborative effort for a maize and wheat improvement network. Resp. Auth.: SACCAR — CIMMYT. 3.970 m ECU. T.A., training, supply of equipment. Project in execution. 7th EDF
EDF REG 7402 A3a

SADC Regional Customs Training Programme. Long-term. T.A. to the Botswana, Lesotho, Namibian and Swaziland customs services. Training and equipment. 1.9 mECU. Project on appraisal. 7th EDF.
EDF REG 5412/7 A1b

SADC Language Training Programme. Resp. Auth.: Institute of Languages in Maputo as Regional Project Coordinator (RPC). 2 mECU. English language training and Portuguese language training. Monitoring-evaluation. Project on appraisal. 7th EDF.
EDF REG 6415/6430/6433/7 A6

Regional training programme for food security. Resp. Auth.: Food Security Technical and Administrative Unit (FSTAU) in Harare. 5 mECU. Training and T.A. Supply of equipment by int. tender. Project on appraisal. 7th EDF.
EDF REG 6420/7 A6ci

Southern African Foot and Mouth Disease Control Project. *Resp. Auth.: Botswana as coordinator. 10 mECU. Works, supplies: vaccines, drugs, T.A. and training. Line of credit. Project on appraisal. Date foreseen for financing October 93. 7th EDF*
EDF REG 5406/001 A3a

S.I.M.S.E.C. – Sadc Initiative for Mathematics and Science Education Cooperation. To establish a professional unit, called SIMSEC Unit for information exchange, teacher training curriculum development, staff development, research cooperation and support for teachers' organisations. Project on appraisal. Estimated cost 5 mECU. Date foreseen for financing September 93. 7th EDF.
EDF REG 6428 A6b

SADCC — MOZAMBIQUE

Beira port dredging contract. Resp. Auth.: Ministry of Construction and Water. 15 mECU. Dredging for two years of the access channel to the port of Beira. Works: 2 years, 4 million m^3/year. Supervision and training. Project on appraisal. Date foreseen for financing 2nd half 93. 7th EDF.
EDF REG 7401 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

EASTERN AND SOUTHERN AFRICAN COUNTRIES

Support to the Eastern and Southern African Mineral Resources Development Centre (ESAMRDC). Resp. Auth.: ESAMRDC – Dar es Salaam – Tanzania 4.950 mECU. T.A., consultancies – databases, training, supply of equipment. Project on appraisal. Date foreseen for financing October 93. 7th EDF.
EDF REG 7407 A4-A7

ACP COUNTRIES

Programme for fighting AIDS. Funding of regional actions. 20 mECU. Support for regional structures, improvement of information, funding of research and training actions. Supplies, T.A. and training. Project in execution. 7th EDF.
EDF REG 8000 A7

MEDITERRANEAN COUNTRIES

ALGERIA

Structural Adjustment Support Programme. Sectoral Import Programme for building materials to finish 100,000 social houses. 70 mECU. hard currency allowance to cover CIF imports. Management by Crédit Populaire d'Algérie (C.P.A.). Special accounts in the Central Bank. Banque d'Algérie (B.A.). Purchase by a positive list (electrical equipment — spare parts). Project on appraisal. Date foreseen for financing 2nd half 93.
SEM AL 688-92 A1c

EGYPT

Oil pollution combating emergency centre at the entrance of the Gulf of Aqaba. 4.300 mECU. Project in execution.
SEM EGT 771/91 A8f

Channel Maintenance Project (CMP). Resp. Auth.: Ministry of Public Works and Water Resources (MPWR). 40 mECU. Integrated weed control, irrigation, biological control, institutional support, training, T.A. for general management, procurement and contracting, planning, monitoring and supervision, works, supplies and training. Project in execution.
SEM EGT 881/92 A3c

Public Enterprise Reform and Privatisation Programme. Privatisations, restructuring operations, addressing policy and managerial issues (employment and labour issues, public sector indebtedness, financing of the restructuring operations, use of privatisation proceeds). Training action programme, Project Management.
★ Estimated EEC contribution 43 mECU. ***Project in execution.***
SEM EGT 506/93 A1b

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

Structural adjustment. Support programme. Hard currency allowance with negative list. 50 mECU. T.A. for follow-up and evaluation. Project in execution.
SEM JO 440/92 A1e

LEBANON

T.A. to prepare reconstruction works. 2nd phase. Resp. Auth.: Conseil pour le Développement et la Reconstruction (CDR). EEC contribution 3.4 mECU. War damages evaluation, preparation tender documents, T.A. to establish execution programme. Project in execution.
SEM LEB 702.92 A8a

T.A. to the Administration. Resp. Auth.: Conseil pour le Développement et la Reconstruction. C.D.R. EEC contribution 30 m ECU. Establishment of consultant teams for CDR and various Ministries and Public Offices. Management Units and Implementation Units. Sectors: Water, electricity, sanitation, public works, finance, economic affairs. Studies. Project in execution.
SEM LEB 1044/92 A1,A2

T.A. to prepare reconstruction works. 3rd phase. Resp. Auth.: C.D.R. EEC Contribution 1.500 m ECU. Sectors: oil and gas, agriculture, industry and non financial services. Project in execution.
DEM LEB A8a

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. Int. tender launched. Opening 14.9.93
SEM MAT A8f

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. Different T.A. and purchase of equipment. Project in execution.
SEM MAT 91/431 A5c, d

MOROCCO

Structural Adjustment Programme Support. General Import Programme. Hard currency allowance to the Central Bank – Bank AL-Maghrib, to import EC goods. With negative list. 80 mECU. Project in execution.
SEM MOR 334/93 A1c

Rural development in the Central Haouz and Tassaut Aval. *Resp. Auth.: Office régional de Mise en Valeur Agricole de Haouz. ORMVAH. EEC contribution 21.5 mECU. Irrigation works, tracks, T.A. and training. Works and supplies by int. tenders. Project on appraisal. Date foreseen for financing November 93.*
SEM MOR 1088/93 A3a

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

Support for 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

Water 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

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 Universities of Ankara and Marmara. Training centre and language laboratory in Marmara. Establishment of a Euro-Turkish 'Business Council'. Project in execution.
SEM TU A6b

