

ACP-EC CONVENTION OF LOMÉ

**ANNUAL REPORT
OF THE
ACP-EC COUNCIL OF MINISTERS
(1998)**

CONVENTION ACP-CL DE LOME
LE CONSEIL
LES SECRETAIRES

ACP-EC CONVENTION OF LOMÉ
THE COUNCIL
THE SECRETARIES

Brussels, 06-10-1999

The Hon. Mr John Corrie
The Hon. Mr David Mogami

Co-Chairmen of the ACP-EC
Joint Assembly,

023

European Parliament,
LUXEMBOURG

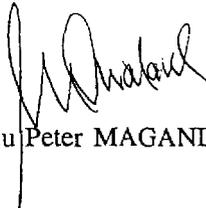
Sirs,

At its meeting in Brussels, on 29 July 1999, the ACP-EC Council of Ministers examined the Annual Report which it has to publish pursuant to Article 342 paragraph 4 of the Fourth ACP-EC Convention as amended by the agreement signed in Mauritius on 4 November 1995, and instructed the Committee of Ambassadors, in conjunction with the Secretaries of the Council of Ministers, to finalize this report and to forward it to the Joint Assembly.

As this report has now been finally approved, we are pleased to communicate the text thereof to the Joint Assembly in order that it may be examined by that body in accordance with Article 350 of the revised Fourth ACP-EC Convention.

The necessary copies of this text will be made available to your services as soon as possible.

Yours sincerely,


Ng'andu Peter MAGANDE


Jacques BEL

Enc: 1

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A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>).

Cataloguing data can be found at the end of this publication.

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I. INTRODUCTION

The year 1998 was marked by the opening, on 30 September, of negotiations for the conclusion of a new development partnership agreement to replace the Fourth Lomé Convention, which expires in February 2000.

Preparations for these negotiations were the dominant theme of the discussions of the joint bodies under the convention, in particular the ACP-EC Council of Ministers and the Joint Assembly, which also reviewed the implementation of cooperation under the convention and discussed the situation prevailing in certain ACP countries.

II. OVERVIEW OF THE WORK OF THE ACP-EC INSTITUTIONS

1. COUNCIL OF MINISTERS

The ACP-EC Council of Ministers held its 23rd session in Bridgetown, Barbados, on 7 and 8 May 1998, under the Chairmanship of Mr Jean Ping, Minister for Planning, Environment and Tourism of Gabon and President of the ACP Council of Ministers.

The Community spokeswoman was Mrs Clare Short, Secretary of State for International Development of the United Kingdom and President of the Council of the European Union.

The European Commission was represented by Mr João de Deus Pinheiro, member of that institution.

- (i) Under the 'A' items the Council:
 - adopted the decision of the ACP-EC Council of Ministers to mandate the ACP-EC Committee of Ambassadors to decide on Gambia's request for the derogation provided for in Article 189 (1)(b) and (2) of the Fourth Lomé Convention for exports of groundnuts in shell or shelled to other ACP States, with effect from 1997 application year;
 - delegated powers to the ACP-EC Committee of Ambassadors to approve the 1997 annual report of the ACP-EC Council of Ministers in conformity with the procedure followed by the Council in the past.
- (ii) During a discussion on the various aspects of ACP-EC cooperation, the Council addressed the following questions in particular:
 - Bananas: The EU recalled that following the findings of the WTO Appellate Body on 16 October 1997 challenging

the compatibility of certain modalities of the EU common market organisation for bananas with WTO rules, the European Commission had presented to the EU Council two proposals. These two draft regulations are still under examination within the EU Council. It indicated that it would defend the interests of the Community vigorously including the interests of the ACP countries to which the Community has undertaken commitments under the Lomé Convention. In conclusion the Council mandated the Committee of Ambassadors to continue consultations on the matter.

