

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(80) 239 final

Brussels, 12th May 1980

**COMMISSION REPORT TO THE ACP-EEC
COUNCIL OF MINISTERS
ON THE ADMINISTRATION OF FINANCIAL
AND TECHNICAL COOPERATION IN 1979,
UNDER THE LOME CONVENTION**

C O N T E N T S

	<u>Page</u>
<u>INTRODUCTION</u>	1
<u>CHAPTER I - FINANCING</u>	3
I.1. <u>Commitments</u>	3
I.1.1. <u>Aggregate commitments</u>	3
I.1.1.A. Aid administered by the Commission	3
I.1.1.B. Aid administered by the EIB	4
I.2. <u>Disbursements</u>	5
I.3. <u>Breakdown by sector</u>	6
I.3.1. <u>Development of production</u>	6
I.3.1.A. Industrialization	6
- Development banks	6
- Manufacturing industry	7
- Agri-industrial complexes	7
- Metalworking	8
- Chemicals	8
- Energy	8
- Extractive industries	9
- The use of risk capital for industrialization	10
I.3.1.B. Tourism	10
I.3.1.C. Rural production	11
- Agricultural production	11
- Stock-farming	14
- Fisheries	14
- Forestry	14
I.3.2. Economic infrastructure	15
- Roads and bridges	15
- Civil aviation	16
- Railways	16
- Ports and waterways	17
- Telecommunications	17

	<u>Page</u>
I.3.3. Social development	17
- Education and training	18
- Public health	20
- Water engineering, urban infrastructure and housing	21
I.3.4. Multisector programme of short-term aid to Uganda	21
I.3.5. Other commitments	22
<u>CHAPTER II - APPLICATION OF THE INSTRUMENTS OF COOPERATION AND CERTAIN SPECIFIC PROVISIONS OF THE CONVENTION</u>	 23
II.1. <u>Trade promotion</u>	23
II.2. <u>Stabex</u>	24
II.3. <u>Exceptional aid</u>	25
II.4. <u>Technical cooperation</u>	25
II.5. <u>Regional cooperation</u>	26
II.6. <u>Microprojects</u>	27
II.7. <u>Special measures in favour of the least developed ACP States</u>	27
II.8. <u>Specific measures in favour of small and medium-sized national enterprises</u>	29
II.9. <u>Assistance and transfer of technology</u>	30
II.10. <u>Industrial cooperation agencies</u>	31
II.11. <u>Co-financing</u>	32

	<u>Page</u>
<u>CHAPTER III - ADMINISTRATION OF AID, EVALUATION OF RESULTS, INFORMATION</u>	33
III.1. <u>Administration of aid</u>	33
- Updating of indicative programmes	33
- Invitations to tender	34
- Financing agreements	34
- Preparation of conditions of contract	35
- Commission Delegations	35
- Coordination and harmonization of aid	35
III.2. <u>Evaluation of completed projects</u>	36
III.2.1. <u>Working methods</u>	36
III.2.2. <u>Principal lessons to be learned from the evaluations completed</u>	37
III.3. <u>Information</u>	40
- "The Courier"	40
- Further information	41

A N N E X E S

- Tables I and Ia - Breakdown of commitments at end 1979 by country and by sector.
- Tables II and IIa - Breakdown of commitments at end 1979 by sector and method of financing.
- Tables III and IIIa - Financing situation at end 1979 by method of financing and by administrative body.
- Tables IV and IVb - Financing situation at end 1979 by method of financing, by administrative body and by sector.
- Tables V and Va - Sectoral summary, end 1979, showing %, method of financing and administrative body.
- Table VI - Subsidized loans and risk capital committed by the EIB in 1979.
- Table VII - Stabex.
- Table VIII - Exceptional aid.
- Table IX - Small and medium-sized enterprises.
- Table X - Breakdown of contracts.
- Table XI - Cost of the Delegations.
- Table XII - Commitments and payments as at 31.12.1979 by ACP State.

I N T R O D U C T I O N

The Commission report on the administration of financial and technical cooperation in 1979, drawn up where appropriate in collaboration with the European Investment Bank, is intended to enable the Council of Ministers to review the extent to which the objectives of the cooperation have been achieved. Article 41 of the Lomé Convention provides that the Commission shall submit an annual report; the present report is the fourth since the entry into force of the Convention on 1 April 1976.

At 31 December 1979 commitments by the Commission and the Bank since the Convention's entry into force were in excess of 2 500 million units of account (including over 688 million units of account in 1979 alone), or over 73 % of the funds available. The percentage is slightly higher for programme aid taken on its own than for the aggregate, which includes Stabex, exceptional aid and EIB contributions. The commitment percentage for national indicative programmes is also appreciably higher than that for regional projects. But these figures obviously represent an average, and further analysis indicates a breakdown of the ACP States into three major groupings :

- thirty-eight countries where 70 % - 100 % of the indicative programme has been financed;
- eleven countries where the proportion is between 40 % and 70 %;
- seven countries where the proportion is lower than 40 %.

The low level of commitments for the last of these groups is explained either by accession to the Lomé Convention after its entry into force or by some particular set of circumstances.

By February 1980 the grand total of disbursements from the fourth EDF came to almost 1 000 million units of account, 374 million (38 %) of this being for 1979 alone. Procedural improvements and streamlining, coupled with a better understanding born of the experience gained by those concerned, have brought about considerable progress in this field, as the 1978 report predicted.

In the resolution it adopted in Suva (Fidji) on 14 April 1977, the Council called on those responsible for devising and implementing technical cooperation between the ACP States and the Community to take stock of all financial and technical cooperation activities.

In the 1978 report the Commission indicated that no such meeting had taken place. It was not possible to hold one in 1979 either, the negotiations for the renewal of the Convention having claimed the full attention of the ACP and Community staff concerned. Experts from both sides finally met in Brussels on 25 and 26 February 1980, before the expiry of the Convention, by which time this report had been more or less completed.

The meeting provided further confirmation that a frank, direct dialogue helps produce more positive results and better guideline for the implementation of financial and technical cooperation in the future. The timing of the meeting gave the experts a clearer view of what was been accomplished under the first Lomé Convention.

In the course of the year Tuvalu, Dominica, St Lucia and Kiribati acceded to the Convention, bringing the number of ACP States at 31 December to 58 (originally they had numbered 46).

CHAPTER I

FINANCING

I.1. Commitments

I.1.1. Aggregate commitments

Commitments by the Commission and the Bank for the year totalled 687.9 million EUA. In all, 2 513.9 million EUA has been committed since the entry into force of the Convention, i.e. 72.2 % of the total 3 464.4 million EUA available. (The original figure of 3 390 million EUA was updated to take account of further accessions to the Lomé Convention, by virtue of Articles 89 and 90 which stipulate that accession shall not adversely affect the advantages accruing to the original signatories, inter alia from the provisions on financial and technical cooperation.

It may reasonably be assumed that most of the remaining funds will be committed in the course of 1980. The transition between the two Conventions should therefore be smooth.

In the year under review the Commission, with the approval of the relevant Community bodies (Article 54 of the Convention), took 150 financing decisions plus 203 decisions on technical cooperation, and 17 financing decisions relating to microproject programmes were taken by the Chief Authorizing Officer of the European Development Fund.

I.1.1.A. Aid administered by the Commission

Commission-administered aid committed totalled 588.8 million EUA, 9 % above the preceding year's figure.

The total can be broken down as follows :

- 400 million EUA for aid under national and regional programmes down slightly - by 54.3 million EUA - (on 1978), comprising 342.2 million EUA or 85.6 % in grant form and 57.8 million EUA or 14.4 % in the form of special loans;

- 24.6 million EUA for exceptional aid, which remained stable;
- 164.2 million EUA under Stabex, representing an appreciable increase (up 103.3 million EUA).

Although the system for the stabilization of export earnings does not strictly speaking come under the heading of financial and technical cooperation, the money is taken from the European Development Fund. To get a complete picture of the use made of the Fund it is therefore necessary to look at the Stabex results.

I.1.1.B. Aid administered by the EIB

Financing undertaken by the EIB totalled 86.4 million EUA :

- 73.2 million EUA in the form of subsidized loans
- 13.2 million EUA in the form of risk capital

bringing EIB financing under the Lomé Convention to a total of 347.4 million EUA (1), or over 71 % of the resources administered by the Bank during the lifetime of the Convention.

- Subsidized Loans

The EIB granted 11 subsidized loans totalling 73.2 million EUA, bringing the total for subsidized loans to ACP countries since the entry into force of the Convention to 272.6 million EUA at 31 December, i.e. 70 % of the ceiling. In 1979, loans were used to finance industrial, energy, mining and tourism projects in seven ACP countries. One of the projects is regional, concerning Ghana and Ivory Coast. The terms of the loans were fairly uniform : from 10 to 15 years duration, with interest rates ranging from 5.95 % to 7.40 % taking into account interest rate subsidies of 3 % from EDF resources which represent a total of 10.7 million EUA discounted to present values.

(1) Minus 1.1 million EUA representing the partial cancellation of risk capital accorded from 1976 to 1978.

- Risk capital

The thirteen risk capital operations for which documents were signed in 1979 total 13.2 million EUA and bring financing accorded in this form up to 74.8 million EUA, or 77 % of the maximum provided for under Article 42 of the Convention. Operations in the least developed ACP States (under Article 48 of the Convention) account for nearly half of this type of aid. Risk capital operations are analysed more fully below (see p. 13).

I.2. Disbursements

Disbursements of funds made by the Commission totalled 374 million EUA, an increase of 16.5 % on the corresponding figure for 1978 (321 million EUA). This calls for two comments.

- i. As regards the trend of total disbursements, the year's results confirm and consolidate the acceleration which only started to materialize in the last quarter of 1978 : total disbursements for the first quarter of 1979 are double the volume for the corresponding period in 1978. To cope with this, the Commission brought forward by a month the second call for Member States' contributions to the EDF and requested a supplementary contribution for the final quarter of the year.
- ii. Table XII, setting out the commitment/disbursement ratios for the ACP States at 30 November, shows considerable differences between the situations of individual countries. For certain States (Congo, Dominica, Gabon, Guinea Bissau, Mauritania, Niger, Senegal, Togo, Tuvalu and Upper Volta) the rate of use of funds is high, while for others (Grenada, Guyana, Guinea, Sao Tome and Suriname) it remains fairly low. It is possible that for the latter group of countries, 1980 will see project implementation speeded up as was the case in Ivory Coast in 1979.

However, the acceleration is more or less universal and at 31 December the average rate of disbursements by the Commission as a percentage of commitments was 44.3 % (or 31.3 % as a percentage of the total amount of the EDF).

At the same date disbursements by the Bank amounted to about 60 % of total loans from own resources and risk capital.

Thus after a slowish start, nearly all the ACP States have achieved the necessary familiarity with the administrative procedures laid down by the Lomé Convention. These procedures have been described at length elsewhere and are well known: their structure is not novel, but they display a new political purpose in the far-reaching transfer of responsibility to the beneficiary countries' administrations and decentralization of the powers of the central administrative bodies.

I.3. Breakdown by sector

I.3.1. Development of production

This sector, comprising industrialization, tourism and rural production, remained the largest, with commitments totalling 223.9 million EUA, down slightly (by 86.4 million EUA) on the preceding year. However, as has been the case since the Convention came into force, with a total of 1 118.3 million EUA going to it, the development of production is still way ahead of the other major sectors (taking 57.4 % of commitments on projects and programmes to date).⁽¹⁾

I.3.1.A. Industrialization

In 1979 financing for industrialization amounted to 114.6 million EUA, bringing the total at 31 December to 663.6 million EUA (including 177 million EUA for the agricultural and food industries and agricultural complexes directly concerning rural communities).

Development banks

With regard to development banks, the EIB has continued to accord global loans aimed above all at promoting small and medium-sized enterprises (SME); three operations in Africa and the Caribbean were arranged in 1979, for a total of 8 million EUA.

The Commission financed three operations for credit lines to SME involving a total of 4.3 million EUA.

(1) Table V - item III-a.

Manufacturing industry

Manufacturing industry in the ACP States also received direct aid from the Bank totalling 9.33 million EUA. Two projects in Cameroon (textiles and cement works) took 9.1 million EUA from the EIB's own resources, while the remaining 0.23 million EUA took the form of two risk capital loans to finance studies, one relating to the creation of a ship repair yard in Cape Verde, and others to various industrial projects in Swaziland.

The Commission's contributions in this field, while relatively small in volume, are mainly for the financing of studies and should achieve solid practical results.

Agriculture and food industries and agri-industrial complexes

The EIB financed two projects in this sector, for a total of 6.9 million EUA. In Ivory Coast, a 4.6 million EUA loan was granted to finance increased latex processing capacity, and 2.3 million EUA in the form of risk capital went to Gambia to finance the modernization of groundnut-processing plant.

In addition to several studies, 1.9 million EUA was provided from the resources administered by the Commission to finance a project in this sector: the renovation of the Pretsea agri-industrial complex in Ghana, consisting of a 4 500 ha industrial oil-palm plantation (to be increased to 4 900 ha) and an oil mill, which is to be overhauled (capacity 4 500 tonnes of oil).

This project is in line with the international consensus - and particularly recommendations from the International Monetary Fund - on the need to upgrade or renovate earlier schemes facing difficulties before undertaking new projects.

Metalworking

There were three EIB financing operations in this sector, involving a total sum of 8.79 million EUA. Two of them concerned the extension and modernization of an aluminium plant in Cameroon, which received a loan of 5.3 million EUA from the Bank's own resources and 2.3 million EUA in the form of risk capital. A conditional risk capital loan of 1.19 million EUA went to Madagascar, to build a pilot works for processing chromium ore.

Chemicals

In Ivory Coast the EIB made available a total of 5.7 million EUA for the extension of a fertilizer factory, in the form of 5.2 million EUA from own resources and 0.5 million as risk capital.

The Commission granted a special loan of 2.95 million EUA for the construction of an asphalt works in Tanzania.

Energy

There were five EIB operations in this sector, totalling 14.6 million EUA. Two loans, each of 6 million EUA, went to Ivory Coast and Ghana for linking their electricity grids. A conditional loan of 1 million EUA was granted as risk capital for the financing of a thermal power station in Djibouti. Risk capital was also used to finance a study on a bituminous sandstone deposit in Madagascar, and to help finance the development of solar energy in Senegal.

Grants or special loans from the funds administered by the Commission in this sector totalled over 12 million EUA. In addition to a number of studies, they concerned the financing of two major projects : one for geothermal research in Ethiopia (4.1 million EUA) and the other for electricity supplies to six provincial towns in Upper Volta.

A supplementary grant of 4.2 million EUA for the construction of the Selingué dam in Mali was also accorded.