WEST BANK AND GAZA OCCUPIED TERRITORIES

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

Assistance to the Palestinian population of the West Bank of the Jordan and of the Gaza strip. EEC contribution 15 mECU. Health, education, production, environment, water, research and T.A. Project in execution.
SEM OT 93 A3,A6,A7,A8

Assistance to the Palestinian population of the West Bank of the Jordan and of the Gaza Strip. *EEC Contribution 20 mECU. Asssistance to the educational sector and T.A. Project on appraisal.*
SEM OT 93/Ex A6b

EURO-MAGHREB COMMUNICATIONS S.A.R.L. PARIS

Euro-Maghreb training programme in communications. EEC contribution 1.400 mECU. Seminars, scholarships for young professionals from Maghreb countries. Project on appraisal.
SEM REG 687.92 A5g

MED-CAMPUS

Support programme for development cooperation actions among Universities and High Schools from Europe and Mediterranean third countries. EEC contribution 6.500 mECU. Teacher training and continuing training. 62 networks already selected. Project in execution.
SEM REG 729-92 A6b, f

MED — INVEST

Programme to support cooperation in SME development. EEC contribution 10 m ECU. Project in execution.
SEM REG A5e

MED — MEDIA

Programme to support co-operation between media institution, organisations and companies in the Community and in the Mediterranean countries. EEC contribution 5 mECU. Project already selected for this 1st phase. Project in execution.
SEM REG 149/93 A5g

A.L.A. developing countries ASIA and LATIN AMERICA

BANGLADESH

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 for the import by private importers vegetable oils, seeds and cement. T.A. for monitoring evaluation and audit. Project in execution.
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. provided by Kampsax International – BCEOM and the Danish Hydraulic Institute. The investment 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 in execution.
ALA BD 9118 A8g

Jamuna-Dhaleswari Left Bank Studies (J.D.L.B.S.). Cofinancing with France. EEC contribution 4 mECU, France 4 mECU. Short-lists done. Date foreseen for financing 2nd half 93.
ALA BD 9305 A8g

Coastal Embankment Rehabilitation Project (CERP). EEC contribution 15 mECU. Flood protection, forestry, agricultural development. Works, supplies and T.A. Project on appraisal. Date foreseen for financing 2nd half 93.
ALA BD 9320 A3a

Bangladesh rural advancement Committee (BRAC). *EEC contribution 8.150 mECU. Project on appraisal.*
ALA BD 9307 A3a

BHUTAN

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 in execution.
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 in execution.
ALA BHU 9222 A3a

BOLIVIA

Flood protection for the town of Montero. Resp. Auth.: CORDECRUZ and SEARPI. Total estimated cost 15.670 mECU. EEC contribution 12.500 mECU, SEARPI 0.674 mECU, CORDECRUZ 2.5 mECU. (SEARPI: personnel, logistics, ancillary services, maintenance of works – CORDECRUZ: works - direct labour, logistics, operating costs). Studies, monitoring, training programmes, defence works. Works by acc. proc. supplies by int. tender. Project in execution.
BO 9235 A8g

Consolidation — Rural auto-development. Rural programme in Oruro and Potosi. EEC contribution 12 mECU. Works, supplies and T.A. Line of credit. Int. tenders for works and supplies to be launched. T.A.: contract awarded. Project in execution.
ALA BO 9248 A3a

CHILE

Integrated development programme for the northern regions. EEC contribution 10 m ECU. Works, supplies and T.A. Project in execution.
ALA CHI 92/33 A3a

CHINA (P.R.)

Gansu provincial irrigation experiment and training centre. Resp. Auth.: Water and Electricity Bureau of Lanzhou Municipality. EEC contribution 1.700 mECU. Supply of sprinkler irrigation systems by int. tender. Specialized T.A.: agronomist and engineers, training specialists. Project in execution.
ALA CHN 9313 A3a

COLOMBIA

Fondo Amazonico. Cofinancing of project with private or public institutions in different sectors: mining, forestry, agricultural, environmental, institutional development, information, educational, health, tourism. T.A. line of credit: EEC contribution 5 mECU. Project in execution.
ALA CO 9213 A3a

Drinking water – Sanitation – Pacific Coast. 7.5 mECU. Water conduits and sewers in 57 villages. Supplies: int. tender to be launched. Project in execution.
ALA CO 9239 A7c

COSTA RICA

Rural Integrated Development Programme in OSA-GOLFITO (Consolidation). EEC contribution 5.500 mECU. Supply of equipments, infrastructures, line of credit and T.A. Project in execution..
ALA COS 93/19 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), equipment for road maintenance, medical supplies, transport, infrastructure, line of credit. Supplies by int. tender, works by acc. tender. Project on appraisal.
ALA EQ 9126 A3a

Support to develop woman peasants and families in the Chimborazo Province. *Resp. Auth.: Ministerio de agricultura y ganadería (MAG). EEC contribution 3.562 mECU. T.A., supply of vehicles and office equipments training, studies, line of credit. Date financing Ocotber 93.*
ALA EQ 9317 A3a

EL SALVADOR

Basic health and hygiene 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 in execution.
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 Usulutan department. Rural credits via Banco de Tierras, supply of equipment and expatriate T.A. Project in execution.
ALA SAL 9218 A8h

Rural development programme in the Chalatenango Department. EEC contribution 7 mECU. Cofinancing with IFAD. T.A. for monitoring, coordination, commercialisation, soil protection, reafforestation, dynamisation of associations, specific action for women. Project in execution.
ALA SAL 9245 A3a

Health and basic health programme in the western region. EEC participation 10 mECU. Drinking water, sanitation, health ★ centres, infrastructures, training, T.A. ***Date financing October 93.***
ALA SAL 9330 A7c

Sonsonate Hospital Rehabilitation. EEC participation 7 mECU. Infrastructures, supply of equipment, T.A. and training.
★ ***Date financing October 93.***
ALA SAL 9331 A7a