- WTO: It discussed the preparation for the WTO Ministerial Conference to be held in Geneva from 18 to 20 May 1998. It noted that the ACP trade ministers will meet beforehand to establish a common position. The Council agreed to hold a joint meeting in Geneva to discuss the implementation of the measures in favour of the least developed countries (LDCs) — namely improved market access for LDCs and technical assistance for them to develop their export capacities.
- Annex XL: The Council took note of the concern expressed by the ACP side over the delay in the entry into force of the regulation implementing the provisions of the revised Fourth Lomé Convention concerning the import treatment of certain agricultural products originating in ACP States. The EU side recalled that this regulation will be applied retroactively from 1 January 1996 and reaffirmed that particular attention will be paid to avoid any further delays in refunding excess duties. The Council agreed that the Committee of Ambassadors should monitor the situation in this respect.
- Sugar: The ACP-EC Council took note of a statement by the ACP ministerial spokesman on sugar, on behalf of the ACP States parties to the sugar

protocol of the Lomé Convention stressing the importance of maintaining the present arrangement on sugar.

— Ad hoc cumulation with South Africa: The Council took note of the dissatisfaction expressed by the ACP side with the EU's interpretation of the ad hoc application to South Africa of the provisions concerning originating products of the revised Lomé Convention (see Annex LXXXVI of the convention). It mandated the ACP-EC Committee of Ambassadors to continue work on this issue.

— Ratification of the Mauritius Agreement amending the fourth convention and of the protocol of accession by Austria, Finland and Sweden to the convention: The Council welcomed the fact that the revised Fourth Lomé Conditions will enter into force from 1 June 1998. It called upon those States which have not yet done so to complete, as soon as possible, the procedures for ratification, especially as regards the protocol of accession of the new EU Member States to the convention.

— Somalia: The Council adopted conclusions confirming Somalia's political adherence to the convention even though the country had been unable to ratify the Fourth ACP-EC Convention or sign the Mauritius Agreement amending that convention. The ACP-EC Committee of Ambassadors was mandated to monitor the implementation of these conclusions and to report to the next ACP-EC Council of Ministers.

— ACP-EU Joint Assembly: The Council noted the resolutions adopted by the Joint Assembly at its meetings in Togo (27-30 October 1997) and in Port Louis (20-23 April 1998).

(iii) The Council took note of reports from ministerial meetings of the Commodities Committee (Doc. ACP-EC 2159/98,

ACP/67/053/98) and from the Development Finance Cooperation Committee (Docs. ACP-EC 2155/98, ACP/81/047/98).

(iv) The Council had an informal and lively exchange of views on the two following themes: the future of ACP-EU relations and new and imaginative approaches to a special and differential treatment of developing countries in the WTO context. A number of ministers on both sides participated in the debate.

2. ACP-EC COMMITTEE OF AMBASSADORS

The Committee of Ambassadors held its 45th meeting on 3 April 1998 in Brussels to prepare for the proceedings of the abovementioned meeting of the Council of Ministers. The draft minutes of that meeting are contained in Doc. ACP-EC 2178/98.

3. ACP-EU JOINT ASSEMBLY

The ACP-EU Joint Assembly held its 26th and 27th sessions in, respectively, Port Louis, Mauritius (20-23 April 1998) and Brussels, Belgium (21-24 September 1998). The Assembly's proceedings focused on the following topics in particular: the situation in certain ACP States (including Niger, Nigeria, Sudan, Somalia and the countries of the Great Lakes region); the progress of negotiations for a bilateral agreement between the European Union and South Africa; matters relating to the common organisation of the market in bananas, the climatic changes, urban development in the ACP States and ACP-EC relations in the fishery sector.

The current reflections on the future of relations between the ACP States and the European Union when the Lomé IV Convention expires were on the forefront of these two sessions.

The resolutions adopted by the Joint Assembly at these two sessions were sent to the Council of Ministers ⁽¹⁾.