On a general level, one of the ACP States major concerns in the energy sector continues to be the drive towards self-sufficiency. It is therefore necessary :

- (a) to rationalize non-commercial energy consumption (mainly wood) by improving combustion yields, backed up by reforestation programmes and the introduction of new types of appropriate technology in the domestic and industrial sectors (ethanol, biogas, gas production, direct solar energy conversion, etc...)
- (b) to cut imports of petroleum products (petrol, fuel oil) by introducing more appropriate plant designed to exploit local resources (solar energy, wind, hydro-electricity, biomass, agri-industrial waste, etc...) and encouraging the optimum use of energy production facilities.

Energy cooperation therefore involves both conventional projects producing established types of energy (mainly hydro-electricity) and the promotion of research on and exploitation of alternative energy sources.

At 31 December total Community investment in energy had attained the sizeable sum of 194 million EUA, broken down as follows :

hydroelectric energy	69 %
thermal energy	7 %
transportation energy	20 %
alternative energy sources	4 %

Obviously, projects harnessing the hydroelectric potential of the ACP States continue to spearhead the Community's activity in this sector. These include in particular the construction of major dams such as those over the Ruzizi (Rwanda, Burundi, Zaïre), Kpong (Ghana), Mukungwa (Rwanda) Song-Loulou (Cameroon), Tana River (Kenya) and Viti Levu (Fidji).

Extractive industries

The EIB financed two projects in this sector, for a total sum of 26 million EUA. A loan of 25 million EUA was granted for working iron ore deposits in Mauritania, and a conditional loan was granted as risk capital to finance a study on iron ore deposits in eastern Senegal.

The Commission, for its part, financed mining studies, which are a vital means of obtaining a better knowledge of the scope for development in this sector. The two most important of these, carried out in Benin (1.6 million EUA) and Cameroon (1.2 million EUA) were geological mapping and mineral prospecting studies which should enable an assessment to be made of the potential of the areas involved.

The use of risk capital for industrialization

It is interesting to note that the EIB's thirteen risk capital operations involved financing projects which, owing to their particular characteristics, it would probably not have been possible to finance solely with loans from the Bank's resources. Of these operations in the industrial, mining and tourism sectors, seven were financed directly, while the others involved the financing of specific studies; one of them, accorded to a development bank, also provides for the possibility of financing minority holdings.

Half of the total for risk capital operations went to six of the ACP countries classed as least developed under Article 48 of the Convention. The remaining half was divided among five countries, mainly to increase firm's own resources. In two instances the risk capital operations were supplementary to loans from the Bank's own resources.

Risk capital was used in several different ways ; direct acquisition of holdings by the Bank on behalf of the Community in the capital of enterprises, direct aid towards the constitution of own resources via conditional loans to the ACP State, or quasi-capital aid to enterprises in the form of conditional loans.

Aid towards the constitution of own resources, in its various forms, is the main objective of risk capital operations and accounts for almost three quarters of the total amount accorded.

I.3.1.B. Tourism

The EIB granted three loans totalling 7.1 million EUA in the tourism sector. A loan from the Bank's own resources (4.5 million EUA) will help to finance the building of a hotel in Niger and two risk capital operations will help to finance hotels in Mali (2.5 million EUA) and a study in Jamaica.

The Commission, for its part, provided a total of 0.9 million EUA to finance studies on the tourist potential of Guyana and the CARICOM countries and a technical assistance scheme in Zambia.

1.3.1.C. Rural production

Commitments for increasing rural production continued at a steady rate which was practically identical to that of the preceding year. Financing decisions taken in this sector totalled 101.3 million EUA, thereby raising to 436 million EUA the amount of Community aid earmarked for this type of production since implementation of the Lomé Convention started.

To cover the full range of rural development schemes (operations of particular relevance to rural communities), the following should be added to this total :

- i. 177 million EUA committed for agri-industrial projects and the agricultural and foodstuffs industries as noted above;
- ii. 33.6 million EUA for village water engineering operations;
- iii. 79.3 million EUA for social development projects directly affecting rural communities (training, and health and education infrastructure).

In all, these various schemes relating to rural development in the broad sense of the term represented at the end of the year, almost 38.6 % of the aggregate amount committed for projects and programmes (Table N° V, item III-a).

Agricultural production

Of the projects financed from the resources administered by the Commission, 19 concerned agricultural production. Details of all of them will not be given, but certain trends which seem to be of particular interest will be indicated.

First of all, almost all these projects directly affected small family farms. Their impact is considerable, since the holdings in question provide a living for over 1 300 000 people, farming a total of over 320 000 hectares.

The main products covered by the projects are cereals, paddy rice, vegetables, oleaginous fruits and cotton. The additional production expected as a direct result of the projects (when fully operational) should amount to over 73 000 t of cereals, 10 000 t of paddy rice, 23 000 t of groundnuts and 20 000 t of seed-cotton, thus representing a clear predominance of food crops, irrespective of whether they are intended for families' own consumption or for marketing. Furthermore, with regard to crops grown in rotation, a production surplus may be expected in the case of produce not directly affected by the proposed improvements in cultivation methods but used as part of the crop rotation, notably owing to certain residual effects of fertilizers.

The basic objective of a number of projects, such as the third phase of the Ségou rice operation (Mali), was the achievement of self-sufficiency in food, and consequently food security.

In the case of projects involving products for industrial processing, the objective was in many cases to supply local factories (e.g. cotton project in Guinea).

A number of projects were of the "pilot" type, the aim being to prepare for the future by seeking the products or production methods most suited to the local context (e.g. : grain production in Belize). Others were aimed at applied research, especially in a regional context, which is of particular value since the results will then benefit a number of countries (e.g. cocoa project in the Carribean, the results of which may be used in Ghana, Ivory Coast, Cameroon, Nigeria, or Zaïre, which are major cocoa producers).

A number of operations include a section on soil protection, and one entire project was even devoted to this problem, which is crucial for the area concerned, as the constant decline of the soil potential is causing the bottom to fall out of food production while the food situation has already reached dramatic proportions (Nioumakélé project in the Comoros).

Most of the projects aimed at boosting production are based on an increase in productivity rather than area, and attention is focused on the yield per hectare in these cases. The Nuba mountains project in Sudan aims to achieve the following increases (in Kg/ha) :

	<u>present yield</u>	<u>situation with project</u> <u>(when fully operational)</u>
Sorghum	786	1 357
Cotton	321	857
Sesame	357	624

The "non-quantifiable" effects of projects sometimes play a major role in the commitment decision : this would apply, for example, to a project involving a region where few other productive projects are possible and which seems at a disadvantage compared with the rest of the country (e.g. savannah project in Togo) or to a project bringing about a significant improvement in the standard of living of the local population as a result of factors which are not directly productive such as wells, tracks, training, etc... (this has often been true of integrated rural development projects, such as the Mono project in Benin).

Cofinancing was used to fund a number of projects. The total amount of 9.13 million EUA required for a project in Malawi, for example, was found by means of the following contributions :-

	<u>million EUA</u>
EDF	2.4
CDC (1)	2.792
ODA (1)	0.55
Malawi	0.716
Self-financing of the project	2.672

Four of the agricultural projects for which commitments were made were regional projects to back up existing structures (e.g. WARDA in West Africa). Although the amounts put up were relatively low their impact may eventually be considerable owing to the number of countries involved (in the case of WARDA, 15 countries : Benin, Gambia, Guinea, Guinea Bissau, Ghana, Ivory Coast, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo, Upper Volta).

It should be noted, lastly, that the multisector programme of aid for Uganda includes 4 million EUA for agriculture (see 1.3.4. below).

(1) CDC : Commonwealth Development Corporation

ODA : Overseas Development Administration
(two UK bilateral aid bodies)

Stock-farming

The financing decisions taken in this sector during the year amount to 5.7 million EUA. This amount is relatively small but it will be remembered that for stock-farming the national context is often too restricted, particularly if a health scheme is involved. Regional projects are therefore the most fruitful but they are also the most complex to prepare and implement. For this reason, while continuing the appraisal of national projects where such projects prove appropriate, the Commission's departments, working in conjunction with regional bodies, particularly in West Africa, are preparing regional animal health schemes (interdependence of sahelian and Sudanese stock-farming).

In addition, the short-term aid programme for Uganda includes a scheme costing 3.5 million EUA for improvements to stock-farming (see I.3.4. below).

Fisheries

In the sphere of fisheries, the financing decisions taken in 1979 amount to an overall figure of 4 million EUA.

A regional study covering five Gulf of Guinea states should be noted; another, requested by certain Indian Ocean states, is being prepared.

Forestry

Only one project was concerned exclusively with forestry : the deforestation of the site of the Sélingué dam reservoir in Mali. In a country where there is an acute shortage of wood for fuel and construction (hence the need for expensive imports), it would have been regrettable if the wood in the area which will be flooded once the Sélingué dam is built (17 900 ha of forest) had been completely lost. This wood will therefore be recovered and processed on the spot into charcoal (38 000 t) and rough timber for sawing (1 600 m³) which will be sold in the area or in Bamako. This will make it possible to slow down the overexploitation of almost 50 000 ha of forest in the Bamako belt, until 3 400 ha of new forest financed by the World Bank becomes productive.

It should be pointed out that in addition to this major forestry project, small "reafforestation" operations are sometimes included in agricultural projects, especially where integrated rural development is involved.

I.3.2. Economic infrastructure

Commitments in this sector totalled 137.8 million EUA, which was well up on 1978 (93.7 million EUA). In all, at year end, 455.1 million EUA had been given over to this sector, which, with 23.3 % of the commitments entered into under the indicative programmes, comes second to the development of production (Table V, item III-a).

Roads and bridges

This is the area in which most progress has been made, with financing decisions amounting to 115.6 million EUA (98.1 million EUA in grants and 17.5 million EUA in loans) as opposed to 55.2 million EUA in 1978 (+ 109 %). These amounts do not include money spent on building rural tracks in the context of agricultural projects.

Eighteen road projects were financed : eleven in Africa, four in the Pacific and three in the Caribbean.

These are mainly projects involving the building of major road links with a view to opening up regions which are difficult, or even impossible to reach during the rainy season. This is the aim of the largest projects financed in Sierra Leone, Zaïre, Tanzania and Burundi. Service roads are also included, as in Fidji, Gambia and Zambia. The building of the access road to the Manantali dam is a preliminary to the building of the dam, which will not only enable a vast area to be irrigated, but will also make the Senegal navigable in all seasons. This project, which covers Senegal, Mauritania and Mali, is a regional one, as is the project for building a road through Botswana to open up Zambia.

Major studies have been initiated for a road linking northern Somalia to Djibouti (regional project) and for roads in Madagascar (Sambava-Ivongo), Rwanda (Cyangugu-Butare) and Somalia (Einabo-Erigavo-Lasqoray).

As a general rule, the EDF financed the road projects in their entirety (including supervision). In certain cases, the works were exempt from customs duties and charges (Mali, Ethiopia). In Sierra Leone, a project was cofinanced with German bilateral aid.

Civil aviation

In this sector, three runways for small planes have been financed in Fidji.

Railways

The railway provides access to regions previously cut off. The cost of building railway lines is such, however, that existing lines should first be improved and an attempt should be made to find a number of sources of financing for any one project. This dual requirement lies behind Community operations in the railways sector in the course of the year, covering southern and central Africa. Community aid helped bring about cooperation between the African countries concerned and the suppliers of funds for financing the rebuilding of the Lobito line, linking Zambia and Shaba to the Atlantic Ocean (port of Lobito). The Community contribution is 8 million EUA for the first phase of the project, which costs 26.1 million EUA and is being cofinanced with the United Nations, ABEDIA and the OPEC Special Fund, and Belgian, Dutch and Swedish aid. A second phase costing 37 million EUA is being examined by the various suppliers of funds.

To the east, the Community is particularly involved in the Kigoma - Dar-es-Salaam line, where it is preparing operations to improve the port of Kigoma on Lake Tanganyika and the Kigoma-Tabora section for which studies have already been financed. Furthermore, following the events in Zimbabwe-Rhodesia, which resulted in the destruction of two bridges over the Tazara, linking Zambia to Dar-es-Salaam, the Community committed an amount of 1.7 million EUA in December for repairing the Shambesti and Lunsemfwa bridges, the first cofinanced with China. All these operations were financed with regional cooperation funds.

In Cameroon, the Community financed a geotechnical study to prepare the technical specifications for the last section of the realignment of railway between Douala and Yaounde (1.5 million EUA). An amount of 3.7 million EUA was committed as supplementary financing for the realignment of the Congo-Ocean railway.

Ports and waterways

There were few Community operations in this sphere, with a total of 2.8 million EUA, but they were designed to meet well-established priority objectives, as in Tonga (Vava'u wharf) or constitute preparation for future action, such as the financing of the study on the development of port infrastructure on the south-eastern coast of Liberia, and the technical study on the port of Kigoma on Lake Tanganyika.

Telecommunications

There were few telecommunications operations, but they constitute what is sometimes a decisive factor in the development of a country. This is true of the inter-island telecommunications project in the Comoros (Community contribution of 2.3 million EUA), which will provide the country with basic infrastructure; this project is being financed with ABEDIA (contribution of 1.1 million EUA). In Uganda, an amount of 1.6 million EUA was committed for telecommunications under the multisectoral aid programme.

I.3.3. Social development

Commitments in this sector amounted to 86 million EUA, which reflects a very stable level of commitments. At 31 December, the total amount was 329.1 million EUA, i.e. 16.9 % of the commitments entered into in respect of programmes and projects.

In the social sphere, irrespective of whether it is education, health or housing, it is important to carry out not random and isolated projects but operations linked with other development schemes in order to increase their impact and scope.

Efforts have been made to move in this direction but it would be desirable for this concept to gain widespread acceptance in future.

Furthermore, even if these projects are undertaken in a specific sectoral context, such as construction, it is advisable not to confine action to building and the supply of equipment, but to make provision also for the training or further training of staff, without omitting those responsible for management and maintenance.

The practical experience acquired in this sphere comes from operations undertaken in the field in a large number of ACP countries. It will be valuable in the future.

As for project implementation, in order to apply appropriate techniques and take into account the burden of operating costs carried by the budgets of the countries concerned, an attempt was made to use more local resources than in the past in construction, with regard to the choice of materials and the skills of the labour employed.

Operations of this type are still rather rare however, for although the technique is tried and tested, for various reasons they have not been fully accepted and this prevents them from being more widespread, despite their undoubted value.

Education and training

- Education infrastructure

Over the year, 14 projects, including two regional ones, were financed in the sphere of education.

In the national projects the emphasis was placed on vocational and technical establishments for the training of middle management and technicians, who are urgently needed in the ACP States, and on centres for training instructors to take over from technical assistants and thus place training entirely in the hands of nationals.

It is of interest to note that certain specialized training facilities are increasingly being set up in a regional context. The national framework is sometimes relatively small for these projects, which are costly both in terms of the original outlay and running costs.

- Multiannual training programmes

With the adoption during the year of six multiannual training programmes at a cost of 12 million EUA the number of ACP States with such programmes at their disposal is now 49, involving an overall total of almost 90 million EUA.