GUATEMALA

Support for agricultural reform in the Pacific Region (Coatepeque). Resp. Auth.: Ministero de Desarrollo (MINDES). EEC contribution 9 mECU. supply of equipments, line of credit, T.A. Project in execution.
ALA GUA 9228 A3a

Rural development programme in the Quiche Department. Resp. Auth.: Ministero de Desarollo (MINDES). 17.500 mECU. Support to the agricultural production and environment production. Support to the micro-industry. Works, supply of equipment, line of credit, T.A.
★ ***Date financing September 93.***
ALA GUA 9322 A3a

INDIA

Sector Support for Primary Education. Resp. Auth.: Ministry of Human Resources Development. EEC contribution 150 mECU. Support to the sectoral programme and T.A. for follow-up and education. Project in execution.
ALA IN 9314 A6a

INDONESIA

Palawija Seed Production and Marketing. *Resp. Auth.: Directorate General of Food Crops Agriculture. Ministry of Agriculture. EEC Contribution 9.7 mECU. Improvement of production and marketing of certified Palawije Seed Crops. Seed processing equipment by int. tender foreseen in January 94. Project in execution.*
ALA IND 8621 A3a

Development of Punggur Utaran Irrigation System Lampung. *Resp. Auth.: Directorate General of Water Resources Development. (DGWRD). Ministry of Public Works. EEC contribution 29.3 mECU. Enlargement and upgrading of feeder, primary and secondary irrigation canals, construction of tertiary canals. T.A. for supervision of works and institutional strenghtening for O&M and extension services. T.W.O.: int. tenders for feeder and primary canals, and restr. tender after prequalification by the end of 1993. Project in execution.*
ALA IND 9019 A2b

Ground water irrigation and water supply in North Bali. *Resp. Auth.: DGWRD. EEC contribution 10.300 mECU. T.A. construction of production wells, institutional strengthening of agriculture extension and water user association. T.A. contract awarded. Project in execution.*
ALA IND 9119 A2b

EC-Indonesian Forest Sector Support Programme. *Resp. Auth.: Directorate General for Forest Inventory and Land Use Planning – Ministry of Forestry. EEC contribution 25.882 mECU. Forest Inventory and monitoring. T.A. for detailed forest survey and mapping, training. Integrated Radio Communication Systems: T.A. for installation and training. Short-lists to be done. Project on appraisal.*
ALA IND 9242 A3c

EC-Indonesian Forest Programme: Forest Fire Prevention and control in South Sumatra. *Resp. Auth.: Directorate General for Forest Inventory and Land Use Planning Ministry of Forestry. EEC contribution 4.050 mECU. T.A. for establishment of fire prevention analysis and procedures, 3 pilot projects for fire management units and equipment. Short-list to be done. Project on appraisal.*
ALA IND 9212 A3c

MERCO SUR

EC-Merco Sur (Argentina, Brazil, Paraguay and Uruguay). Cooperation programme and T.A. for technical standards. EEC contribution 3.950 mECU. Specialized T.A. and supply of equipments. Project in execution.
ALA REG 9315 A1c

EC-Merco Sur cooperation programme and T.A. for the agricultural sector. EEC participation 11.200 mECU. Institutional and technical support in the phyto-pharmaceutical and veterinary sectors. T.A., supplies, training and popularisation. Project on appraisal. Date foreseen for financing November 93.
ALA REG 9316 A3a

MONGOLIA

Strengthening of the Veterinary Services. Resp. Auth.: Ministry of Agriculture. Dept. of veterinary medicine. EEC contribution 2.3 mECU. Purchase of equipment by int. tender. T.A. and training. Project in execution.
ALA MNG 9209 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. Equipment by int. tenders, T.A. and training. Project in execution.
ALA PK 9211 A2ai

Institute for Educational Development (IED). EEC contribution 5.4 mECU. Training and university cooperation. Management by Aga Khan Foundation-Karachi and Aga Khan University. Project in execution.
ALA PK 9208 A6a, b

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. This programme covers the hospitals in the various capitals. Supply of equipment, incinerators, vehicles and tools. Training and European T.A. Supplies by int. tender. Project on appraisal.
ALA REG 9133 A7a

Regional support programme for plant health. Resp. Auth.: O.I.R.S.A.-Organismo Internacional Regional de Sanidad Agropecuarias in San Salvador. EEC contribution 6.4 mECU. Supply of equipment, vehicles, tools by int. tender. Works by direct labour or acc. tender. T.A. long and short term. Training. T.A.: contract awarded. Project in execution.
ALA REG 9137 A3a

Regional programme for T.A. and development of the telecommunications sector in Central America. EEC contribution 13.800 mECU. T.A. to COMTELCA and centro-americans operators. Rural telephone networks and improvement of transmissions capacities. T.A.: contract awarded. Supplies by int. tender. Project in execution.
ALA REG 9123 A2c

PERU

Support for disadvantaged rural populations in the RENOM and INKA regions. EEC contribution 10 mECU. Microprojects, reafforestation, road infrastructure rehabilitation, improvement of production and marketing, educational and health programmes. T.A. and training. Project in execution.
ALA PE 9244 A3a

Majes II Programme. Resp. Auth.: The Regional Government of the Arequipa Department. EEC contribution 11 mECU. Support for production (milk, fruit, vegetables), livestock, infrastructural works. T.A., line of credit. Supply of equipment by int. tender. Project in execution.
ALA PE 9302 A3a

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 Highways (DPWH). EEC contribution 15 mECU. Works, supply of equipment, agricultural inputs, vehicles, long term T.A., training, evaluation. Project in execution.
ALA PHI 9215 A3a

Agricultural Support Services for Small Islands (ASSSI). EEC contribution 20 mECU. To support local community oriented micro-projects, in agriculture, fisheries, livestock, marketing, training, T.A. and line of credit. Project in execution.
ALA PHI 9232 A3a

Rural integrated development programme in the Aurore zone. *EEC contribution 13 mECU. Works, supply of equipments and T.A. Project on appraisal.*
ALA PHI 9326 A3a

Tropical forests protection in Palawan. *EEC contribution 17 mECU. Works, supplies and T.A. Project on appraisal.*
ALA PHI 9337 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 in execution.
ALA SIN 9202 A8f