III. ACTIVITIES OF THE ACP-EC COUNCIL OF MINISTERS IN THE VARIOUS AREAS OF COOPERATION

1. TRADE AND CUSTOMS COOPERATION

Bananas

(a) Following the findings of the WTO Appellate Body on 16 October 1997 challenging the compatibility of certain modalities of the market organisation for bananas with WTO rules, the Commission presented to the EU Council the following two proposals:

- Proposal for a Council regulation amending Regulation 404/93 on the common organisation of the market in bananas;
- Proposal for a Council regulation establishing a special framework of assistance for traditional ACP suppliers of bananas.

The ACP side has been consulted on these two proposals in accordance with the relevant provisions of the Lomé Convention.

(b) During the examination of the Commission proposal the ACP side came to the conclusion that it would seem as though the proposal would bring the regime into conformity with the EU commitments under the WTO but there is uncertainty as to whether the EU would still be able to guarantee fully that its obligations to the ACP are met.

The ACP side welcomed the retention of the

WTO-bound tariff quota at its current rate and quantity but insisted on a mechanism to ensure a remunerative return for the ACP in order to maintain the viability of their industries. The ACP furthermore insisted on a guarantee that the system would operate in a manner consistent with the provisions of the Lomé Convention in providing access for the ACP to the EU market.

The ACP also insisted on a guarantee of access for all traditional suppliers as listed in the annex of Regulation 404/93 (establishing a common market organisation for bananas).

(c) Both sides agreed that there is a need for further consultations between the Community and the ACP side before the Community takes a final position.

2. STABILISATION OF EXPORT EARNINGS

(a) The ACP-EC Committee of Ambassadors (3 April 1998) examined the functioning of Stabex.

(b) At the meeting on 7 and 8 May 1998 the ACP-EC Council of Ministers mandated the ACP-EC Committee of Ambassadors to decide on Gambia's request for the derogation provided for in Article 189 (1)(b) and (2) of the Fourth Lomé Convention for exports of groundnuts in shell or shelled to other ACP States, with effect from 1997 application year. On 23 June 1998 the ACP-EC Committee of Ambassadors gave its agreement to this request.

(c) The Commission noted that 11 ACP States had received 14 transfers under Stabex for the year of application 1997. After reductions in accordance with Article 197(2) and (4) of the convention, the transfer bases totalled EUR 80 644 268.

It should be noted that the transfer basis calculated on the basis of Community import statis-

⁽¹⁾ OJ C 274, 2.9.1998 and OJ C 79, 22.3.1999.

tics in accordance with Article 204 of the convention is reduced to the level of the transfer basis calculated on the basis of ACP statistics for exports to all destinations where the latter amount is the lower.

- (d) Consultations between the Commission and representatives of the ACP States in accordance with Article 203 of the convention were necessary in many cases on the basis of trends in marketed production, total exports and exports of the products in question to the Community. A number of reductions were decided upon as a result.
- (e) After consultations had taken place, where necessary, pursuant to Articles 202 and 203 of the convention, the transfers in question totalled EUR 64 792 822.

3. SUGAR

The intervention prices for sugar for the 1997/98 marketing year, to which the guaranteed prices must be bound, were adopted by the EU Council in June 1997.

These prices were set at ECU 52.37/100 kg for raw sugar and ECU 64.65/100 kg for white sugar.

4. COOPERATION ON COMMODITIES

The Committee on Commodities held its seventh meeting at ministerial level on the occasion of the 23rd ACP-EC Council meeting on 7 and 8 May 1998 in Bridgetown, Barbados to address the following item:

- (a) Use of vegetable fats other than cocoa butter in the manufacture of chocolate

The European Commission stated that the proposed regime was aimed at reconciling the principle of subsidiarity with free movement and that the introduction of a clear and transparent regulation regarding

labelling was in line with previous Council conclusions.

The European Commission recalled that the proposal is based on Article 189b of the EC Treaty and the institutional dialogue has been started.

The revised proposal is still being examined by the relevant working party in the EU Council.