These programmes contribute to the attainment of the beneficiary ACP States' priority training objectives. They encourage in particular the training of instructors and vocational and technical training. Under these programmes study and training grants are awarded, training or further training sessions are held, instructors and teaching materials are provided, etc....

Out of a total of about 4 300 awards made by the end of the year, about 950 were for training in the Community countries and the remainder, around 78 %, were for training in the ACP countries. The ACP States and the Community give priority to training on the spot or in other ACP States, in national or regional establishments, notably for technicians, middle management, administrative and public service staff.

Generally speaking, award holders are sent to Europe only for short training courses or vocational training, or if it is ascertained that there are no specialized establishments on the spot which could provide the specific training sought.

The percentage breakdown of study and training grants by sector is as follows :

Economics	Agriculture	Sciences/ Technology	Health	Education	Other	Total
40 %	15 %	27 %	2 %	7 %	9 %	100 %

A number of seminars were organized, notably to provide further training for civil servants or management in finance management, the preparation of projects, technical programming, etc... The sending of instructors or experts to provide training was continued, bringing up total technical assistance in the various fields of training to 1 300 men/months.

Other training schemes, totalling about 20 million EUA, were also financed to meet specific needs or to carry out regional training programmes (e.g. : Higher Management Training Centre in Madagascar; National Vocational Training Institute in Zaïre; training schemes for technical staff at the ports of Mogadishu and Djibouti; assistance for the OCAM statistics college in Kigali; regional telecommunications training centre in Malawi, etc...)

- Projects with a training element

The ACP/EEC joint meeting on the evaluation of water engineering projects held in Bamako in November fully confirmed the result of health the experiment already observed in Freetown, which shows that the share of training in the cost of projects is very little compared with beneficial consequences for the operation as a whole.

Special attention has therefore been paid to project-linked training, either as part of individual projects or under multiannual programmes where training schemes have to start before a project is executed owing to the nature of the skills required.

- Seminars and advanced training courses

A sum of 800 000 EUA drawn from the regional appropriations enabled previous activities for the benefit of ACP officials and cadres to be stepped up and extended.

The seminars were attended in Brussels, Luxemburg and Strasburg by some 600 students or trainees from the ACP States and comprised 24 sessions of two days to one week. Matters of specific interest to each of the groups were dealt with in addition to the general aspects of the Community's development policy.

Also, two further training sessions (one in English and one in French) were held in Brussels on the planning of human resources and training seen from the development policy angle. These seminars enabled ACP States' officials to compare notes and familiarize themselves with the techniques for evaluating management and skilled labour requirements. Lastly, two more regional seminars were held for ACP senior officials and cadres : one in Lomé on technology, and the other in Abidjan on banking techniques. These two seminars were organized in conjunction with the UN and OCAM.

- Public health

Total finance provided for health projects was 15.2 million EUA. The overall amount committed since the outset is 44.9 million EUA.

As in the past, the emphasis was placed on protecting the health of the poorest sections of the population, particularly in rural areas, by setting up or improving small health units.

The seven projects financed involved the extension of a rural hospital using local materials, thereby avoiding the need to import part of the materials from abroad, and creating small-scale industries and new jobs in the region. There is also another project aimed mainly at scientific research: specialized equipment is to be supplied in order to empirical data on medicinal herbs derived from traditional medicine. Once the pharmacological potential of these herbs has been determined all extracts intended for export will be produced, followed by the manufacture of finished products intended above all for domestic consumption, but also for export.

- Water engineering, urban infrastructure and housing

Commitments in this sphere amounted to 9.1 million EUA, bringing total commitments as at year's end up to 82.3 million EUA.

Among the capital projects financed and technical assistance operations, projects for the provision of water supplies for the rural population in particular still take precedence over building or housing projects.

As will be seen below (I.3.4.), Uganda also received short-term aid for water supplies (2 million EUA) and the same amount for electrification.

A drainage project and five water supply operations now being appraised will be financed in 1980.

I.3.4. Multisector programme of short-term aid to Uganda

Since the change of regime in Uganda in April, the Commission has endeavoured to give this country every possible assistance to enable it to return to normal, and it was able to take prompt and useful action in the very first weeks following the establishment of the new regime.

First of all, between the end of April and the beginning of June, immediate humanitarian aid of 500 000 EUA was granted under the fourth EDF.

In addition, 950 t of milk powder, 300 t of butteroil and 400 t of cereals were supplied as food aid from the Commission budget. Then, following close contacts with the Ugandan authorities and a visit by a Commission team to Kampala, a financing decision was taken on 5 July under the Lomé Convention on a short-term programme costing 18.5 million EUA (as an indicative programme item, not exceptional aid).

This programme was designed to ensure the rapid return to normal of essential public services and to cover the most urgent needs in the main social and economic sectors. The operations cover agriculture (4 million EUA), stock-farming (3.5 million EUA), water supplies (2 million EUA), electricity (2 million EUA), telecommunications (1.6 million EUA), road repairs (2 million EUA), education (0.5 million EUA) and various forms of technical assistance (1.6 million EUA).

Very considerable progress has already been made with the implementation of this programme.

I.3.5. Other commitments

Various other commitments were entered into in spheres which do not relate directly to the major branches of the economy noted above, viz. :

- i. trade promotion (6.5 million EUA);
- ii. Stabex (164.2 million EUA);
- iii. exceptional aid (24.6 million EUA).

Details of these commitments are given in the following chapter.

*

*

*

C H A P T E R I I

II. APPLICATION OF THE INSTRUMENTS OF COOPERATION
AND CERTAIN SPECIFIC PROVISIONS OF THE CONVENTION

II.1. Trade promotion

In 1979 two features of implementation of the activities provided for in Article 13 of the Lomé Convention were an increase in projects financed in the context of national programmes and the effort made to improve the administration of assistance through cooperation between the Commission's departments and bilateral and multinational aid.

National programmes

The organization of missions to identify trade promotion schemes has resulted in the establishment and implementation in twelve ACP States of programmes representing a financial commitment of 6.5 million EUA.

In addition to specific schemes relating to a given sector, the programmes have covered others at the production (development of know-how and organization of business management) and marketing stages (research into new product lines and new markets).

Improvement of cooperation between business
in the ACP States and in the Member States

Community help for two trade associations enabled the Federation for the Development of Utilitarian Artisanat (FEDEAU) to organize four missions in 1979 to select items suitable for the European market in terms of quality and price and afforded the Liaison Committee for the Production and Marketing of Tropical Fruits and Out-of-season Vegetables (COLEACP) 520 days of promotional sales in Europe which, inter alia, made it possible for Mali to double its exports of mangoes and achieve in 1979 the export tonnage target fixed for 1980.

Participation in trade events

The Community programme for participation by the ACP States in international trade events in 1979 covered thirteen general trade fairs and nine specialized shows with a total of 151 appearances.

Community aid went to 43 ACP States and two regional bodies (the Liaison Committee for Producers-Exporters of ACP Fruits and Vegetables (COLEACP) and the African Groundnut Council) for exhibiting samples of their agricultural, artisanal and industrial products, with a view to improving and developing their trade relations.

In the second half of the year, the Commission's departments examined new measures for providing aid in connection with trade promotion events in order to meet the wishes of the ACP States more closely.

II.2. Stabex

The transfers relating to the 1978 year of application which were decided in 1979 (and at the beginning of 1980 in the case of two transfers concerning Sudan and Swaziland) are given in Table VII together with the transfers also decided in 1979 for years of application 1977 and 1975, thus providing an overall picture of the decisions taken during the period under review.

For the first time since the system was introduced, the ACP-EEC Council of Ministers decided on 31 October, on the basis of Article 18 (2) of the Lomé Convention, to draw in advance on the financial instalment for the 1979 year of application.

The overall results for the financial year confirm that the system offers double protection. Three of the products involved (iron ore, pyrethrum and sisal) were affected by the poor economic situation; the corresponding transfers amounted to one-third of the total transferable. The remaining two-thirds were accounted for by various local circumstances, such as poor rainfall, drought, plant disease and typhoons.

Only Senegal, which with a transfer of 65.1 million EUA received 43.6 % of the total, is required to replenish the resources made available under the system. The remaining 56.4 % went to some of the least-developed countries.

II.3. Exceptional aid

As in the past, exceptional aid under Article 59 of the Lomé Convention has enabled ACP States to deal with the consequences of natural disasters and other "comparable extraordinary circumstances" producing similar effects. Commitments under this heading in 1979 amounted to 24.5 million EUA, which brings to nearly 111 million EUA to the total amount of exceptional aid accorded since the Convention entered into force.

A significant proportion of this exceptional aid (around 7 million EUA) has been used to finance airlift operations to assist landlocked countries cut off from their sources of supply (Burundi, Malawi, Rwanda). Large amounts of aid (likewise totalling 7 million EUA) were also decided for countries affected by hurricanes or flooding, such as Fiji, Mauritius, Dominica, Sudan and Jamaica.

Other aid (approx. 5 million EUA) has been accorded to refugees in various regions (Southern Africa, Sudan) through the United Nations.

In addition, small schemes were financed in the public health field in Rwanda, Mali, Ghana and Uganda.

In all, in 1979 exceptional aid was granted to twenty-six countries, sixteen of which are among the most disadvantaged (Table VIII).

II.4. Technical cooperation

The Commission has continued to provide technical cooperation in accordance with Chapter 3 of Protocol No 2. Financial commitments under this heading decided upon in 1979 amounted to 43.5 million EUA, bringing the total since the Lomé Convention entered into force to over 162 million EUA.

General technical cooperation

Aid accorded in this sector in 1979 amounted to 24.3 million EUA, bringing the sum total to 109.7 million EUA. These commitments mainly covered the following :

- (i) the grant of scholarships for studies, training courses and postal tuition and the organization of specific training programmes in the ACP States (see Chapter I.3.3. above);
- (ii) at the request of the ACP States, the provision of experts, advisers, technicians and instructors for specific missions and for limited periods.

Technical cooperation linked with investments

In 1979, financing decisions totalled 19.1 million EUA, bringing to nearly 53 million EUA the total volume of commitments since the Convention entered into force.

This cooperation chiefly comprises :

- (i) aid in the preparation of dossiers, and in the execution and supervision of works;
- (ii) temporary aid for the establishment, launching and operation of a specific investment;
- (iii) meeting the cost of technicians temporarily and providing goods necessary to the proper execution of an investment project.

II.5. Regional cooperation

The funds set aside for regional cooperation under the Lomé Convention amount to some 10 % of the total volume of financial resources. The Commission has accordingly programmed a sum of 300 million EUA in two instalments : an initial instalment of 209.3 million EUA was adopted in March 1977 and a second instalment of 90.7 million EUA proposed in September 1978 was adopted at the beginning of 1979 after examination by the relevant Community and ACP authorities.

The Commission has received financing applications for over 140 projects and operations. Most of these applications have led to a financial commitment. At 31 December commitments amounted to 176 million EUA, which corresponds to 59 % of the available sum administered by the Commission (exclusive of risk capital and interest rate subsidies).

Also to be taken into account are the regional operations financed from resources administered by the EIB; commitments under this heading amounted at 31 December to 35 million EUA.

With regard to the geographical distribution of the regional aid programmed to date, quite a satisfactory balance has been established between the main regions of Africa, the Caribbean and the Pacific.

A significant proportion of the total available resources has been allocated to general activities (trade promotion, budget of the Centre for Industrial Development, schemes embracing several regions or the whole of the ACP States, etc...).

Roughly 60 % of the total sum involves projects or programmes in favour of the least developed ACP States, which have also benefited from other provisions of the Convention such as payment of the total costs of a regional project, financing of studies and technical assistance so that dossiers may be prepared in full and maximum advantage be derived from the new instrument of regional cooperation.

Lastly, the activities of ACP regional and inter-State bodies have been encouraged with regional aid money, notably in the field of technical assistance and training and, in general, any other action to boost their role of promoting and economic integration.

II.6. Microprojects

At 31 December, the ceiling fixed by the Lomé Convention for micro-projects (20 million EUA) had been virtually reached at the programming stage : 19.2 million EUA had been programmed, of which over 15 million EUA had been committed, corresponding to the financing of 45 annual programmes in 29 ACP States (out of 33 States whose indicative programmes included microprojects). These 45 annual programmes included 1 827 microprojects, of which 639 social infrastructure projects, 643 operations to develop production, 374 rural water engineering schemes and 171 tracks. The average EDF contribution to the cost of microprojects was of the order of 45 %.

In 1979 alone, 19 annual programmes concerning 18 countries were committed for a total of nearly 6 million EUA.

II.7. Special measures in favour of the least-developed ACP States

Article 48 of the Lomé Convention expresses a clear policy decision to give preferential treatment and support to the least-developed ACP States and Chapter 5 of Protocol N° 2 sets out in detail the practical means by which this policy is put into effect.

The least-developed ACP States, of which there were 24 at the time of the signing of the Lomé Convention, numbered 34 at 31 December 1979. With 137 million inhabitants they represent 42 % of the total population of the ACP States.

The manner in which account is taken of the specific needs of the least-developed ACP States is particularly evident in the distribution of programmable resources - approximately 64 % for national and 60 % for regional purposes.

The methods and terms of financing are also more favourable : grants represent overall 91 % of the aid received by the least-developed ACP States but only 65 % in the case of the remaining ACP States. With regard to EIB financing in the form of risk capital, 63.9 % has been channelled to the poorest ACP States. In 1979, six of the countries listed in Article 48 accounted for half the sum apportioned for risk capital operations.

Certain instruments and measures of cooperation have been used specifically for the benefit of the least-developed ACP States, for example :

- (i) technical assistance and training schemes to improve their administrative capacity. In 1979 a large number of experts worked in the least-developed ACP States as advisers to the various ministries, as consultants during the execution of EDF projects, or as training instructors;
- (ii) the temporary financing, on a diminishing scale, of running costs or major repairs which cannot be covered by national resources.

Other instruments which usefully supplement these measures in favour of the least-developed ACP States are :

- the encouragement of regional cooperation;
- the promotion of microprojects;
- the special provisions of the Stabex system in favour of the least-developed countries.

The Community has also given special attention to the least-developed ACP States outside the Lomé Convention, notably in the form of food aid and contributions to projects cofinanced with non-governmental organizations in the Member States.

II.8. Specific measures in favour of small and medium-sized national enterprises

The development of small and medium sized enterprises (SME) in the ACP States was one of the innovations of Lomé Convention I. To assist SMEs financially and technically and to facilitate economic diversification and job creation, the Convention provides for a number of types of action including credit lines and global loans for financing bodies acting in an intermediary capacity between the Community and SMEs.

In 1979 the Commission approved three financing proposals totalling 4.3 million EUA for special loans to Jamaica, Benin and Suriname; since the Convention entered into force, thirteen decisions have been taken for credit lines totalling 12 million EUA.

With or without such credit lines, technical assistance has been provided at the request of the ACP States for a number of intermediary financing or advisory bodies in order to strengthen their capacity to counsel, promote and assist SMEs.