COSTA RICA — HONDURAS — NICARAGUA

Action programme for adolescent women and young unmarried mothers. 4 mECU. T.A., coordination, management, follow-up. Supply of equipment. Project in execution.
ALA REG 9246 A8e

VENEZUELA — EQUATOR — COLOMBIA — PERU

Fishing programme VECEP. EEC contribution 20 mECU. Artisanal fishing, resources evaluation and training. Project in execution.
ALA REG 9243 A3a

SRI LANKA

Moneragala Irrigation and Community Development. Resp. Auth.: Project Management Unit (PMU) — Project Steering Committee (PSC) — Ministry of Agriculture. Total cost 7.03 mECU — EEC contribution 5.76 mECU, Government and local 1.27 mECU. Rehabilitation and improvement of 8 irrigation schemes, water management development, forestry, feeder roads, health services, small business, training, institutional support. T.A. transport and equipment. Supplies by int. tender. Project in execution.
ALA SRL 9210 A3a

VENEZUELA

Rural development pilot project in the Cojedes State. EEC participation 5.275 mECU. Improvement of the agricultural products and farmer's organisations. T.A., supply of equipments, line of credits. Project on appraisal. Date foreseen for financing November 93.
ALA VE 9346 A3a

VIETNAM

Reintegration programme for vietnamese refugees. EEC contribution 12.500 mECU. Project in execution.
ALA VIE 9303 A1c

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

EG-ASEAN patents and trademarks programme. Resp. Auth.: EPO — European Patent Office. EEC contribution 6.5 mECU. T.A. and training. Project in execution.
ALA/ASN/REG 9223 A4g

AL-INVEST

Framework programme for industrial cooperation and investment promotion. To facilitate trade and the transfer of technology, know-how and european financing for the benefit of both sides. EEC contribution 9.100 mECU. Project in execution.
ALA REG 9309 A1e,f,A5

DELEGATIONS OF THE COMMISSION

In ACP countries

Angola
Rua Rainha Jinga, 6
Luanda C.P. 2669
Tel. 393038 — 391277 — 391339
Telex 3397 DELCEE AN
Fax (244 2) 392531

Barbados
James Fort Building
Hincks Street, Bridgetown.
Tel. 427-4362/ 429-7103
Telex 2327 DELEGFED WB
BRIDGETOWN
Fax (1-809) 4278687

Benin
Avenue Roume, Bâtiment administratif
B.P. 910, Cotonou
Tel. 31 26 84/31 26 17
Telex 5257 DELEGFED — COTONOU
Fax (229) 315 328

Botswana
P.O. Box 1253 - 68 North Ring Road
Gaborone, Botswana
Tel. (267) 314 455/6/7
Telex BD 2403 DECEC
Fax (267) 313 626

Burkina Faso
B.P. 352
Ouagadougou
Tel. 307 385/307 386 - 308 650
Telex 5242 DELCOMEU — BF
Fax (226) 30 89 66

Burundi
Avenue du 13 Octobre
B.P. 103, Bujumbura
Tel. 3426/3892
Telex FED BDI 5031 — BUJUMBURA
Fax (257-22) 4612

Cameroon
QUARTIER BASTOS
B.P. 847, Yaoundé
Tel. (237) 20 13 87-20 33 67
Telex DELEFED 8298 KN
Fax (237) 202149

Cape-Verde
Achada de Santo Antonio
C.P. 122-Praia
Tel. (238) 61 55 71/72/73
Telex 6071 DELCE CV
Fax (238) 61 55 70

Central African Republic
Rue de Flandre
B.P. 1298 Bangui
Tel. 61 30 53/61 01 13
Telex 5231 RC DELCOMEU — BANGUI
Fax (236) 616535

Chad
Concession Caisse Coton. Route da Farcha
B.P. 552, N'Djamena
Tel. 51 59 77/51 22 76
Telex 5245 KD
Fax (235) 51 21 05

Comoros
Boulevard de la Corniche.
B.P. 559 — Moroni
Tel. (269) 73 23 06 — 73 31 91
Telex 212 DELCEC KO
Fax (269) 73 24 94

Congo
Av. Lyautey
near Hotel Meridien
B.P. 2149, Brazzaville
Tel. 83 38 78/83 37 00
Telex DELEGFED 5257
Fax (242) 83 60 74

Côte d'Ivoire
Immeuble 'AZUR' Bd, Crozet, 18
B.P. 1821, Abidjan 01
Tel. 21 24 28 — 21 09 28
Telex 23729 DELCEE — ABIDJAN
Fax (225) 214089

Djibouti
Plateau du Serpent, Boulevard du Maréchal Joffre
B.P. 2477 Djibouti
Tel. 35 26 15
Telex 5894 DELCOM DJ
Fax (253) 350 036

Dominican Republic
Calle Rafael Augusto
Sanchez 21
Ensanche Naco
Santo Domingo
Tel. (809) 540 58 37–540 60 74
Fax (809) 567 58 51
Telex 4757 EUROCOM SD DR

Equatorial Guinea
Apartado 779 — Malabo
Tel. 2944
Telex DELFED 5402 EG

Ethiopia
Off Bole Road
P.O. Box 5570, Addis Ababa
Tel. 251-1-61 25 11

Telex 217 38 DELEGEUR — ET
Fax (251-1) 61 28 77

Gabon
Quartier Batterie IV
Lotissement des Cocotiers
B.P. 321, Libreville
Tel. 73 22 50
Telex DELEGFED 5511 GO — LIBREVILLE
Fax (241) 736554

Gambia
10 Cameron Street
P.O. Box 512, Banjul
Tel. 227777 — 228769 — 226860
Telex 2233 DELCOM GV — BANJUL
Fax (220) 226219

Ghana
The Round House — Cantonments Road, K.I.A.-Accra
P.O. Box 9505
Tel. (233-21) 774 201/2-774 236-774 094
Telex 2069 DELCOM — GH
Fax (233-21) 774154