The amendments adopted by the European Parliament to a large extent met the concerns of the ACP side. Upon examination of these amendments and the revised proposal of the European Commission, the ACP side reiterated its position already expressed during the meeting of the ACP-EC Committee on Commodities on 24 March 1998, namely that:

The ACP side gave a comprehensive technical and political presentation of its point of view, recalling inter alia that the European Commission had refused:

- to link the implementation of the directive to the availability of reliable analysis methods for the detection and quantification of non-cocoa butter vegetable fats (present methods have a margin error of up to 40 %, making it impossible to respect the 5 % limitation suggested by the Commission);
- to carry out a study on the impact of this directive;
- to take into account obligations under the WTO concerning developing countries.

In addition to the position stated above, the ACP side, basing itself on the opinion of the European Parliament, added the following two indents:

- that the use of vegetable fats other than cocoa butter should be restricted to tropical fats only;

- that the use of vegetable fats other than cocoa butter, obtained using enzymatic production processes, shall be prohibited in cases where this might have negative consequences on the use of shea-butter in the production of chocolate.

The committee took note of these interventions and the EU side undertook to inform the relevant working party on these concerns expressed by the ACP side. The committee also agreed that in order to monitor further developments in the dossier, experts as well as ambassadors on both sides should meet and consult on a regular basis to enable an exchange of views to achieve a mutually satisfactory outcome to this problem in line with the spirit and the letter of the Lomé Convention.

5. DEVELOPMENT FINANCE COOPERATION

(a) Implementation in 1998

1998 was marked by two major events:

- firstly, the entry into force on 1 June of the eighth EDF, following ratification of the Mauritius Agreement amending the Fourth ACP-EC Convention of Lomé;
- secondly, an upturn compared with previous years in the implementation of ACP-EC financial cooperation in terms of both primary commitments and payments.

This upturn noted in 1998 is largely due to the unblocking of the implementation of projects and contracts which had remained dependent legally on ratification of the eighth EDF, whereas the downturns recorded in 1997 and in 1996 were linked to the using up of the two EDFs, cumulated decisions under which stood, at the end of 1997, at 95.17 % of the allocation for the sixth EDF and at 80.81 % for the seventh EDF respectively.

The relatively high level of payments recorded in 1997 under the seventh EDF (ECU 1 026 million), which was close to the 1996 level of ECU 1 100 million, rose substantially in 1998 to reach a total of ECU 1 419 million. Even excluding the Stabex payment, the total of payments made in 1998 is still the second best result achieved after that for 1994. In terms of the utilisation of programmable resources (indicative programmes and structural adjustment facility), the result attained in 1998 is, with those for 1992 and 1994, the best ever.

The recovery is even more marked as regards decisions. At ECU 2.3 billion including Stabex and ECU 2.1 billion excluding Stabex, the historic level attained is unprecedented.

These results take on even greater significance when situated in the context of a six-month period only (June to December 1998). They are largely due to the excellent performance of the 'support for structural adjustment' facility which, with ECU 0.6 billion of commitments, exceeded the record which it had attained in 1993 by more than a half, thus confirming its effectiveness as a rapid-disbursement instrument.

(b) ACP-EC Development Finance Cooperation Committee

The ACP-EC Development Finance Cooperation Committee, set up under Article 325 of the Fourth ACP-EC Convention, held its seventh meeting at ministerial level on 8 May 1998.

It addressed the following items:

- Examination of the reports and resolutions of the ACP-EC Development Finance Cooperation Committee

The committee approved the following reports and agreed to call on the ACP-EC Council to adopt them.

— 1997 implementation report

The draft report on the implementation of financial and technical cooperation in 1997 essentially provides statistical information and presents an in-depth analysis of achievements under the third and fourth conventions. The report included, for the first time, a breakdown of aid by sector.

For the second successive year, the committee noted the lack of progress achieved in implementation of ACP-EC financial cooperation, in particular in the field of EDF projects and European Investment Bank operations due, *inter alia*, to depletion of the resources of the sixth and seventh EDFs, both of which had reached the final stage of their existence, without a start having been made on implementation of the eighth EDF.