One of the major innovations of Lomé I was the emphasis on efforts by the ACP States towards industrialization, which to a large extent involves small and medium-sized enterprises. Some countries have requested help to strengthen their institutions which provide investment promotion services, while others have asked that organizations be set up to assess proposals by investors and offer national firms a varied programme of assistance.

The increasing attention devoted by the ACP States to the problems of the transfer of technology has begun to produce practical results, for example the creation of a Technology Centre and the reinforcement of bodies specializing in patents. Community assistance has also been sought for the drawing-up and supervision of industrialization programmes (list of the various schemes administered by the Commission : Table IX).

The Bank, for its part, has contributed by granting global loans to intermediary financing bodies; it is thus able to take advantage of their experience of the local economy. The proceeds of these loans are allocated to small and medium-sized projects.

This formula, already successfully employed by the EIB within the Community and in the Mediterranean countries, has proved particularly effective in the ACP countries.

Small and medium-sized enterprises are generally best suited to meet the diversified requirements of markets which are often limited and they play an important role in job creation.

At 31 December 1979 the EIB had granted 15 global loans in twelve ACP States totalling 67.05 million EUA (three of such loans in 1979 accounting for 8 million EUA). By this date, as a result of these loans, 53 small and medium-sized enterprises had received a total of 24.9 million EUA. These figures naturally give only a partial picture of the EIB's role in assisting small and medium-sized enterprises, since most of the global loans were granted only recently and, at the end of 1979, a substantial proportion of the funds were still in the process of allocation.

II.9. Assistance and transfer of technology

As in 1978, in the technological sphere (assistance and the transfer of technology) attention was focused notably on alternative sources of energy (independently of various training and technical assistance intended for the same purpose).

Projects which utilize new sources of energy cover quite a broad range of activities feasible in this sphere. The relevant operations consist for the most part of demonstration projects and preliminary assessment studies required in order to inform the ACP States satisfactorily of the possibilities. The breakdown of operations is as follows :

- (i) overall assessment : 1 study;
- (ii) solar energy (direct conversion) : 9 integrated projects;
- (iii) biomass development : 3 studies - 4 projects including 3 integration studies;
- (iv) marine thermal energy conversion plant : 2 feasibility studies;
- (v) micro-water engineering : 1 integration study;
- (vi) geothermal energy : 1 exploratory project.

In addition, the establishment of a "biogas" regional project co-financed with the NGOs (EDF and budgetary aid) demonstrates the value of such a procedure, which ensures that these new technologies will have a greater impact on rural communities.

The increase in schemes involving alternative energy sources illustrates clearly the desire of the ACP States and the Community to develop the new sources of energy rapidly. However, specific operations to achieve these objectives are in a category of their own because they presuppose promotional action. The reasons are as follows :

- (i) since most of the equipment needed to exploit new energy sources is still undergoing research and development, the introduction of such equipment necessitates substantial adaptation and a detailed knowledge of the opportunities which the technology in question can provide;
- (ii) the current fascination with this new technology calls for prudence in order to avoid ill-suited, ill-considered and sometimes even wrong action, which could result in rejection as a result of unfortunate experience;
- (iii) the development of new forms of energy sources, particularly when integrated with projects, necessitates a continuous process of observation, verification, review, and monitoring of the operations in question;
- (iv) the introduction of new forms of energy must always be accompanied by a transfer of technology and know-how.

The experience gained by the ACP States and the Community in the development of new forms of energy is important for planning, implementing and evaluating future operations.

In this context, Community bodies such as the Joint Research Centre can make an important contribution in the form of advice and training.

The EIB in addition to financing three studies in industry and tourism, has provided aid for two projects in this field : in Senegal for a solar energy project and in Madagascar for a study on the feasibility of developing bifuminous sandstone.

II.10. Industrial cooperation

During the year the centre for Industrial Development (CID) pursued, and broadened, its promotional activities for the benefit of ACP industries in accordance with the brief it had received from the Committee on Industrial Cooperation (CIC) along the lines followed in the past.

This Committee completed its guidelines for the CID's future activities and assumed its supervisory function, notably in the matter of finance.

II.11. Co-financing

Increasingly numerous sources of aid are involved in assisting the development of the ACP States. In the last fifteen years, the range of funds donors which had hitherto been limited to the traditional providers of bilateral aid to the ACP countries and to Community aid, has been broadened to include other bilateral aid, notably from the Federal Republic of Germany and from international finance agencies such as the World Bank. Likewise, the oil producing countries have engaged in an active policy of development aid which, particularly in Africa, has meant a growing involvement of Arab banks and funds.

The practice of co-financing is a natural result of this situation and there has been more intensive use of this instrument of cooperation during the life of the Lomé Convention, so that there is reference to it in Title VII (Financial and Technical Cooperation) Chapter 2 (Financial Resources and Methods of Financing) Article 96 of the new Lomé Convention. As a result of the links established between the aid administered by the Commission and the other sources of aid, over 20 % of the project appropriations under the fourth EDF have been used for co-financing. The total used for co-financing amounts to 466 million EUA, which has enabled 47 projects costing in all 3 200 million EUA (including nine projects costing 606 million EUA in 1979) to be carried out. Under the Lomé Convention, the EIB provided funds for 22 projects being co-financed. In this way 177 million EUA has been contributed towards investments totalling 1 736 million EUA. Arab financing bodies as a group have overtaken the World Bank by a relatively large margin in becoming the Community's chief partner in these operations.

The Community's experience in project appraisal and execution has frequently enabled it to play a prime role in arranging co-financing, notably in the form of joint financing. Experts from the ACP States and the Community meeting on 25 and 26 February this year to take stock of financing and technical cooperation "noted the advantages of joint financing as compared with parallel financing".

*

*

*

CHAPTER III

III. ADMINISTRATION OF AID, EVALUATION OF RESULTS, INFORMATION

III.1. Administration of aid

Updating of indicative programmes

Article 51 of the Lomé Convention specifies that the indicative programmes drawn up by the EEC and the ACP States at the beginning of the period covered by the Convention may be reviewed if need be, i.e. to enable account to be taken of changes occurring in the economic situation or any modifications of the initial priorities of the ACP State concerned.

So far adjustments have been made to 49 indicative programmes, of which 6 in 1977, 22 in 1978 and 21 in 1979. The indicative programmes amended in 1979 were those for Benin, Botswana, Cape Verde, Comoros, Djibouti, Equatorial Guinea, Gabon, Gambia, Guinea, Ivory Coast, Lesotho, Malawi (twice), Mauritania, Sudan, Suriname, Swaziland, Tanzania, Togo and Uganda. Adjustments were also made to the Caribbean regional programme. All such adjustments (whether to national or regional programmes) were adopted by the Community authorities.

Four newly independent States - Tuvalu, Dominica, St Lucia and Kiribati - acceded to the Lomé Convention in the course of the year. St Vincent, which gained its independence on 27 October, has since deposited its instruments of accession to the Convention.

EDF resources have been adjusted accordingly and now total 3 074.4 million EUA (2 178 million EUA as grants and 981 million EUA as loans on special terms, risk capital, Stabex transfers, etc...).

Invitations to tender

A total of 95 invitations to tender were issued for ACP States under the fourth EDF, i.e. somewhat fewer than for the preceding year (125). However, this quantitative decrease is offset by an increase in the overall value of the contracts awarded : 197 million EUA compared with 194.5 million EUA in 1978. These results show that, in practice, invitations to tender issued related to larger individual contracts than in the preceding year, the average being approximately 2 million EUA, compared with only 1.5 million EUA in 1978.

This phenomenon was particularly apparent in the case of supply contracts : 54 invitations to tender issued (as opposed to 69 in 1978) for contracts with a total of 49.9 million EUA (44.6 million EUA in 1978), making an average of 924 740 EUA per contract (646.137 EUA in 1978).

As regards works contracts :

- (i) invitations to tender issued under the normal procedure increased both in number (23, compared with 17 in 1978) and in total volume (133.8 million EUA, compared with 128.7 million EUA in 1978); however, the average value per contract was lower (5.8 million EUA) than in 1978 (7.6 million EUA);
- (ii) invitations to tender were issued under the expedited procedure for 18 contracts in all (39 in 1978) with a total of 13.2 million EUA (21.2 million EUA in 1978), i.e. an average of 735 674 EUA (543,598 EUA in 1978) per contract.

With implementation of the fourth EDF getting into full swing in the year under review, the above results show that the medium-sized contracts typical of this phase have now superseded the small contracts accompanying the running-in period and the large works contracts, most of which were awarded in 1978.

From the overall figures for contracts concluded up to 31 December (Table X), it can be seen that 30 % of the total went to ACP States' firms, i.e. a 5 % increase on the position at 31 December 1977.

Financing agreements

During the year 116 financing agreements involving grants or special loans were concluded by the Community and the ACP States, for a total of 317.8 million EUA.

Preparation of conditions of contract

Article 22 of Protocol N° 2 to the Lomé Convention specifies that contracts financed by the Fund shall be the subject of common rules. For this reason the Community, on a proposal from the Commission, transmitted to the ACP States draft general conditions of contract for works (March 1978), services (July 1978) and supplies (March 1979). These texts will be negotiated with the ACP States and formally adopted by the ACP-EEC Council of Ministers. Needless to say, they will be applicable to contracts concluded during the life of the second Lomé Convention, pursuant to Articles 131 and 142 thereof. The application of a single set of rules in this field will be a further factor in uniting the English-speaking and French-speaking ACP States, and will also make for even broader competition in the common interest.

Commission Delegations

There have been Commission Delegations in the ACP States since the earliest months of the Convention's life, and their internal structure was further improved during the year.

Accordingly, in the interests of more efficient organization, there was some geographical redistribution of the responsibilities exercised by the individual Commission Delegates; for instance, it was thought to be operationally more expedient for the Delegate in Mauritius to act as Commission representative to the Republic of Djibouti rather than the Delegate in Madagascar.

The Commission appointed its Delegate in Barbados to act as its representative to Dominica and St Lucia, two newly independent states which have acceded to the Convention.

In response to an ACP-EEC Council of Ministers resolution, Table X provides information on Delegation costs from 1976 to 1978 and in 1979.

Coordination and harmonization of aid

As before, the Commission pursued activities in this sphere at a number of levels :

- (i) the Community as such : exchanges of views were held with the Member States to make an overall assessment of Community cooperation with the ACP States;

- (ii) international agencies providing financial aid : meetings to discuss matters of common interest were arranged with such bodies as the African Development Bank, the World Bank, US aid and the Canadian International Development Agency;
- (iii) cofinancing : the community carried on actively pursuing its policy in this field, as stated above (Chapter II.10).

III.2. Evaluation of completed projects

III.2.1. Working methods

The Commission embarked on an evaluation of Community-funded road projects and micro-projects of different kinds, in conjunction with independent consultants and the authorities of the ACP States.

As in other years, the purpose of evaluation must be to draw conclusions from the projects already completed in the sectors concerned so that similar schemes to be financed in the future can be made more efficient. It puts into practice the principle embodied in the first Lomé Convention, whereby completed development schemes are to be evaluated jointly by the Community and the ACP States (Articles 50 and 57).

In this connection consultations took place during 1979 on the conclusions of a sectoral evaluation of urban and village water supply projects. At a meeting of ACP and EEC consultants organized by the Commission in Bamako (Mali) from 5 to 8 November, agreement was reached on a joint "basic principles" text, which the Commission took the responsibility of presenting to the appropriate joint ACP-EEC bodies.

Parallel to this sectoral approach, the Commission's departments continued their overall evaluation of all Community financing on a country-by-country basis. This was in response to a request by Parliament in July 1977 that the Commission should look at the impact of Community financing on the economic and social development of the recipient countries. The Government of Senegal gave its approval for such an evaluation to be carried out by European and national consultants. The preliminary results of this overall approach are summed up in paragraph 2 below.

III.2.2. Principal lessons to be learned from the evaluations completed

The provisional conclusions drawn by the Commission from the evaluation of all Community aid to four ACP States (1) in respect of the aggregate results of financial and technical cooperation and the key factors involved are summed up below :

Impact of Community aid

The effects of projects normally correspond closely to the economic development requirements of the beneficiary countries and have made a substantial contribution to such development, particularly by improving economic and social infrastructure, extending water supply networks and diversifying production.

On the whole projects can be said to be satisfactorily geared to requirements and obtaining immediate results, but their success is somewhat more qualified as regards adjustment to local capacities and conditions of utilization.

Generally speaking aid has strengthened the position of the Community's partners, in particular by boosting their financial and technical resources and improving economic and social conditions. However, in certain cases, it has generated cumbersome and expensive administrative machinery which subsequently has to be taken over by the State concerned, resulting in recurrent expenses beyond its means. Further, Community aid has done little to increase the productivity of the recipient countries' inhabitants or firms.

Key factors

(i) Roles played by the various partners :

As States usually serve not only as the channels through which aid passes but generally also have sole responsibility for implementation, there is a danger that quite a number of economic operations - whole populations, smaller communities and firms - will be relegated to a somewhat passive role in the development process.

(1) Namely Niger, Rwanda and Senegal, plus Cameroon, where a study was carried out by a United Kingdom Institute, the ODI, in conjunction with the Commission.

The wide variety of forms such aid can take aggravates the load on the authorities of the recipient States and encourages them to concentrate on procuring such aid increasing local resources and effort. Nevertheless, in view of its acknowledged effectiveness, Community aid often acts as an incentive to other aid donors to cofinance schemes, which is very useful even if cofinancing procedures are sometimes not conducive to speed.

The Community aims at, and usually gets, excellent immediate results from its projects since the technical assistance it provides is geared to satisfying the requirements of the recipient States. However, technical assistants do not usually do enough towards training and must not be substitutes for national managerial staff or hold up the transfer of responsibility to them.

(ii) The decision-making process :

Although national planning and sectoral programmes theoretically ensure that aid ties in with other development schemes and policies, care must be taken to see that projects really are consistent with such plans or programmes. Moreover, even now there is often no coherent long-term policy underpinning regional development schemes.

Indicative programming has made Community aid more effective, especially by reinforcing the role of national planning as a guide to the selection of the schemes to be funded, in the light of an overall long-term approach to the development requirements and potential of the countries concerned. However, this role has not always been given full play because certain States seek from the outset to apportion the indicative aid appropriation between projects which have not yet been properly identified or studied.

(iii) Project design :

Here the effectiveness of aid seems to depend primarily on :

- (a) adjusting projects to the human, natural and technical context, which presupposes a very thorough knowledge of the environment concerned and how it is likely to evolve;
- (b) the internal cohesion of projects, i.e. the close interrelationships between the various operations and aid instruments constituting each individual project;

- (c) participation by the target populations in project design, wherever possible, and in implementation and management;
- (d) attention being paid to the long-term conditions of utilization : to be effective, projects must be planned in such a way as to take account both of the requirements of the phase actually being financed and, most important, the subsequent phases when they will have to be run entirely by national staff with national funds.