Guinea Bissau
Bairro da Penha, C.P. 359, Bissau 1113
Tel. (245) 25 10 71/25 10 27/ 251469/251471-72
Telex 264 DELCOM BI
Fax (245) 25 10 44

Guinea
Commission
Central Mail Department
(Diplomatic Bag Section — B 1/123)
Rue de la Loi 200, 1049 Bruxelles
Telex via Embassy Fed. Rep. of Germany 22479
Fax (224) 441874

Guyana
72 High Street, Kingston
P.O. Box 10847, Georgetown
Tel. 64 004-65 424-63 963
Telex 2258 DELEG GY — GEORGETOWN
Fax (592-2) 62615

Haiti
Delmas 60 - Impasse brave n. 1
(par Rue Mercier-Laham
B.P. 15.588 Petion-Ville
Port-au-Prince - Haiti - W.I.
Tel.: (509) 57-5485, 57-3491, 57-3575, 57-1644
Fax (509) 57-4244

Jamaica
8 Olivier Road, Kingston 8
P.O. Box 463 Constant Spring, Kingston 8
Tel. (1-809) 9246333-7
Telex 2391 DELEGEC JA
Fax (1-809) 9246339

Kenya
"Union Insurance House" 2nd and 3rd floors
Ragati Road
P.O. Box 45119, Nairobi
Tel. (254-2) 713020/21-712860-712905/06
Telex 22483 DELEUR — KE
Fax (254-2) 716481

Lesotho
P.O. Box MS 518
Maseru, 100, Lesotho
Tel. 313 726
Fax 266 — 310193

Liberia
34 Payne Avenue, Sinkor
P.O. Box 10 3049, Monrovia
Tel. 26 22 78
Telex 44358 DELEGFED LI — MONROVIA
Fax (231) 262266

Madagascar
Immeuble Ny Havana — 67 hectares
B.P. 746, Antananarivo
Tel. 242 16
Telex 22327 DELFED MG — ANTANANARIVO
Fax (261-2) 32169

Malawi
Europa House
P.O. Box 30102, Capital City
Lilongwe 3
Tel. 78 31 99-78 31 24-78 27 43
Telex 44260 DELEGEUR MI — LILONGWE
Fax (265) 78 35 34

Mali
Rue Guégau — Badalabougou
B.P. 115 Bamako
Tel. 22 23 56/22 20 65
Telex 2526 DELEGFED — BAMAKO
Fax (223) 223670

Mauritania
Ilôt V, Lot 24
B.P. 213, Nouakchott
Tel. 527 24/527 32
Telex 5549 DELEG MTN — NOUAKCHOTT
Fax (222-2) 53524

Mauritius
61/63 route Florea Vacoas
P.O. Box 10 Vacoas
Tel. 686 50 61/686 50 62/686 50 63
Telex 4282 DELCEC IW VACOAS
Fax (230-686) 6318.

Mozambique
C.P. 1306 — MAPUTO
1214 Avenida do Zimbabwe — MAPUTO
Tel. 1-49 02 66 — 1-49 17 16 — 1-49 02 71
1-49 07 20
Telex 6-146 CCE MO
Fax (258-1) 491866

Namibia
Sanlam Building
4th floor
Independence Avenue
Windhoek
Tel.: 264-61-220099
Fax 35135
Telex 419 COMEU WK

Niger
B.P. 10388, Niamey
Tel. 73 23 60/73 27 73/73 48 32
Telex 5267 NI DELEGFED — NIAMEY
Fax (227) 732322

Nigeria
4, Idowu Taylor St, Victoria Island
PM Bag 12767, Lagos
Tel. 61 78 52/61 08 57
Telex 21868 DELCOM NG LAGOS — NIGERIA
Fax (234-1) 617248
Abuja
Tel 09/5233144/46
Telex 0905/91484
Fax 09-5233147

Pacific (Fiji, Samoa, Tonga, Tuvalu and Vanuatu)
Dominion House, 3rd Floor
Private Mail Bag, GPO. Suva, Fiji
Tel. 31 36 33
Telex 2311 DELECOM FJ — SUVA
Fax (679) 300 370

Papua New Guinea
The Lodge, 3rd floor, Bampton Street
P.O. Box 76
Port Moresby
Tel. (675) 21 35 44-21 35 04-21 37 18
Telex NE 22307 DELEUR — PORT MORESBY
Fax (675) 217 850

Rwanda
Avenue Député Kamuzinzi, 14
B.P. 515, Kigali
Tel. 755 86/755 89/725 36
Telex 22515 DECCE RWMCI
Fax 250 — 74313

Senegal
12, Avenue Albert Sarraut, Dakar
Tel. 23 13 34 - 23 47 77 - 23 79 75
Telex 21665 DELEGSE SG
Fax (221) 217885

Sierra Leone
Wesley House
4 George Street
P.O. Box 1399, Freetown
Tel. (232.22) 223 975-223 025
Telex 3203 DELFED SL — FREETOWN
Fax (232-22) 225212

Solomon Islands
2nd floor City Centre Building
Solomon Islands
P.O. Box 844 — Honiara
Tel. 22 765
Telex 66370 — DELEGSI
Fax (677) 23318

Somalia
Via Makka Al Mukarram, nº Z-A6/17
P.O. Box 943, Mogadishu
Tel. 21 118/21 049/811 18
Telex 628 EURCOM — SO
Fax (2521) — 21118 — 21049 — 81118

Sudan
3rd Floor — The Arab Authority for Agricultural Investment and Development Building
Army Road, Khartoum
P.O. Box 2363
Tel. 75054-75148-75393
Telex 23096 DELSU SD

Suriname
Dr S. Redmondstraat 239
P.O. Box 484, Paramaribo
Tel. 4993 22 - 499349 - 492185
Telex 192 DELEGFED SN
Fax (597)493076

Swaziland
Dhlan'ubeka Building, 3rd floor
Cr. Walker and Tin Streets
P.O. Box A.36
Mbabane, Swaziland
Tel. 42908/42018
Telex 2133 WD
DELEGFED MBABANE
Fax (268) 46729