The committee urged the parties, on completion of the process of ratification of the revised convention and of the second financial protocol, to make every effort to speed up implementation of the various projects and programmes currently pending and to report back to the next Council meeting on the progress made.

The committee took note of the satisfactory level of decisions attained by Sysmin in 1997. It would continue to seek solutions, as regards the specific procedures applied to Sysmin, to enable this instrument to continue to operate at its present rate, in particular as regards effective implementation of secondary commitments.

With regard to calls for tenders and contracts, the committee noted with concern that the ACP States' participation in the various types of contract, and particularly services contracts, was still only low despite the repeated appeals made by the Council in previ-

ous resolutions. The committee acknowledged, however, that several measures had been introduced in 1997 to improve this situation in the future, and insisted on the need to continue and intensify efforts in this area.

— 1997 evaluation report

The committee took note of the 1997 evaluation report and the activities mentioned in the report concerning urban development, the mining sector and Sysmin operations, regional cooperation and ACP-EC cooperation; it awaited with interest the two key evaluations contained in the work programme for 1998, i.e. the synthesis report on the evaluation of Sysmin in 1996-97 and the synthesis evaluation of ACP-EC cooperation. It approved the work programme for 1998 contained in the aforementioned report.

— 10 years of ACP-EC financial cooperation: 1986-95

The committee took note of the report entitled '10 years of ACP-EC financial cooperation' covering developments over the 10-year period 1986-95 in this form of cooperation by sector and by ACP region and urged both sides to use the information provided in the report as the basis for their future action in this area.

— Resolution on implementation in 1997

The committee called on the ACP-EC Council of Ministers to adopt a resolution on the implementation of development finance cooperation in 1997. The committee noted that the drafting and distribution of standard documents on special conditions relating to EDF-financed contracts as referred to in the conclusions of the Article 193 Committee of November 1991 had not been carried out in the autumn of

1997, as had been agreed at the close of the 22nd meeting of the Council in Luxembourg in April 1997; it reiterated its concern at the delay in fulfilling that commitment. It requested that efforts in this area be intensified to complete the drafting of documents and their distribution during 1998.

The committee took note of the Commission's statement proposing a new approach in the matter of guidelines for the preparation of special conditions for EDF contracts and standard tender documents for EDF service contracts. It called for this initiative to be followed up and extended to other EDF contracts, and invited the Development Finance Cooperation Committee to report to the Council at its next meeting.

— Simplification of EDF management

The European Commission suggested simplifying management by closing the sixth and seventh EDFs and transferring the balance to the eighth EDF. This simplification is aimed at the consolidated management of EDF balances with a view to ensuring an easier, more transparent and more efficient use of funds on the basis of a single strategy. The ACP side indicated that it would study this statement and give its reactions at a later date. The committee took note of the Commission's intentions.

(c) EIB activities in the ACP State

Under the Lomé Conventions, funding from the European Investment Bank (EIB) is granted either from its own resources in the form of loans generally accompanied by interest subsidies or from European Development Fund (EDF) resources through risk capital operations. Activities in 1998 were marked by the resumption of funding brought about by the entry into force of

the second financial protocol to the Lomé IV Convention on 1 June 1998, whereas 1997 operations had, of necessity, been limited to using up the amounts available under the first protocol. This recovery was facilitated by the intense work to prepare for operations during the pre-ratification period.

In the course of 1998, the Bank:

- from its own resources, signed 15 further contracts for loans (14 of which were accompanied by interest subsidies) for a total of EUR 288.5 million and disbursed EUR 158.6 million;
- from risk capital, granted a total amount of EUR 270 million and paid EUR 171.16 million.

The countries of southern Africa were the primary beneficiaries, since they were granted a total of EUR 277.3 million — approximately EUR 110 million of which from risk capital — for the support of, in particular, communications infrastructures, industry and the energy sector in Namibia, Mozambique, Zambia, Mauritius and Zimbabwe. Aid for the rehabilitation, modernisation and extension of water production and distribution systems was granted to Lesotho and Madagascar and the latter country also received EUR 25 million of aid for the rehabilitation of power stations and the extension of transport and electricity distribution networks. Global loans to finance small or medium-sized investments were granted in Zambia and Malawi.