(iv) Execution :

As far as methods of financing are concerned, it has been seen that :

- (a) the dual financing and management structures of Community aid make it necessary to take care to integrate industrial schemes into other operations;
- (b) the "soft" terms on which aid is provided are a valuable back-up to public finance but every effort must be made to ensure that priority is given to the needs of the most deprived sections of the population.

As regards methods of implementation, the evaluations carried out have brought two points to light :

- (a) where the technical and financial content of a project is defined in excessive detail, inflexibility and even wastage may occur during implementation, especially where the local population is to play a leading;
- (b) as a result of decentralization giving the Commission Delegations responsibility for supervision, schemes are now geared more satisfactorily to local situations and procedures have been speeded up.

(v) Project utilization :

In many cases a project's effectiveness declines once the implementation phase is over because insufficient attention has been given to staff training and the funds needed to sustain full utilization and normal upkeep or because the State and direct beneficiaries do not have the required resources. This point has already been made in the sectoral evaluations.

In conclusion, the impact of Community aid on the economic and social development of a recipient country is particularly favourable where :

- (a) the schemes concerned are closely geared to general development aim, viz. in the first instance growth and reinforcement of the economy and greater prosperity for the various sections of the population;
- (b) such schemes are designed to be permanent and extensive, even after aid has ceased;
- (c) national or local structures and undertakings are reinforced to equip them to achieve further progress through self-development;
- (d) costs are kept within reasonable limits and the least possible disturbance (be it economic, social, ecological, etc...) is caused.

The decisive factors are :

- the adjustment of projects and schemes to local surroundings so that they can be progressively "appropriated" and run by local communities, firms and bodies;
- consistency of the schemes financed with :
 - other completed or proposed development operations, regardless of the source of financing;
 - the resources available locally for utilization and maintenance;
- coordination of the various resources deployed to obtain the awaited results, with emphasis on combining aid in the form of capital or plant and assistance with staff training and management.

III.3 INFORMATION

"The Courier"

The magazine's readership continued to grow both in the ACP countries and in Europe. This magazine, with its various items in which leading ACP and EEC figures can air their views, is increasingly helping to provide ACP nationals and those concerned with cooperation issues in Europe with comprehensive information on the various aspects of the Lomé Convention. Particular emphasis is placed on the activities of the European Development Fund, agreements between the Community and the developing countries, and, more generally, the European Community's cooperation policy for the economic and social development of the Third World.

It already has a very wide circulation in the French-speaking ACP States and its readership is rising steadily in the English-speaking countries too. It is a link between the Community and the ACP States and is also becoming a link between the ACP States, all of which now recognize the usefulness and importance of the magazine. At the request of the representatives of the Member States and ACP States efforts are currently being made to expand circulation progressively and selectively in Europe. Since the beginning of 1979, it has included a section on Europe.

The ACP-EEC Courier still appears every two months. The number of pages has increased slightly to an average of 130 and the overall print run is currently about 68 000 copies.

During the past year the "Dossier" column has continued to deal with special subjects: health in the ACP States, major African road projects, science and technology for development, the future of ACP railways, agrarian reform and rural development, and the new Lomé Convention (special edition). The key theme is still Community and EDF operations under the Lomé Convention.

Owing to the workload caused by the Lomé II negotiations, the usual meetings between the ACP States' and the Member States' representatives were suspended by mutual agreement for most of the year, resuming only at the end.

Further information

During the year, in which the signing of the second Lomé Convention was a major landmark, the Commission's information departments carried on their various activities to make the Convention known to the general public, enlisting the cooperation of the ACP Governments and Secretariat wherever possible.

Documentary material published during the year included special papers on the implementation of the Convention in Sudan, Mauritius and Ivory Coast, papers on sugar and solar energy and an extensive "dossier" on the interdependence of Europe and the Third World.

The Commission also arranged a number of visits for the press especially in conjunction with the signature of the second Lomé Convention, when, besides the thirty accredited journalists who came from Brussels to cover the actual ceremony, groups of journalists visited Sierra Leone, Liberia, Cameroon and Togo to see on the spot what the Convention had achieved.

In addition, a number of visits were made to Community headquarters by ACP journalists, either in groups (e.g. students from schools of journalism) or individually (from Liberia, Lesotho, Nigeria and Ivory Coast).

Audio-visual activities were continued, and wherever possible stepped up, using the following media :

- (i) radio, by cooperating with European shortwave stations and supplying programmes in English and French to ACP broadcasting companies ("dateline Brussels" and "Du côté de l'Europe");
- (ii) film, through "Europe Pictorial/Images d'Europe", a weekly magazine programme made available in English, French and Arabic to television stations and cinema distribution networks as well as for non-commercial viewing in over seventy developing countries. These programmes are compiled from information provided by the Member States with the Commission's assistance. Six special programmes were produced, one of them on Lomé II.

A number of Commission Delegations have also participated in information activities such as cooperation with the Caribbean News Agency, now starting up at the suggestion of the Commission Delegate in Barbados, and the publication of a booklet on Congo-Community relations by the Commission Delegate in the People's Republic of the Congo.

Lastly, aware of the need to acquaint the European public with development in its various forms, the Commission's departments continued to cooperate with European non-governmental organizations specializing in this field. A seminar on Lomé was specifically arranged for NGOs during the negotiations with both Community and ACP spokesmen taking part, in order to foster discussion of this subject among the general public.

TABLE I : Breakdown of commitments at end 1979 by country and by sector (4th EDF and EIB ordinary loans)

(million EUA)

	Development of production			Economic infra- structure	Social develop- ment	Trade promotion	Excep- tional aid	Stabex	Other + over- heads	Blocked appropri- ations	Total
	Indus- triali- sation	Tourism	Rural produc- tion								
Bahamas			0,7		0,05	0,2			0,4		1,4
Barbados	2,9	0,1	1,1		1,2	0,1			1,3		6,7
Benin	3,-		9,-	15,5	1,9		0,02	20,-	1,9		51,3
Botswana	2,6	0,05	6,7	5,-	3,4	0,7	2,7		1,1		22,2
Burundi	17,0		3,2	7,6	10,4		2,1	1,5	2,3		44,1
Cameroon	47,3	3,1	9,1	15,8	4,7	0,4		4,1	3,8		88,3
Cape Verde	0,1		0,7		1,5			0,8	0,02		4,5
Central African Republic	2,4		11,9	8,-	4,5			4,-	2,6		34,4
Comoros			2,9	2,6	0,5			1,9	0,4		10,9
Congo	0,03	3,2	1,5	10,2	8,5	0,09	0,3	7,3	2,2		33,3
Ivory Coast	40,3	1,9	9,4	1,5	14,3	2,2		15,-	3,4		88,-
Djibouti	1,-		0,5	0,3	1,9			0,7	0,2		4,6
Dominica	0,03			2,3			3,3				5,6
Ethiopia	4,1		30,7	22,1	21,1	0,6		14,4	1,9		97,6
Fiji	14,6		0,7	7,1	1,-			2,1	0,8		28,8
Gabon			1,7	5,5	0,4	0,04		6,7	1,6		15,9
Gambia	2,3		3,-	4,-	2,2			2,5	1,-		15,7
Ghana	29,6		5,7	12,8	2,2	1,-		2,4	2,1		61,-
Grenada			0,2	1,5	0,3				0,03		2,-
Guinea	30,5		16,5	0,4	6,4				1,6		58,4
Guinea Bissau			6,5	5,1	4,2			8,8	1,1		26,2
Equatorial Guinea	0,08		0,07		0,03				0,2		0,7
Guyana	9,2	0,05	2,-	3,7	0,6				1,-		16,5

	Development of production			Economic infra- structure	Social develop- ment	Trade promotion	Excep- tional aid	Stabex	Other + over- heads	Blocked appropri- ations	Total
	Indus- triali- sation	Tourism	Rural produc- tion								
Upper Volta	5,8		13,4	12,8	8,-			7,2	3,3		50,5
Jamaica		0,07	9,-		5,6	2,8	0,3		1,8		19,5
Kenya	80,4	0,1	33,7		8,1	0,4	0,3		2,5		125,5
Kiribati			0,2					2,3			2,5
Lesotho	1,8		6,-	5,5	4,2		1,2		1,1		19,8
Liberia	18,-		0,3	5,5	5,-	0,3		7,6	1,7		38,4
Madagascar	2,7		19,1	6,4	9,2	1,5	1,7	2,9	3,3		46,8
Malawi	22,6		23,1	11,7	11,5	0,6	4,-		1,5		75,-
Mali	27,5	2,5	23,8	13,6	3,9		1,-	5,9	3,6		81,8
Mauritius	6,6		0,3	5,7	0,7	0,02	3,7		1,2		18,3
Mauritania	28,6		8,4		9,2		1,3	37,-	2,7		87,2
Niger	2,6	5,3	15,1	24,9	13,3		9,6	22,6	3,4		96,8
Nigeria	29,-				1,9	0,3			1,2		32,4
Ouganda	0,4		0,4	0,2	2,9		0,5	13,7	19,9		38,-
Papua New Guinea	9,8		0,2		1,2				0,5		11,7
Rwanda	30,6		0,5	23,2	4,7		6,4	0,6	2,2		68,2
St. Lucia			1,2	0,9	0,2						2,3
Solomon Islands			0,6	0,1	0,7			2,2			3,6
Samoa	2,6		1,5		0,1			2,9	0,3		7,4
Sao Tome e Principe	0,5		0,2	0,3	0,6		0,3		0,07		2,-
Senegal	2,3		15,6	11,6	19,7	0,8	3,7	65,1	3,9		122,7
Seychelles	0,6		0,1	0,2	1,7				0,01		2,6
Sierra Leone	1,-		6,9	10,1	7,6			4,-	1,3		30,9
Somalia	0,3		1,9	20,4	9,5		3,4	1,9	2,6		40,-
Sudan	6,9		29,2	16,7	13,8	0,1	1,5	12,-	3,-		83,2
Suriname			2,7	0,1	2,9	0,5			1,4		7,6
Swaziland	15,5		2,6	1,-	4,5			8,9	0,5		33,-

	Development of production			Economic infra- structure	Social develop- ment	Trade promotion	Excep- tional aid	Stabex	Other + over- heads	Blocked appropri- ations	Total
	Indus- triali- sation	Tourism	Rural produc- tion								
Tanzania	35,7		19,2	28,6	1,2		0,4	20,7	2,4		108,2
Chad	14,9		22,5	2,9	4,6		0,3	4,6	3,1		52,9
Togo	5,9		7,9	12,9	9,4	0,05		3,6	2,-		41,8
Tonga			0,1	2,6	0,02	0,04	0,2	1,1	0,2		4,3
Trinidad & Tobago	6,-		1,7		3,1	0,7			1,4		12,9
Tuvalu								0,2			0,2
Zaire	22,6		18,5	19,1	27,1	0,04	19,3		3,5		110,1
Zambia	7,4	0,1	18,-	3,7	12,5	0,5	17,-		2,2		61,4
Non-alloc. projects					0,2		9,3		14,8		24,3
Regional projects	69,4	0,2	8,9	83,4	29,-	18,1			7,1		216,1
Total	665,-	16,7	436,6	455,1	329,1	32,-	110,9	322,-	130,6		2.498,-
Blocked approps.			3,9							12,-	15,9
GRAND TOTAL	665,-	16,7	440,5	455,1	329,1	32,-	110,9	322,-	130,6	12,-	2.513,9

TABLE Ia : Breakdown of commitments in 1979 by country and by sector (4th EDF and EIB ordinary loans)

(million EUA)

	Development of production			Economic infra- structure	Social develop- ment	Trade promotion	Excep- tional aid	Stabex	Other + over- heads	Blocked appropri- ations	Total
	Indus- triali- sation	Tourism	Rural produc- tion								
Bahamas						0,2			0,04		0,2
Barbados	2,9		1,0		0,6				0,06		4,6
Benin	1,7		5,3	0,02	0,2			4,6	0,04		11,8
Botswana			1,9		0,02	0,7			0,2		2,8
Burundi	0,7		0,8	7,5			2,-		0,05		11,-
Cameroon	20,2		0,3	1,7	2,5	0,3			0,2		25,2
Cape Verde	0,09		0,1		0,3		1,3	0,4			2,2
Central African Republic	0,7		6,1	0,5	2,8		1,-	3,1	- 0,01*		14,2
Comoros			0,7	2,4				0,2			3,3
Congo					0,3				0,01		0,3
Ivory Coast	11,7		3,8	1,5		0,3			0,2		17,5
Malibouti	1,-			0,3	0,3				- 0,05*		1,6
Dominica	0,03			0,3			3,3				3,6
Ethiopia	4,1		0,6	22,-		0,5			0,1		27,3
Fiji				2,3			2,5		- 0,2*		4,6
Gabon				1,-					0,1		1,1
Gambia	2,3		0,2	4,-	0,1			2,5	0,2		9,3
Ghana	2,-		0,2				0,3		0,2		2,7
Grenada									0,01		0,01
Guinea	0,1		2,2	0,2					- 0,02		2,5
Guinea Bissau			0,1		0,4			3,6	0,04		4,1
Equatorial Guinea	0,08		0,07				0,3		0,2		0,7
Guyana	0,1	0,05	1,1	3,5	0,04				0,06		4,9

	Development of production			Economic infra- structure	Social develop- ment	Trade promotion	Excep- tional aid	Stabex	Other + over- heads	Blocked appropri- ations	Total
	Indus- triali- sation	Tourism	Rural produc- tion								
Upper Volta	1,5		1,3		0,06			5,3	0,3		8,4
Jamaica		0,07	1,9			1,-	0,3		0,01		3,3
Kenya	5,8		1,8						0,1		7,7
Kiribati			0,2								0,2
Lesotho			0,6	2,9	2,4						5,9
Liberia				0,7				7,6	0,2		8,5
Madagascar	2,4		0,02	1,8	3,-	1,4					8,6
Malawi	0,1		11,7	2,9	1,4	0,6	2,5		- 0,02*		19,2
Mali	4,2	2,5	4,5				0,2	3,9	0,08		15,4
Mauritius							0,7		0,05		0,8
Mauritania	28,6		0,1		5,4			33,4	0,1		67,6
Niger		5,4	0,2		5,6				0,2		11,4
Nigeria	0,9				1,4	0,1			0,1		2,5
Uganda	0,2			0,1			0,5	7,-	18,6		26,4
Papua New Guinea			0,1						- 0,03*		0,07
Rwanda					0,01		2,3	0,6	0,4		3,3
St. Lucia			0,04	0,1	0,2						0,3
Solomon Islands											
Samoa			0,2					0,8	0,01		1,-
Sao Tome e Principe			0,2				0,3		0,02		0,5
Senegal	1,5				8,9	0,8		65,1	0,05		76,3
Seychelles			0,1								0,1
Sierra Leone			0,07	10,-	2,1				0,03		12,2
Somalia	0,3			0,08	7,-				0,3		7,7
Sudan			17,3	0,3	6,3		1,3	9,3	- 0,1*		34,4
Suriname			2,7	0,1	0,4				0,2		3,4
Swaziland	0,1				2,5			5,5	- 0,02*		8,1