Tanzania
Extelcoms House, 9th Floor
Samora Avenue
P.O. Box 9514, Dar es Salaam
Tel. 46459/60/61/62
Telex 41353 DELCOMEUR — DAR ES SALAAM
Fax (255-51) 46724

Togo
Avenue Nicolas Grunitzky
B.P. 1657, Lomé
Tel. 21 36 62/21 08 32
Telex 5267 DELFED-TG
Fax (228) 211300

Trinidad and Tobago
The Mutual Centre
16, Queen's Park West
P.O. Box 1144, Port of Spain
Trinidad W.I
Tel. 62-2 6628/62-2 0591
Telex 22421 DELFED WG
Fax (809) 622-6355

Uganda
Uganda Commercial Bank Building, Plot 12
Kampala Road, 5th Floor
P.O. Box 5244, Kampala
Tel. 233 303/ 233.304
Telex 61139 DELEUR — UG — KAMPALA
Fax (256-41) 233708

Zaire
71, Av des Trois Z
B.P 2000, Kinshasa
By satellite: tel. 00871 1546221
Telex 00 581 154.62.21
Fax 00871 1546221

Zambia
P.O.Box 34871
Plot 4899
Los Angeles Boulevard
Lusaka
Tel. 25 09 06-25 07 11 -25 11 40
Telex 40440 DECEC ZA — LUSAKA
Fax (260-1) 250906

Zimbabwe
P.O. Box 4252
NCR House (10th Floor)
65 Samora Machel Ave.
Harare
Tel. 470.71.20/39/40/43
Telex 24811 ZW HARARE — ZIMBABWE
Fax (263-4) 725360

In the OCT

Netherlands Antilles
Scharlooweg 37
P.O. Box 822, Willemstad
Curaçao
Tel. (599.9) 618488
Fax (599.9) 618423

Aruba
L.G. Smith Blvd. 50, (P.O. Box 409)
Oranjestad
Tel. 297-8-34131
Fax 297-9-34575

In the Mediterranean Countries

Algeria
36, Rue Arezki Abri
Hydra-16035 Alger
Tel. 59 08 22 — 59 09 25 — 59 09 42
Telex 66067 EURAL DZ — ALGERIE
Fax (213-2) 593947

Cyprus
Irish Tower Court, 8th Floor

242 Agapinor Street, Corner of Makarios Avenue,PO Box 3480
Nicosia 137, Cyprus
Tel. (357-2) 36 92 02
Telex (605) 4960 ECDELCY
Fax (357-2) 36 89 26

Egypt
6, Ibn Zanki St.-Zamalek
Tel. 340 83 88 — 341 93 93 — 340 11 84
Telex 94258 EUROP UN ZAMALEK
Fax 3400385

Israel
The Tower, 3 Daniel Frisch St.,
TEL AVIV 64731
Tel. (972-3) 696.41.66
Telex 3421 08 DELEG — IL
Fax (972-3) 695 1983

Jordan
Al Jahez St. 15, Shmeisani, Amman
P.O. Box 926 794
Tel. 66 81 91/66 81 92 Amman
Telex 22 260 DELEUR JO AMMAN JORDAN
Fax (962-6) 686 746

Lebanon
Immeuble Duraffourd, Avenue de Paris, Beirut
B.P. 11-4008, Beirut
Tel. 3630 30/31/32
Telex DELEUR 23307

Malta
Villa 'The Vines', 51
Ta'Xbiex Sea Front, Ta'Xbiex-Malta
Tel.: (356) 34 48 91-93-95, 345111
Telex: (356) 910 EC MLA
Fax (356) 34 48 97

Morocco
2 bis rue de Meknès-Rabat
B.P. 1302, Rabat
Tel. 7612 17/7612 46/7612 48
Telex 32620-(M)
Fax (212-7) 761156

Syria
73 rue Rachid
P.O. Box 11269, Damascus
Tel. (963-11) 327640-641
Telex 412919 DELCOM SY
Fax (963 11) 320683

Tunisia
Avenue Jugurtha 21
B.P. 143, Cité el Mahrajene, 1082 Tunis
Tel. 78 86 00
Telex 14399 — TUNIS
Fax (216-1) 788201

In A.L.A. countries

Bangladesh
Plot 7, Road 84
Gulshan — Dhaka
Tel. 88 47 30-31-32
Telex 642501, CECO BJ
Fax (88.02) 88 31 18

Brazil
Q.I. 7 — Bloc A — Lago Sul — Brasilia (D.F.) Brasil
Tel.:(55.61) 248.31.22
Telex.: (038) 61.25.17/61.36.48 DCCE BRE
Fax.: (55-61) 248.07.00

Chile
Avenida Américo Vespucio SUR 1835, Casila 10093, Santiago (9) Chile
Tel.: (56) 22.28.24.84
Telex: (034) 34.03.44 COMEUR CK
Fax (56) 22.28.25.71

China
15 Dong Zhi Men Wai Dajie
Sanlitun, 100600 Beijng
Tel.: (86-1) 532 44 43
Telex: (085) 222 690 ECDEL CN
Fax (86-1) 532 43 42

Costa Rica (HQ of the Delegation for Central America)
Centro Calon — Apartado 836
1007 San José
Tel. 332755
Telex 3482 CCE AC
Fax (506) 210893

India (HQ of the Delegation in South Asia)
YMCA Building 5th floor, Jaisingh Road
New Delhi 110001
Tel. 344 222 — 350 430
Telex 31/61315 EUR-IN
Fax (91) 352706

Indonesia (HQ of the Delegation for Brunei, Singapore and the ASEAN Secretariat)
Wisma Dharmala Sakti Building, 16th floor
J.L Jendral Sudirman 32
P.O. Box 55 JKPDS Jakarta 10 220
Tel. 570 60 76/68
Telex 62 043 COMEUR IA
Fax (62-21) 570 6075

Korea
ICON Building
33-12 Changchoong-dong 1-ga
Choong-Ku
Seoul 100-691 - Korea

Mexico
Paseo de la Reforma 1675,
Lomas de Chapultepec C.P.
11000 Mexico D.F.
Tel. (52-5) 540.33.45 to 47 — 202.86.22
Telex: (022) 176.35.28 DCCEME
Fax (52-5) 540.65.64