The search continued for a certain regional balance of Bank assistance, the implications of which are assessed over the entire period of application of any agreement considered. East African countries received EUR 114 million, much of it in the form of global loans in support of SME investment in Kenya, Uganda and Tanzania in particular. A

conditional loan of EUR 41 million from risk capital was granted to the Federal Republic of Ethiopia for the construction of a hydroelectric plant. Significant amounts were granted to West African countries (EUR 81 million), in particular through a conditional regional loan to Mali, Mauritania and Senegal, and to the Caribbean countries (EUR 61 million) in support of aid for SMEs and the improvement of the energy sector. A slight slowdown in operations was observed in the Pacific region owing to the difficulty of finding projects of a certain scale in that region which met the Bank's intervention criteria.

At the end of the financial year, total EIB interventions under the Lomé Conventions stood at EUR 5 342 million and disbursements exceeded EUR 3 721 million.

6. INDUSTRIAL COOPERATION ⁽¹⁾

The ACP-EC Committee on Industrial Cooperation adopted the following decisions in 1998:

- Decision No 1/98 of 17 July 1998 on the appointment of a member of the Executive Board of the Centre for the Development of Industry
- Decision No 2/98 of 24 September 1998 giving a discharge to the Director of the Centre for the Development of Industry in respect of the implementation of the centre's budget for the financial years 1992, 1993 and 1994
- Decision No 3/98 of 24 September 1998 on the adjustment of the remuneration and the tax brackets laid

down in the conditions of employment of the staff of the Centre for the Development of Industry

- Decision No 4/98 of 31 December 1998 approving the budget of the Centre for the Development of Industry (1999)
- Decision No 5/98 of 31 December 1998 giving a discharge to the Director of the Centre for the Development of Industry in respect of the implementation of the centre's budget for the financial years 1995 and 1996.

7. AGRICULTURAL AND RURAL COOPERATION ⁽²⁾

The ACP-EC Committee of Ambassadors adopted the following decisions in 1998:

- Decision No 1/98 of 10 November 1998 on the appointment of a member of the Advisory Committee of the Technical Centre for Agricultural and Rural Development
- Decision No 2/98 of 31 December 1998 adopting the budget of the Technical Centre for Agricultural and Rural Cooperation (1999).

The ACP-EC Subcommittee for Cooperation on Agricultural and Rural Development adopted the following decisions in 1996:

- Decision No 1/98 of 9 November 1998 concerning the adjustment of the remuneration and tax brackets laid down in the conditions of employment of the staff of the Technical Centre for Agricultural and Rural Cooperation.

⁽¹⁾ A review of the CDI's activities in 1998 will be found in Annex I to this report.

⁽²⁾ A review of the TCA's activities in 1998 will be found in Annex II to this report.

IV. RELATIONS WITH THE COUNTRIES OF SOUTHERN AFRICA

1. SOUTH AFRICA

The EU Council decided, on 19 June 1995, to follow a twin-track approach in negotiating with South Africa implying parallel discussions on a qualified accession to the Lomé Convention and a bilateral agreement on trade and cooperation.

On 25 March 1996, the Council adopted the complementary directives for a trade and cooperation agreement. This mandate contained in particular the following elements:

- The European Union and the Republic of South Africa should agree to establish a free trade area over a transitional period lasting, in principle, a maximum of 10 years starting from the entry into force of the agreement, in accordance with the WTO rules and the provisions of the agreement. Exceptionally, for specific products, the length of the transitional period may be extended to a period not exceeding 12 years.
- The free trade area covers the free movement of goods in all sectors, the liberalisation of trade in services and the free movement of capital.
- At the end of the transitional period the free trade area will cover the bulk of trade between the parties, with a possible element of differentiation between them.