	Development of production			Economic infra- structure	Social develop- ment	Trade promotion	Excep- tional aid	Stabex	Other + over- heads	Blocked appropri- ations	Total
	Indus- triali- sation	Tourism	Rural produc- tion								
Tanzania	2,9			7,1	0,5		0,3	5,5	- 0,04		16,3
Chad					0,3		0,3	4,7	0,03		5,3
Togo			5,-					0,9	0,3		6,2
Tonga				1,-				0,2			1,2
Trinidad & Tobago	0,08				0,2				0,06		0,3
Tuvalu								0,05			0,05
Zaire			13,-	19,-	5,3				0,07		37,4
Zambia	0,8	0,02	12,2	3,8	8,3	0,5	0,2		- 0,1*		25,7
Non-alloc. projects							5,-		4,1		9,1
Regional projects	17,5	0,03	3,6	40,7	17,2	0,05			2,5		81,6
Total	114,6	8,-	101,3	137,8	86,-	6,5	24,6	164,2	29,-		672,-
Blocked approps.			3,9							12,-	15,9
GRAND TOTAL	114,6	8,-	105,2	137,8	86,-	6,5	24,6	164,2	29,-	12,-	687,9

* Adjustment of Funds committed for overheads

TABLE II : Breakdown of commitments at end 1979 by sector and method of financing

(million EUA)

	Grants	Special loans	Stabex	Contribution to risk capital formation	EIB ordinary loans	Total	%
I. <u>PRODUCTION OF DEVELOPMENT</u>						1.118,3	44,5
1. <u>Industrialisation</u>						665,-	26,4
General	22,1	2,4		4,4	63,5	92,4	3,7
Extractive industries	7,7	-		4,-	25,-	36,7	1,4
Metal-working industries	0,7			3,5	5,3	9,5	0,4
Chemical industries	1,7	3,-		1,6	11,1	17,4	0,7
Manufacturing industries	16,9	57,-		19,8	29,6	123,3	4,9
Agricultural and food industries	4,5	0,1		6,3	4,6	15,5	0,6
Projects based mainly on energy	73,1	43,8		2,6	77,9	197,4	7,9
Infrastructure combined with industrial projects	2,4	-				2,4	0,1
Artisanat	1,4	-				1,4	0,05
Integrated projects based mainly on industrial & agri-indust. operations	50,9	44,5		26,8	46,8	169,-	6,7
2. <u>Tourism</u>	2,1			5,8	8,8	16,7	0,7
3. <u>Rural Production</u>						436,6	17,4
General	22,4	12,4				34,8	1,4
Plantations	54,8	20,9				75,7	3,-
Hydro-agricultural schemes	47,4	13,3				60,7	2,4
Agriculture	67,2	0,4				67,6	2,7
Stock-farming	34,5	1,8				36,3	1,5
Fisheries	11,5	2,1				13,6	0,5
Forests	3,6	1,-				4,6	0,2
Microprojects	15,9					15,9	0,6
Integrated projects based mainly on agriculture	123,8	3,6				127,4	5,1

	Grants	Special loans	Stabex	Contribution to risk capital formation	EIB Ordinary loans	Total	%
<u>II. ECONOMIC INFRASTRUCTURE</u>						455,1	18,1
<u>4. Transport and communications</u>						455,1	18,1
General	0,5					0,5	0,02
Roads and bridges	325,1	47,1				372,2	14,8
Railways	11,7	32,8				44,5	1,8
Ports and inland waterways	12,6	6,5				19,1	0,7
Airports	0,9	0,8				1,7	0,07
Telecommunications	12,5	4,3				16,8	0,7
Meteorological stations	0,3					0,3	0,01
<u>III. SOCIAL DEVELOPMENT</u>						329,1	13,1
<u>5. Education and training</u>						201,9	8,-
General	6,-					6,-	0,2
Education infrastructure	95,3	0,6				95,9	3,8
Specific projects, vocational training and provision of instructors	11,2					11,2	0,4
Study and training grants	88,8					88,8	3,6
<u>6. Health</u>						44,9	1,8
General	0,8					0,8	0,03
Infrastructure	44,1					44,1	1,8
<u>7. Water engineering, housing and urban infrastructure</u>						82,3	3,3
General	2,6	4,9				7,5	0,3
Village general water supply	23,9	9,4				33,3	1,3
Urban water supply	12,5	2,6				15,1	0,6
Urban drainage	8,3	3,8				12,1	0,5
Urban improvement schemes	11,-	3,3				14,3	0,6

	Grants	Special loans	Stabex	Contribution to risk capital formation	EIB Ordinary loans	Total	%
IV. <u>TRADE PROMOTION</u>	30,3	1,7				32,-	1,3
V. <u>EXCEPTIONAL AID</u>	110,9					110,9	4,4
VI. <u>STABEX</u>			322,-			322,-	12,8
VII. <u>OTHER</u>						130,6	5,2
Miscellaneous	11,9					11,9	0,5
Multi-sector programmes	18,5					18,5	0,7
Overheads	100,2					100,2	4,-
VIII. <u>BLOCKED APPROPRIATIONS</u>	13,9			2,-		15,9	0,6
GRAND TOTAL	1.518,4	324,1	322,-	76,8	272,6	2.513,9	100,-

TABLE Iia : Breakdown of commitments in 1979 by sector and method of financing

(million EUA)

	Grants	Special loans	Stabex	Contribution to risk capital formation	EIB Ordinary loans	Total	%
<u>I. DEVELOPMENT OF PRODUCTION</u>						223,9	32,6
<u>1. Industrialisation</u>						114,6	16,7
General	5,4			0,5	7,5	13,4	2,-
Extractive industries	7,2			1,-	25,-	33,2	4,8
Metal-working industries	0,7			3,5	5,3	9,5	1,4
Chemical industries	0,6	3,-		0,5	5,2	9,3	1,4
Manufacturing industries	2,-			0,2	9,1	11,3	1,6
Agricultural and food industries	1,9	0,1		2,3	4,6	8,9	1,3
Projects based mainly on energy	12,2			2,6	12,-	26,8	3,9
Infrastructure combined with industrial projects	0,1					0,1	0,01
Artisanat							
Integrated projects based mainly on industrial & agri-indust. operations	0,2	1,9				2,1	0,3
<u>2. Tourism</u>	0,9			2,6	4,5	8,0	1,2
<u>3. Rural production</u>						101,3	14,7
General	1,8	7,5				9,3	1,3
Plantations	6,7	9,7				16,4	2,4
Hydro-agricultural schemes	3,4					3,4	0,5
Agriculture	11,9					11,9	1,7
Stock farming	5,7					5,7	0,8
Fisheries	2,5	1,5				4,0	0,6
Forests	1,4					1,4	0,2
Microprojects	5,3					5,3	0,8
Integrated projects based mainly on agriculture	43,9					43,9	6,4

	Grants	Special loans	Stabex	Contribution to risk capital formation	EIB Ordinary loans	Total	%
II. <u>ECONOMIC INFRASTRUCTURE</u>						137,8	20,5
4. <u>Transport and communications</u>						137,8	20,5
General	0,2					0,2	0,03
Road and bridges	98,1	17,5				115,6	16,8
Railways	7,3	8,-				15,3	2,2
Pors and inland waterways	2,4	0,4				2,8	0,4
Airports	0,3	0,8				1,1	0,1
Telecommunications	2,6					2,6	0,4
Meteorological stations	0,2					0,2	0,03
III. <u>SOCIAL DEVELOPMENT</u>						86,-	12,5
5. <u>Education and training</u>						61,7	9,-
General	3,7					3,7	0,5
Education infrastructure	38,4	0,6				39,-	5,7
Specific projects, vocational training and provision of instructors	7,-					7,-	1,-
Study and training grants	12,-					12,-	1,8
6. <u>Health</u>						15,2	2,2
General	0,8					0,8	0,1
Infrastructure	14,4					14,4	2,1
7. <u>Water engineering, housing and urban infrastructure</u>						9,1	1,3
General	0,2	4,8				5,-	0,7
Village water supply	1,2					1,2	0,2
Urban water supply	0,4	2,-				2,4	0,3
Urban drainage	0,3					0,3	0,04
Urban improvement schemes	0,2					0,2	0,02

	Grants	Special loans	Stabex	Contribution to risk capital formation	EIB Ordinary loans	Total	%
IV. <u>TRADE PROMOTION</u>	6,5					6,5	0,9
V. <u>EXCEPTIONAL AID</u>	24,6					24,6	3,6
VI. <u>STABEX</u>			164,2			164,2	23,9
VII. <u>OTHER</u>						29,-	4,2
Miscellaneous	4,6					4,6	0,7
Multi-sector programmes	18,5					18,5	2,7
Overheads	5,9					5,9	0,8
VIII. <u>BLOCKED APPROPRIATIONS</u>	13,9			2,-		15,9	2,3
GRAND TOTAL	377,5	57,8	164,2	15,2	73,2	687,9	100,-

TABLE III : Financing situation at end 1979, by method of financing and by administrative body

(million EUA)

	Total volume (Art.42 of the Con- tion)		Commitments at end 1979				Total	
			Aid administrated by the Commission		Aid administrated by the EIB			
	Amount	%	Amount	%	Amount	%	Amount	%
<u>EDF Resources</u>	<u>3.074,4355</u>	88,7	<u>2.121,9</u>	100	<u>119,4</u>	30,5	<u>2.241,3</u>	89,2
- Grants	2.149,8505	62,-	1.475,8	69,5	42,6	10,9	1.518,4	60,4
of which : microprojects	(20,-)		(15,9)	(0,7)			(15,9)	(0,6)
interest rate subsidies	(110,-)				(42,6)	(10,9)	(42,6)	(1,7)
exceptional aid	(150,-)		(110,9)	(5,2)			(110,9)	(4,4)
- Special loans	445,585	12,9	324,1	15,3			324,1	12,9
- Risk capital	99,-	2,8			76,8*	19,6	76,8*	3,1
- Stabex	380,-	11,-	322,-	15,2			322,-	12,8
<u>EIB Resources</u>	<u>390,-</u>	11,3			<u>272,6</u>	69,5	<u>272,6</u>	10,8
- Loans from EIB resources	390,-	11,3			272,6	69,5	272,6	10,8
<u>Total</u>	<u>3.464,4355</u>	100	<u>2.121,9</u>	100	<u>392,-</u>	100	<u>2.513,9</u>	100

* including appropriations 2 million EUA pending utilization from the overall authorization for studies

TABLE IIIa : Financing situation in 1979, by method of financing and by administrative body

(million EUA)

	Total volume (Art.42 of the Con- tion)		Commitments at end 1979				Total	
			Aid administrated by the Commission		Aid administrated by the EIB ^o			
	Amount	%	Amount	%	Amount	%	Amount	%
<u>EDF Resources</u>	3.074,4355	88,7	588,8	100	25,9	26,1	614,7	89,4
- Grants	2.149,8505	62,-	366,8	62,3	10,7	10,8	377,5	54,9
of which : microprojects	(20,-)		(5,3)	(0,9)			(5,3)	(0,8)
interest rate subsidies	(110,-)				(10,7)	(10,8)	(10,7)	(1,6)
exceptional aid	(150,-)		(24,6)	(4,2)			(24,6)	(3,6)
- Special loans	445,585	12,9	57,8	9,8			57,8	8,4
- Risk capital	99,-	2,8			15,2*	15,3	15,2*	2,2
- Stabex	380,-	11,-	164,2	27,9			164,2	23,9
<u>EIB Resources</u>	390,-	11,3			73,2	73,9	73,2	10,6
- Loans from EIB resources	390,-	11,3			73,2	73,9	73,2	10,6
<u>Total</u>	3.464,4355	100	588,8	100	99,1	100	687,9	100

* including appropriations of 2 million EUA pending utilization from the overall authorization for studies.

TABLE IV : Financing situation at end 1979, by method of financing, by administrative body and by sector

(million EUA)

	Développement of production				Economic infrastructure		Social development		Trade promotion	
	Indus- triali- zation	Tourism	Rural produc- tion	%		%		%		%
1. <u>Aid administrated by the Commission</u>	291,1	0,6	436,6	65,1	455,1	100	329,1	100	32,-	100
1.1. Non-repayable aid	140,3	0,6	381,1	46,7	363,6	79,9	304,5	92,5	30,3	94,7
- Programmable grants (of which microprojects)	140,3	0,6	381,1 (15,9)	46,7	363,6	79,9	304,5	92,5	30,3	94,7
- Exceptional aid										
1.2. Special loans	150,8	-	55,5	18,4	91,5	20,1	24,6	7,5	1,7	5,3
1.3. Stabex										
2. <u>Aid administrated by the EIB</u>	373,9	16,1		34,9						
2.1. Loans from EIB resources	263,8	8,8		24,4						
2.2. Interest rate subsidies	41,1	1,5		3,8						
2.3. Risk capital	69,0	5,8		6,7						
3. <u>Grand total</u>	665,-	16,7	436,6	100	455,1	100	329,1	100	32,-	100
of which :										
- from EDF resources (1., 2.2., 2.3.)	401,2	7,9	436,6	75,6	455,1	100	329,1	100	32,-	100
- from EIB resources (2.1.)	263,8	8,8		24,4						

	Exceptional aid		Stabex		Other		Blocked approps.		Total	
1. <u>Aid administrated by the Commission</u>	<u>110,9</u>	100	<u>322,-</u>	100	<u>130,6</u>	100	<u>13,9</u>	87,4	<u>2.121,9</u>	84,4
1.1. Non-repayable aid	110,9	100			130,6	100	13,9	87,4	1.475,8	58,7
- Programmable grants (of which microprojects)					130,6	100	13,9	87,4	1.364,9 (15,9)	54,3
- Exceptional aid	110,9	100							110,9	4,4
1.2. Special loans									324,1	12,9
1.3. Stabex			322,-	100					322,-	12,8
2. <u>Aid administrated by the EIB</u>							<u>2,-</u>	12,6	<u>392,-</u>	15,6
2.1. Loans from EIB resources									272,6	10,8
2.2. Interest rate subsidies									42,6	1,7
2.3. Risk capital							2,-	12,6	76,8	3,1
3. <u>Grand total</u>	<u>110,9</u>	100	<u>322,-</u>	100	<u>130,6</u>	100	<u>15,9</u>	100	<u>2.513,9</u>	100
of which :										
- from EDF resources (1., 2.2., 2.3.)	110,9	100	322,-	100	130,6	100	15,9	100	2.241,3	89,2
- from EIB resources (2.1.)									272,6	10,8

TABLE IVa : Financing situation in 1979, by method of financing, by administrative body and by sector

(million EUA)