Pakistan
No 9 Street n. 88
G-6/3, Islamabad
P.O. Box 1608
Tel. 82 18 28-82 24 15-82 30 26
Telex 54044 COMEU PK
Fax (92) 822604

Philippines
Salustiana D. Ty Tower,
7th Floor 104,
Paseo de Roxas corner
Perea Street – Legaspi Village – Makati
Metro Manila
Tel. (63-2) 8126421-30
Telex 22534 COMEUR PH
Fax (63-2) 812 66 86 - 812 66 87

Thailand (HQ of the Delegation in Indochina, Thailand, Malaysia)
Kian Gwan House 11 — 19th floor
140/1 Wireless Road
Bangkok 10 330
Tel. 255 91 00
Telex 82764 COMEUBK TH
Fax (66 2) 2559114

Uruguay
Edificio Artigas (1º Piso) — Calle Rinçon 487 — Montevideo
Tel.: (598) 2.96.37.44/96.37.45/96.31.66/96.31.80
Telex: 23925 CCEUR UY
Fax (598) 2-95.36.53

Venezuela
Calle Orinoco – Las Mercedes
Apartado 768076, Las Americas 1061 A
Caracas
Tel. 91 51 33
Telex 27298 COMEU
Fax (582) 993 55 73

OFFICES OF THE COMMISSION

In ACP countries

Antigua & Barbuda
Alpha Building 2nd floor
Redcliffe Street
St. John's, Antigua W.I.,
P.O. Box 1392
Tel. and fax (1-809) 4622970

Bahamas
Frederick House, 2nd floor, Frederick St.
P.O. Box N-3246, Nassau
Tel. (32)55850
Telex DELEGEC NS 310

Belize
1 Eyre Street
P.O. Box 907
Belize City, Belize
Tel. (501-2) 72785 and fax
Telex 106 CEC BZ

Grenada
Archibald Avenue
P.O. Box 5, St George's, Grenada, West Indies
Tel. (1809) 440 4958 — 440 3561
Telex 3431 CWBUR GA
(Attn. EEC Delegation)
Fax (1809) 4404151

São Tomé & Principe
B.P. 132 — Sao Tomé
Tel. (239 12) 21780-21375
Telex 224 Delegfed ST
Fax (239-12) 22683

Seychelles
P.O. Box 530 — Victoria, Mahé
Tel. (248) 32 39 40
Fax (248) 323890

Tonga
Malle Taha
Taufa'ahau Road, private mailbag nº 5-CPO
Nuku Alofa
Tel. 23820
Telex 66207 (DELCEC TS)
Fax 23869

Vanuatu
Orient Investment Building, Ground Floor,
Kumul Highway
P.O. Box 422, Port-Vila
Tel. (678) 22501
Fax (678) 23282

Western Samoa
PO Box 3023,
Loane Viliamu Building, 4th floor, Apia
Fax (685)24622

In the OCT

New Caledonia
21 Rue Anatole France
B.P. 1100 Noumea
Tel. (687) 27 70 02
Fax (687) 28 87 07

Commission of the European Communities Representation Office in Turkey

15, Kuleli Sokak
Gazi Osman Paca, Ankara
Tel. 137 68 40-1-2-3
Telex 44320 ATBE TR
Fax 1377940

Commission of the European Communities Programme Coordination Office. South African Republic

207, Infotech Building
1090 Arcadia Street
Hatfield-Pretoria 0083
Tel.: (012) 436 590
Fax (012) 436 594

civil servants and, most commonly at the present time, to enable most states to keep their heads above water. Not to mention the numbered bank accounts in tax havens around the world.

She denounces the policy of pandering to supporters and poses the problem of the franc zone, a system which is very costly for France and 'represents disguised aid for the countries of Africa, enabling them to live above their means and ensuring that they continue to think of themselves as receivers of assistance'. And ODA is a paying proposition for French businesses too, in the short term, it is true, because much of the aid finds its way back to metropolitan France through the purchase of French products and consumer goods.

She has no hesitation either in pointing out that 'too many African administrations are inefficient, bureaucratic and spectacularly overstaffed', or that 'too many public firms which were properly designed at the outset become job machines which produce incomes for cousins, friends of cousins and friends of friends of cousins'. And then there is baksheesh, corruption, and very often the fact that, in conditions of this sort, 'there are no notions of public interest or public service or public good. In fact, nothing works in accordance with the law.'

This is a severe judgment at a time when Cartierism is back in fashion. Yet it would be wrong for France to 'drop' Africa, Ms Brunel believes, for reasons pertaining to history, geography, the need for solidarity and trade relations, obviously, but also because 'Africa alone now gives France the opportunity for world-wide importance. Today, neither France's power (unless it be nuclear power), nor its population, nor its GNP warrants the country its permanent seat and right of veto on the UN Security Council. But its weight in Africa certainly does.'

Lastly, Ms Brunel suggests that programme-contracts, catering for basic needs, for health and education, drinking water, status for small peasants and so on, are the way to make aid more effective. 'There are several ways of loving Africa,' she says in conclusion, 'but there is currently only one way of helping it and that is to tell it the truth, to speak plainly to the African leaders; without imagining that they, as Africans, are entitled to special treatment.'

These are uncomfortable questions, but it is useful to discuss them and this well-written book does so with clarity.○

Alain LACROIX

○○○

Sidney MINTZ – **Sucre blanc, misère noire: le goût et le pouvoir** – (Sweetnees and power: the place of sugar in modern history) – Editions Nathan, 250 pages, BFRs 1088, FF 160, 1991

Sidney W. Mintz, an American who taught at Yale for 20 years and is now professor of anthropology at John Hopkins University, is an expert on the Caribbean and the author of many works on the region.

This book on sugar was written in 1985 and translated into French in 1991. In the foreword to the French edition, the writer explains that he has tried to use the history of a consumer product, saccharose, or sugar, whose past is tied up with that of capitalism itself, to shed fresh light on the most important social transformation of the millennium — the industrial revolution in the West. His sharply written work highlights a somewhat surprising paradox — what can only be called man's, and indeed woman's, time-honoured sweet tooth (initially for ripe fruit and honey) and the wealth-seeking organised cruelty of slavery and forced labour on the sugar plantations and in the sugar trade and industry which grew up with the capitalist economy, particularly in Great Britain.