Since then the protocol of South Africa's accession to the Lomé Convention has been negotiated. The protocol was formally adopted by the ACP-EC Council at its 22nd session in Luxembourg on 24 April 1997, thereby making South Africa a qualified member of the Lomé Convention. The parallel discussions on a bilateral agreement with South Africa on the establishment of a free trade area with the Community continued during the whole year of 1998.

At the meetings of the ACP-EU Joint Assembly in April 1998 (Mauritius) and September 1998 (Brussels), the representative of South Africa stressed the importance his government attaches to the impact the future trade agreement might have on South Africa's neighbouring States both in the context of the countries in the Southern African Customs Union (SACU) and in the broader context of the SADC.

The European Council in Vienna, on 11 December 1998, discussed the progress made in the negotiations with South Africa on a comprehensive trade, development and cooperation agreement. It noted that although very considerable progress had been made, a few points still remained open. It underlined the political importance of this agreement in the spirit of the meeting with President Mandela in Cardiff. The European Council invited the Council, based on a compromise proposal of the Commission, to bring these negotiations to a successful conclusion as soon as possible and at the latest before the European Council in March 1999, which will require efforts on both sides.

European programme for reconstruction and development (EPRD):

On 22 November 1996, the Council adopted its regulation on development cooperation with South Africa also known as the 'European programme for reconstruction and development (EPRD)'. The programme covers a period of four years from 1 September 1996 to 31 December 1999 with a financial allocation of ECU 500 million.

In order to assist South Africa in tackling the challenges it is facing, the EPRD concentrated in 1998 on three focal areas (development of social infrastructure; private sector support; good governance and democratisation) with two cross sectoral 'horizontal themes': human resource development and decentralised cooperation. EPRD contributions have also been earmarked to facilitate the integration of South Africa into ongoing regional programmes of direct relevance to it.

2. EU/SADC

The Third EU/SADC Ministerial Conference took place in Vienna, Austria, on 3 and 4 November 1998.

The Second SADC/EU Conference in Windhoek, Namibia, in 1996, endorsed the proposals adopted by the meeting of the Joint Committee of Senior Officials (JCSO) held in Madrid on 18 and 19 December 1995 in regard to a joint institutional framework to follow up the implementation of the Berlin Declaration, comprising a ministerial conference, to be held when necessary to realise the objectives of the Berlin Declaration, an annual meeting of the JCSO and a meeting of the Joint Steering Committee (JSC), to be held at least once a year.

In accordance with the abovementioned joint institutional framework and in preparation for the Vienna Conference, the JCSO met in Brussels (July) and Vienna (November), while the JSC met in Pretoria (April), Brussels (July), Windhoek (September) and twice in Vienna (November).

The conference reaffirmed the importance it attaches to respect for human rights and the principles of democracy and recalled both sides' commitment to build, consolidate and strengthen democratic institutions founded on accountability, transparency, good governance, and the rule of law, as these fundamental principles form an essential element of, and are the basis for cooperation between, EU and SADC.

The two sides reaffirmed their commitment to development and indicated their intention to closely coordinate the planning and implementation of mutually beneficial regional development programmes and projects.

The conference had an extensive exchange of view, especially on:

- Political dialogue (the conference reviewed progress and developments in the SADC and EU regions as well as in other parts of the world since the 1996

Windhoek Conference, for example Lesotho, Angola, Democratic Republic of Congo, Great Lakes region, Kosovo, EU enlargement, European monetary union, EU–Africa summit in the year 2000).

- Regional integration (the conference expressed its appreciation for the progress SADC has continued to make on regional integration and the EU reaffirmed its commitment to continue supporting SADC in its integration process).
- Cooperation in other fields (combating illicit drug trafficking, landmines, combating HIV/AIDS, integration of demobilised soldiers in society, management of shared river basins).
- Other issues (SADC external debt problem, perspectives post-Lomé, strengthening the rights of the child).