	Development of production				Economic Infrastructure		Social development		Trade promotion	
	Industrialization	Tourism	Rural production	%		%		%		%
1. <u>Aid administered by the Commission</u>	25,4	0,1	101,3	56,6	137,8	100	86,-	100	6,5	100
1.1. Non-repayable aid	20,4	0,1	82,6	46,-	111,1	80,6	78,6	91,4	6,5	100
- Programmable grants (of which microprojects)	20,4	0,1	82,6 (5,3)	46,-	111,1	80,6	78,6	91,4	6,5	100
- Exceptional aid										
1.2. Special loans	5,-		18,7	10,6	26,7	19,4	7,4	8,6	-	
1.3. Stabex										
2. <u>Aid administered by the EIB</u>	89,2	7,9		43,4						
2.1. Loans from EIB resources	68,7	4,5		32,7						
2.2. Interest rate subsidies	9,9	0,8		4,8						
2.3. Risk capital	10,6	2,6		5,9						
3. <u>Grand total</u>	114,6	8,-	101,3	100	137,8	100	86,-	100	6,5	100
of which :										
- from EDF resources (1., 2.2., 2.3.)	45,9	3,5	101,3	67,3	137,8	100	86,-	100	6,5	100
- from EIB resources (2.1.)	68,7	4,5		32,7						

	Exceptional aid		Stabex		Other		Blocked approps.		Total	
1. <u>Aid administrated by the Commission</u>	<u>24,6</u>	100	<u>164,2</u>	100	<u>29,-</u>	100	<u>13,9</u>	87,4	<u>588,8</u>	85,6
1.1. Non-repayable aid	24,6	100			29,-	100	13,9	87,4	366,8	53,3
- Programmable grants (of which microprojects)					29,-	100	13,9	87,4	342,2 (5,3)	49,7
- Exceptional aid	24,6	100							24,6	3,6
1.2. Special loans									57,8	8,4
1.3. Stabex			164,2	100					164,2	23,9
2. <u>Aid administrated by the EIB</u>							<u>2,-</u>	12,6	<u>99,1</u>	14,4
2.1. Loans from EIB resources									73,2	10,6
2.2. Interest rate subsidies									10,7	1,6
2.3. Risk capital							2,-	12,6	15,2	2,2
3. <u>Grand total</u>	<u>24,6</u>	100	<u>164,2</u>	100	<u>29,-</u>	100	<u>15,9</u>	100	<u>687,9</u>	100
of which :										
- from EDF resources (1., 2.2., 2.3.)	24,6	100	164,2	100	29,-	100	15,9	100	614,7	89,4
- from EIB resources (2.1.)									73,2	10,6

TABLE V: Sectoral summary, at end 1979, showing %, method of financing and administrative body.

(million EUA)

	1			2	3	4	5	Total (1 to 5) (1)
	Development of production			Economic Infrastruc- ture	Social develop- ment	Trade promotion	Multi- secto	
	Industry	Tourism	Rural production					
I. Aid administered by the Commission								
a. Programmable grants	140,3	0,6	381,1	363,6	304,5	30,3	18,5	(1.238,9)
b. Special loans	150,8	-	55,5	91,5	24,6	1,7		(324,1)
c. Exceptional aid								
d. Stabex								
e. Total 1 to 5	291,1	0,6	436,6	455,1	329,1	32,-	18,5	1.563,-
Breakdown 1 to 5 in %	18,6	0,04	28,-	29,1	21,1	2,-	1,2	100%
f. Total de 1 a 6	291,1	0,6	436,6	455,1	329,1	32,-	18,5	
Breakdown 1 to 5 in %	17,4	0,04	26,1	27,2	19,6	1,9	1,1	
g. GRAND TOTAL	291,1	0,6	436,6	455,1	329,1	32,-	18,5	
Breakdown of total in %	13,7	0,03	20,6	21,4	15,5	1,5	0,9	
II. Aid administered by the EIB								
a. Loans from EIB resources	263,8	8,8						
b. Interest rate subsidies	41,1	1,5						
c. Risk capital	69,-	5,8						
d. GRAND TOTAL	373,9	16,1						
III. Grand Total								
a. Breakdown 1 to 5 in %	34,1	0,9	22,4	23,3	16,8	1,6	0,9	100%
b. Breakdown 1 to 6 in %	32,2	0,8	21,2	22,-	16,-	1,5	0,9	
c. Breakdown of total in %	26,4	0,7	17,4	18,1	13,1	1,3	0,7	

(1) commitments under projects and programmes

	6	Total (1 a 6)	7	8	9	TOTAL
	Other and overheads		Exceptional aid	Stabex	Blocked appr ops.	
I. Aid administrated by the Commission						
a. Programmable grants	112,1	(1.351,0)			13,9	1.364,9
b. Special loans						324,1
c. Exceptional aid			110,9			110,9
d. Stabex				322,-		322,-
e. Total 1 to 5						
Breakdown 1 to 5 in %						
f. Total 1 to 5	112,1	1.675,1				
Breakdown 1 to 6 in %	6,7	100%				
g. GRAND TOTAL	112,1		110,9	322,-	13,9	2.121,9
Breakdown of total in %	5,3		5,2	15,2	0,7	100%
II. Aid administrated by the EIB						
a. Loans from EIB resources						272,6
b. Interest rate subsidies						42,6
c. Risk capital					2,-	76,8
d. GRAND TOTAL					2,-	392,-
III. Grand Total	112,1	(2.065,1)	110,9	322,-	15,9	2.513,9
a. Breakdown 1 to 5 in %						
b. Breakdown 1 to 6 in %	5,4	100%				
c. Breakdown of total in %	4,5		4,4	12,8	0,6	100%

TABLE Va : Sectoral summary, in 1979, showing %, method of financing and administrative body

(million EUA)

	1			2	3	4	5	Total (1 à 5) (1)
	Development of production			Economic Infrastruc- ture	Social develop- ment	Trade promotion	Multi- secto	
	Industry	Tourism	Rural production					
I. Aid administered by the Commission								
a. Programmable grants	20,4	0,1	82,6	111,1	78,6	6,5	18,5	(317,8)
b. Special loans	5,-		18,7	26,7	7,4			(57,8)
c. Exceptional aid								
d. Stabex								
e. Total 1 to 5	25,4	0,1	101,3	137,8	86,-	6,5	18,5	375,6
Breakdown 1 to 5 in %	6,8	0,03	27,-	36,7	22,9	1,7	4,9	100%
f. Total 1 to 6	25,4	0,1	101,3	137,8	86,-	6,5	18,5	
Breakdown 1 to 6 in %	6,6	0,03	26,2	35,7	22,3	1,7	4,8	
g. GRAND TOTAL	25,4	0,1	101,3	137,8	86,-	6,5	18,5	
Breakdown of total in %	4,3	0,02	17,2	23,4	14,6	1,1	3,1	
II. Aid administered by the EIB								
a. Loans from EIB resources	68,7	4,5						
b. Interest rate subsidies	9,9	0,8						
c. Risk capital	10,6	2,6						
d. GRAND TOTAL	89,2	7,9						
III. Grand Total								
a. Breakdown 1 to 5 in %	24,2	1,7	21,4	29,2	18,2	1,4	3,9	100%
b. Breakdown 1 to 6 in %	23,7	1,6	21,-	28,5	17,8	1,4	3,8	
c. Breakdown of total in %	16,7	1,2	14,7	20,-	12,5	0,9	2,7	

(1) commitments under projects and programmes

	6	Total (1 a 6)	7	8	9	TOTAL
	Other and overheads		Exceptional aid	Stabex	Blocked approps.	
I. Aid administered by the Commission	0					
a. Programmable grants	10,5	(328,3)			13,9	324,2
b. Special loans						57,8
c. Exceptional aid			24,6			24,6
d. Stabex				164,2		164,2
e. Total 1 to 5						
Breakdown 1 to 5 in %						
f. Total 1 to 6	10,5	386,1				
Breakdown 1 to 6 in %	2,7	100%				
g. GRAND TOTAL	10,5		24,6	164,2	13,9	588,8
Breakdown of total in %	1,8		4,2	27,9	2,4	100%
II. Aid administered by the EIB						
a. Loans from EIB resources						73,2
b. Interest rate subsidies						10,7
c. Risk capital					2,-	15,2
d. GRAND TOTAL					2,-	99,1
III. Grand Total	10,5	(483,2)	24,6	164,2	15,9	687,9
a. Breakdown 1 to 5 in %						
b. Breakdown 1 to 6 in %	2,2	100%				
c. Breakdown of total in %	1,5		3,6	23,9	2,3	100%

TABLE VI : SUBSIDIZED LOANS AND RISK CAPITAL COMMITTED BY THE EIB IN 1979

BREAKDOWN BY COUNTRY

(million EUA)

COUNTRY	Loans from the EIB resources		Risk capital from EDF resources		Total	
	Amount	%	Amount	%	Amount	%
Barbados	2,5	3,4	-	-	2,5	2,9
Burundi	-	-	0,5	3,8	0,5	0,6
Cameroon	14,4	19,7	2,3	17,4	16,7	19,3
Cape Verde	-	-	0,08	0,6	0,08	0,1
Ivory Coast	9,8	13,4	0,5	3,8	10,3	11,9
Djibouti	-	-	1,0	7,6	1,0	1,1
Gambia	-	-	2,3	17,4	2,3	2,7
Jamaica	-	-	0,07	0,5	0,07	0,1
Kenya	5,0	6,8	-	-	5,0	5,8
Madagascar	-	-	2,29	17,4	2,29	2,7
Mali	-	-	2,5	19,0	2,5	2,9
Mauritania	25,0	34,2	-	-	25,0	28,9
Niger	4,5	6,1	-	-	4,5	5,2
Senegal	-	-	1,5	11,4	1,5	1,7
Swaziland	-	-	0,15	1,1	0,15	0,2
Regional (Ghana/Ivory Coast)	12,0	16,4	-	-	12,0	13,9
Total	73,2	100,0	13,19	100,0	86,39	100,0

BREAKDOWN BY SECTOR

SECTOR	Loans from the EIB resources		Risk capital from EDF resources		Total	
	Amount	%	Amount	%	Amount	%
Development banks	7,5	10,2	0,5	3,8	8,0	9,2
Energy	12,0	16,4	2,6	19,7	14,6	16,7
Agricultural and food Industries	4,6	6,3	2,3	17,4	6,9	8,0
Extractive Industries	25,0	34,2	1,0	7,6	26,0	30,1
Metal-work Industries	5,3	7,2	3,49	26,5	8,79	10,2
Chemical Industries	5,2	7,1	0,5	3,8	5,7	6,6
Manufacturing Industries	9,1	12,4	0,23	1,7	9,33	10,8
Tourism	4,5	6,2	2,57	19,5	7,07	8,2
Total	73,2	100,0	13,19	100,0	86,39	100,0

TABLE VII : STABEX - Results of 1979 operations (for the year of application 1978) by ACP State

(In EUA)

Benin	cotton	880.982
	palm nut & kernel	3.728.394
	oil	
Cape Verde	bananas	429.500
Central African Rep.	cotton	3.079.660
Gambia	groundnuts with or without shells	2.488.664(1)
Guinea Bissau	groundnuts, shelled or not	3.591.506
Upper-Volta	cotton, not carded or combed	2.340.590
	groundnuts, shelled or not	2.890.160
Liberia	Iron ore	7.586.943
Mali	groundnuts, shelled or not	3.893.256
Mauritania	Iron ore	33.394.848(2)
Uganda	tea	3.882.924
	cotton	3.125.543
Rwanda	pyrethrum	608.802
Samoa	cocoa	780.625
Senegal	groundnut oil (3)	49.882.295
	groundnut oil-cake (4)	15.224.094
Tanzania	crude sisal	5.472.645
Chad	cotton	4.671.608

./.

(1) Including an advance of 1.510.000 paid in 1978

(2) Including an advance of 7.000.000 paid in 1978

(3) Including an advance of 16.000.000 paid in 1978

(4) Including an advance of 3.000.000 paid in 1978

Togo	coffee	946.290	
Tonga	bananas (5)	244.919	149.144.248

Two financial transfers were carried out as part of this operation at the beginning of 1980 :

Sudan	groundnuts		9.325.911
Swaziland	iron ore		5.490.459

Former OCT continuing to benefit from the OCT appropriation :

Comoros	copra	39.253	
	cloves	180.299	
Tuvalu	copra	48.771	
		<hr/>	268.323
			<hr/>
		Total	164.228.941
			<hr/>

 (5) including an advance of 160.000 paid in 1978

Transfers carried out in 1979 (for the year of application 1977)

Cape Verde	bananas	347.712	
Uganda	cotton	1.287.985	
Sudan	groundnuts, shelled or not	968.825	
			<u>2.604.522</u>

Transfers carried in 1979 (for the year of application 1975)(1)

Gabon	wood in the rough	6.703.311	
Mali	cotton	496.501	
			<u>7.199.812</u>

Former OCT continuing to benefit from OCT appropriation.
Transfers carried out for the year of application 1975(1)

Kiribati	copra	1.200.321	
Solomon Islands	wood in the rough	761.245	
	copra	138.502	
Tuvalu	copra	61.541	
			<u>2.161.609</u>

Advance paid in 1979

Dominica	bananas		2.480.000
----------	---------	--	-----------

 (1) Following the decision of the ACP-EEC Council of Ministers of 13/14 March 1978, which called the Commission to act upon these late requests.

TABLE VIII : Exceptional aid (art. 59) 1979.