It was, in fact, Great Britain which gave the triangular trade between Africa, the New World and London its full dimension. And why did the British gradually become major sugar consumers in centuries past? Because their Government lowered the customs duties on sugar, thus considerably boosting domestic consumption and, the author maintains, enabling the workers of the industrial revolution better to withstand the rigours of the weather. Today, the reign of saccharose may well be threatened by another kind of sugar, the maize syrup rich in fructose now extensively used in Coca-Cola. What are we to think about that? The author himself suggests that it is probably presumptuous to use a subject as futile as sugar as a springboard for pondering on the state of the world.○

A.L.

○○○

Address:

Postal address (mail only)
'The ACP-EEC Courier'
Commission of
the European Communities
200, rue de la Loi
1049 Brussels
Belgium

The Courier office address (visitors)
First floor
Astrid Building
1, rue de Genève
Evere - Brussels
Belgium

THE COURIER
AFRICA – CARIBBEAN – PACIFIC – EUROPEAN COMMUNITY

PUBLISHER
Peter Pooley

Commission
of the European Communities

200, rue de la Loi
1049 - BRUSSELS
(Belgium)

Tel. 00-32-2-299 11 11 (switchboard)
Telex COMEURBRU 21877

EDITOR
Mr Dominique David

DEPUTY EDITOR
Lucien Pagni

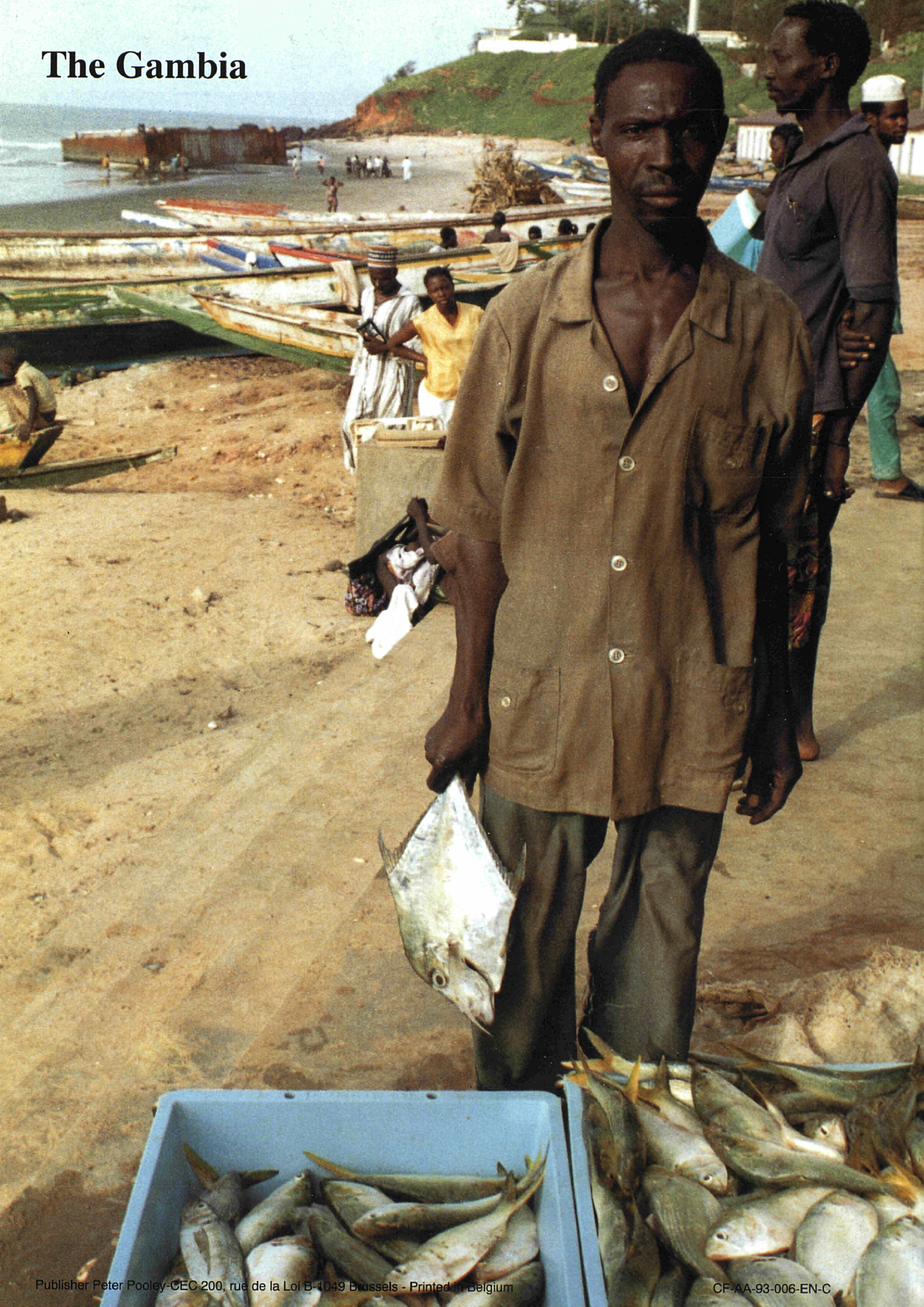
ASSISTANT EDITORS
Roger De Backer
Amadou Traoré
Augustin Oyowe
Simon Horner
Robert Rowe

SECRETARIAT:
Katya Heyen (295-26-31)
Ilse Pirlet-Kranendonk (299-29-77)
Fax: 299-30-02

CIRCULATION
Margriet Mahy-van der Werf (299-30-12)

Back cover: ***Gambian fisherman (Photo The Courier)***

The Gambia



Publisher Peter Pooley-CEC 200, rue de la Loi B-1049 Brussels - Printed in Belgium

CF-AA-93-006-EN-C