Burundi	1.979.000	Purchase and transport of essential goods following the Uganda/Tanzania conflict
Cape Verde	1.200.000	Supply of beans following drought.
	150.000	Supply of insecticides, sprayers etc... for locust control
Central African Rep.	300.000	Supply of medicines, food, insecticides, chemical following the downfall of the Empire
	650.000	Supply of spare parts etc.. following the downfall of the Empire
Dominica	300.000	Supply of essential goods following hurricane David
	3.000.000	Supply of essential goods following hurricane David
Fiji	300.000	Supply of building materials following damage caused by typhoon Fay
	1.200.000	Supply of building materials and of products for repairs to coconut palm plantations following typhoon Fay
	300.000	Supply of building materials following typhoon Mell
	700.000	Supply of building materials and agricultural products following typhoon Mell
Ghana	300.000	Medical aid following drought
Equatorial Guinea	300.000	Supply of food to combat shortages
Jamaica	275.000	Supply of fertilizers, seeds, vehicles, tents, etc. following flood
Malawi	2.500.000	Fuel airlift following break in rail link

Mali	220.000	Medical aid following drought
Mauritius	700.000	Supply of building materials for Rodrigues Islands following typhoon Celine II
Uganda	300.000	Purchase and transport of essential goods
	200.000	Medical aid (African Medical and Research Formation)
Rwanda	55.000	Fight against meningitis epidemic
	300.000	Purchase and transport of essential goods following Uganda/Tanzania conflict
	2.000.000	Purchase and transport of essential goods following Uganda/Tanzania conflict
Sao Tome e Principe	300.000	Supply of food following swine fever
Sudan	274.000	Supply of essential goods to Ugandan refugees in southern Sudan
	990.000	Supply of building materials following floods
Tanzania	300.000	Supply of building materials following conflict with Uganda
Chad	300.000	Supply of medicines, spare parts following clashes
Zambia	172.000	Replacement of ferry following hostilities
<u>Non-allocated operations :</u>		
East Africa	300.000	Anti-locust campaign
Southern Africa	4.700.000	Supply of essential goods (medicines, local foodstuff's, tools, clothing, etc..) to refugees from Namibia and Zimbabwe

24.565.000

Reallocation of balances decided in 1976 :

Rwanda	419.000	Purchase and transport of essential goods following Uganda/Tanzania conflict
Somalia	2.390.000	Supply of lorries, etc... for refugees

TABLE IX: Measures to assist small and medium-sized enterprises
as at 31.12.1979

(000 EUA)

Credit lines

- Sierra Leone (National Development Bank)	1.000
- Mali (Banque de Développement)	180
- Botswana (National Development Bank)	650
- Guyana (Guyana Agric. Coop. Ind. Dev. Bank)	700
- Samoa (Western Samoa Development Bank)	890
- FIJI (FIJI Development Bank)	700
- Tonga (Tonga Development Bank)	130
- Ghana (National Investment Bank)	1.880
- Belize (Development Finance Corporation)	400
- Bahamas (Bahamas Development Bank)	690
- Jamaica (Development Venture Capital Financing)	1.860
- Suriname (Landbouwbank N.V.)	2.000
- Benin (Banque béninoise de développement)	350

Industrial cooperation and promotion (grants)

- A.I. ACP	
• Dakar Investor's forum (1978)	180
• Dakar Investor's forum (1980)	500
- Central African Republic (establishment of the Office Promotion SME)	
- Mano River Union (Industrial project appraisal unit)	900
- Mauritius (Industrial promotion)	700
- Senegal	
• SME (small and medium-sized enterprises)	950
• Promotion of the Dakar industrial free zone	590
• National data-processing scheme	250

Technical assistance (grants)

- Botswana (Technology Center)	475
- St. Kitts (Industrial Programme)	310
- Zambia (Development Bank Zambia)	400
- Other TA projects (Malawi, Nigeria, Mali, Belize)	370

BREAKDOWN OF WORKS CONTRACTS BY NATIONALITY OF CONTRACTOR
of supply contracts by origin of goods
of technical cooperation contracts by nationality of contractor

4th E.D.F. - SITUATION AS AT 31.12.1979

in '000 EUA

Nationality of firms	Works contracts			Supply contracts			Technical cooperation contracts			Total contracts		
	Amount	% 31.12.79	% 31.12.78	Amount	% 31.12.79	% 31.12.78		% 31.12.79	% 31.12.78		% 31.12.79	% 31.12.78
Germany	35.828	6.93	9.30	38.248	21.35	25.07	34.709	20.07	21.75	108.785	12.52	14.46
Belgium	27.548	5.33	8.11	9.046	5.05	2.90	16.434	9.51	10.94	53.028	6.10	7.90
France	125.801	24.34	29.62	37.749	21.07	25.14	33.763	19.52	15.48	197.313	22.71	25.87
Italy	60.132	11.64	11.92	37.772	21.08	6.05	20.388	11.79	12.11	118.292	13.61	11.04
Luxemburg	-	-	-	-	-	-	3.265	1.89	2.37	3.265	0.38	0.51
Netherlands	23.330	4.51	2.24	7.785	4.34	2.59	13.404	7.75	9.15	44.519	5.13	3.78
Denmark	2.309	0.45	-	50	0.03	0.05	5.036	2.91	3.14	7.395	0.85	0.68
United Kingdom	18.863	3.65	2.51	23.824	13.30	16.65	18.230	10.54	10.39	60.917	7.01	6.44
Ireland	-	-	-	-	-	-	2.771	1.60	1.40	2.771	0.32	0.30
ACP-OCT	218.253	42.24	36.30	17.928	10.00	14.71	24.939	14.42	13.27	261.120	30.05	27.94
Third Countries	4.699	0.91	-	6.771	3.78	6.84	-	-	-	11.470	1.32	1.08
Total	516.763	100	100	179.173	100	100	172.939	100	100	868.875	100	100
	59.48 %			20.62 %			19.90 %			100 %		

TABLE XI : Cost of the Delegations

(000 EUA)

COUNTRIES	Cost of the Delegation		
	1976/1978	1979	TOTAL
BARBADOS	772	460	1.232
BENIN	1.205	587	1.792
BOTSWANA	663	377	1.040
LESOTHO	596	379	975
SWAZILAND	297	203	500
BURUNDI	1.195	729	1.924
CAMEROON	2.435	1.122	3.557
EQUATORIAL GUINEA	3	-	3
CENTRAL AFRICA REP.	1.528	717	2.245
CONGO	1.432	634	2.066
IVORY COAST	2.330	868	3.198
ETHIOPIA	1.004	627	1.631
FIJI	480	298	778
SAMOA	196	122	318
TONGA	134	83	217
GABON	1.014	456	1.470
GAMBIA	473	315	788
GHANA	1.289	755	2.044
GUINEA BISSAU	592	363	955
GUINEA	953	494	1.447
GUYANA	626	288	914
UPPER-VOLTA	1.764	929	2.693
MAURITIUS	683	462	1.145
COMORES	195	218	413
SEYCHELLES	3	7	10
JAMAICA	1.099	595	1.694
BAHAMAS	19	30	49
KENYA	1.460	847	2.307
LIBERIA	790	490	1.280
MADAGASCAR	2.193	920	3.113
MALAWI	955	459	1.414
MALI	1.951	962	2.913
MAURITANIA	1.599	760	2.359
NIGER	2.125	936	3.061
NIGERIA	498	418	916
RWANDA	1.084	649	1.733
SENEGAL	2.589	1.099	3.688
SIERRA LEONE	756	437	1.193
SOMALIA	1.463	722	2.185
SUDAN	1.696	911	2.607
SURINAME	818	375	1.193
TANZANIA	1.478	794	2.272
CHAD	1.765	836	2.601
TOGO	1.261	637	1.898
TRINIDAD & TOBAGO	862	483	1.345
GRENADA	14	13	27
UGANDA	687	535	1.222
ZAIRE	2.288	1.037	3.325
ZAMBIA	1.327	828	2.155
CAPE VERDE	5	13	18
PAPUA NEW GUINEA	156	261	417
SÃO TOME & PRINCIPE	27	34	61
DJIBOUTI	8	70	78
ALL STATES	4.352	1.880	6.232
TOTALS	57.187	29.524	86.711

COUNTRIES	EDF resources administered by the Commission commitments					EDF resources administered by the EIB commitments		Total EDF Commitments	EDF Payments	Payments (9) as % of commitments (8)
	Projects and Programmes (special loans and grants)	STABEX	Exceptional aid	Delegation expenses	Total	Risk capital	Interest rate Subsidies			
	(1)	(2)	(3)	(4)	(5)=(1)to(4)	(6)	(7)			
BAHAMAS	1.354	-	-	52	1.406	-	-	1.406	353	25,1
BARBADOS	2.530	-	-	1.310	3.840	-	364	4.204	2.015	47,9
BENIN	29.355	20.017	20	1.901	51.293	-	-	51.293	23.930	46,7
BOTSWANA	18.391	-	2.670	1.108	22.169	-	-	22.169	6.674	30,1
BURUNDI	38.047	1.486	2.059	2.021	43.613	500	-	44.113	17.039	38,6
CAMEROON	38.541	4.065	-	3.765	46.371	2.300	4.680	53.351	28.270	53,0
CAPE VERDE	2.216	778	1.350	23	4.367	80	-	4.447	2.509	56,4
C.A.R.	27.074	903	950	2.404	31.331	-	-	31.331	10.356	33,0
COMOROS	5.970	1.896	2.597	429	10.892	-	-	10.892	4.542	41,7
CONGO	20.334	7.362	250	2.200	30.146	3.150	-	33.296	24.620	73,9
IVORY COAST	32.381	15.000	-	3.383	50.764	432	5.945	57.141	29.922	52,4
DJIBOUTI	2.935	692	-	60	3.687	1.000	-	4.687	1.844	39,3
DOMINICA	2.284	2.480	3.300	-	8.064	-	-	8.064	4.144	51,3
ETHIOPIA	78.668	14.420	2.750	1.779	97.617	-	-	97.617	28.967	29,7
FIJI	8.774	2.115	2.500	829	14.218	-	2.098	16.316	4.768	29,2
GABON	7.619	6.703	-	1.570	15.892	-	-	15.892	10.975	69,0
GAMBIA	9.355	2.489	749	838	13.431	-	-	13.431	5.171	38,5
GHANA	39.807	5.176	2.430	2.157	49.570	-	2.433	52.003	16.344	31,4

COUNTRIES	EDF resources administered by the Commission commitments					EDF resources administered by the EIB Commitments		Total EDF commitments	EDF payments	Payments (9) as % of commitments (8)
	Projects and Programmes (special loans and grants)	STABEX	Exceptional aid	Delegation expenses	Total	Risk capital	Interest rate subsidies			
	(1)	(2)	(3)	(4)	(5)=(1)to(4)	(6)	(7)			
GRENADA	1.980	-	-	29	2.009	-	-	2.009	200	10,0
GUINEA	53.791	-	3.035	1.565	58.391	-	-	58.391	12.844	22,0
GUINEA BISSAU	15.845	8.808	467	1.051	26.171	-	-	26.171	17.179	65,6
EQUATORIAL GUINEA	428	-	300	3	731	-	-	731	309	42,3
GUYANA	12.273	-	-	990	13.263	3.200	-	16.463	2.691	16,3
UPPER VOLTA	36.141	7.262	-	2.847	46.250	4.428	-	50.678	34.110	67,3
JAMAICA	17.369	-	275	1.792	19.436	-	491	19.927	5.889	29,6
KENYA	68.758	-	300	2.455	71.513	1.166	7.800	80.479	28.832	35,8
KIRIBATI	170	2.283	-	-	2.453	-	-	2.453	2.283	93,1
LESOTHO	17.481	-	1.230	1.043	19.754	-	-	19.754	5.626	28,4
LIBERIA	20.570	7.587	-	1.356	29.513	286	1.242	31.041	13.795	44,4
MADAGASCAR	36.588	2.903	1.700	3.258	44.449	-	-	44.449	16.408	36,9
MALAWI	57.647	-	4.000	1.497	63.144	987	1.410	65.541	21.571	32,9
MALI	65.667	5.887	1.020	3.096	75.670	3.650	-	79.320	36.373	45,9
MAURITIUS	7.450	-	3.700	1.221	12.371	-	886	13.257	4.943	37,3
MAURITANIA	17.783	37.001	1.307	2.503	58.594	-	3.637	62.231	53.201	85,4
NIGER	53.340	22.654	9.614	3.255	88.863	900	1.047	90.810	65.619	72,2
NIGERIA	3.378	-	-	1.017	4.395	-	3.000	7.435	3.998	53,8

COUNTRIES	EDF resources administered by the Commission commitments					EDF resources administered by the EIB Commitments		Total EDF commitments	EDF payments	Payments (9) as % of commitments (8)
	Projects and Programmes (special loans and grants)	STABEX	Exceptional aid	Delegation expenses	Total	Risk capital	Interest rate subsidies			
	(1)	(2)	(3)	(4)	(5)=(1)to(4)	(6)	(7)			
UGANDA	22.499	13.695	500	1.316	38.010	-	-	38.010	16.130	42,4
PAPUA NEW GUINEA	1.418	-	-	521	1.939	1.900	1.235	5.074	3.254	64,1
RWANDA	56.270	609	6.435	1.861	65.175	3.000	-	68.175	29.574	43,4
ST LUCIA	2.305	-	-	-	2.305	-	-	2.305	1.404	60,9
SOLOMON ISLANDS	1.455	2.173	-	-	3.628	-	-	3.628	2.805	63,5
SAMOA	4.251	2.838	-	338	7.427	-	-	7.427	4.194	56,5
SAO TOME	1.598	-	300	75	1.973	-	-	1.973	484	24,5
SENEGAL	48.333	65.106	3.685	3.877	121.001	200	-	121.201	91.229	75,2
SEYCHELLES	1.992	-	-	10	2.002	620	-	2.622	690	26,3
SIERRA LEONE	25.621	3.977	-	1.285	30.883	-	-	30.883	8.871	28,7
SOMALIA	32.285	1.932	3.426	2.326	39.969	-	-	39.969	15.200	38,0
SUDAN	60.452	2.628	1.536	2.757	67.373	6.500	-	73.873	17.885	24,2
SURINAME	6.412	-	-	1.233	7.645	-	-	7.645	1.298	17,0
SWAZILAND	11.815	3.369	-	538	15.722	153	1.626	17.501	9.845	56,2
TANZANIA	71.550	20.702	355	2.402	95.009	7.400	741	103.150	44.590	43,2
TCHAD	38.102	-	300	2.755	41.157	7.500	-	48.657	25.210	51,8
TOGO	30.306	3.626	-	2.026	35.958	3.250	419	39.627	23.623	59,6
TONGA	2.763	1.149	200	232	4.344	-	-	4.344	2.475	57,0

COUNTRIES	EDF resources administered by the Commission commitments					EDF resources administered by the EIB commitments		Total EDF commitments	EDF Payments	Payments (9) as % of commitments (8)
	Projects and Programmes (special loans and grants)	STABEX	Exceptional aid	Delegation expenses	Total	Risk capital	Interest rate subsidies			
	(1)	(2)	(3)	(4)	(5)=(1)to(4)	(6)	(7)			
TRINIDAD	5.695	-	-	1.429	7.124	-	1.577	8.701	3.130	36,0
TUVALU	-	175	-	-	175	-	-	175	175	100,0
ZAIRE	82.115	-	19.300	3.468	104.883	5.230	-	110.113	27.371	24,9
ZAMBIA	38.749	-	17.012	2.142	57.903	632	411	58.946	22.773	38,6
REGIONAL PROJECTS	176.429	-	-	-	176.429	6.000	2.699	185.128	63.138	34,1
TOTALS	1.574.709	301.946	101.622	85.398	2.063.675	64.464	43.781	2.171.920	963.162	44,3
S U M M A R Y										
AFRICA	1.327.247	288.733	95.347	76.643	1.787.970	53.364	35.317	1.876.651	859.446	45,8
CARRIBEAN	52.202	2.480	3.575	6.835	65.092	3.200	2.432	70.724	21.124	29,9
PACIFIC	18.831	10.733	2.700	1.920	34.184	1.900	3.333	39.417	19.454	49,3
REGIONAL PROJECTS	176.429	-	-	-	176.429	6.000	2.699	185.128	63.138	34,1
TOTALS	1.574.709	301.946	101.622	85.398	2.063.675	64.464	43.781	2.171.920	963.162	44,3