Finally, the conference agreed on the following future priorities:

- strengthening democracy, including support for the electoral process in the SADC region;
- enhanced cooperation for conflict prevention and peace-keeping, in particular through networking of partner institutions in the political and security fields, the exchange of experts, and the establishment of consultation mechanisms for crisis prevention, resolution and management;
- intensification of measures to combat HIV/AIDS;
- intensify the common fight against organised crime especially through:
 - training measures aimed at combating crime
 - tackling illicit drug trafficking
 - measures against illicit trafficking in small arms
 - preventing money laundering

- strengthening the rights of the child;
- clearance of landmines and mine awareness campaigns;
- promoting regional integration, in particular through support to the trade and transport sectors, among others through:
 - technical assistance to address issues relating to the SADC free trade area,
 - regional cooperation in air traffic security in southern Africa,
 - promotion of trade and private investment,
 - support for development of small and medium-sized enterprises (SMEs);
- water and energy resources management.

The two parties agreed that their dialogue should be further strengthened and expanded, the ministerial conference in Vienna endorsed the invitation by Botswana to hold the Fourth SADC/EU Ministerial Conference in the year 2000.

V. FUTURE RELATIONS BETWEEN THE EU AND THE ACP COUNTRIES

Negotiations for the conclusion of a development partnership agreement with the ACP States

- (i) On 29 June 1998, the General Affairs Council adopted the negotiating directives for the conclusion of a new development partnership agreement to replace the Fourth Lomé Convention, which expires in February 2000.

The purpose of these negotiations is to reactivate the privileged relations between the Union and the ACP States and to introduce an integrated overall approach aimed at achieving a strengthened partnership based on political dialogue, cooperation, development and economic and trade relations.

The Council and the Commission will conduct the negotiations in compliance with the directives adopted by the Council and with any additional directives, in accordance with the practice followed for the negotiations for the previous conventions.

The Council confirmed that the structure of the partnership agreement to be negotiated should meet the requirements of simplicity, readability and accessibility. It should be confined to the main aims and general provisions of the partnership, with certain implementing arrangements and procedural provisions contained in texts annexed to the agreement.

- (ii) Negotiations were formally opened in Brussels on 30 September 1998, when the two sides adopted the structure of the negotiations. They agreed to hold an initial negotiation conference at ministerial level in Dakar (Senegal) at the beginning of February 1999.

- (iii) The opening negotiations meetings were reviewed at the Development Council meeting on 30 November 1998.
- (iv) An informal political meeting between the Community Troika, the Commission and a number of ACP ministers to discuss certain specific questions relating to the future of ACP-EU relations took place in Brussels on 3 December 1998.

VI. ANNEXES

Annex I

CENTRE FOR THE DEVELOPMENT OF INDUSTRY (CDI)

THE YEAR IN BRIEF

Evolution of the main indicators

The main indicators for 1998 continued to show improvements over all previous years. The budget increased by a modest 5.7 % compared to 1997 but, overall:

- the number of companies assisted rose by 9 %, and
- the number of interventions rose by 6 %.

This was an excellent achievement as it coincided with increased emphasis on improving and measuring the impact of the centre's assistance.

However, the annual increase in the number of companies assisted (which rose from 192 in 1994 to 597 in 1998) is slowing down. This is not surprising as it was achieved with substantially the same number of staff and similar budgets. The main benefits arising from improvements in productivity and organisational changes have now been fully attained. Budgetary constraints will be the main limitation that will prevent the centre from reaching significantly more ACP companies.

A survey of companies that had received assistance in 1997 was carried out by the Centre's Internal Evaluation Unit. Some 85 % gave a positive response concerning their appreciation of the quality and suitability of the assistance provided by the CDI. This type of feedback is important to enable the centre to improve its impact and it has become a normal part of operational procedures.

main EU countries that provided partners were Portugal, France, Belgium and the United Kingdom.

Number of interventions

The number of active interventions involving various forms of assistance provided by the CDI rose again in 1998 to reach its highest level of 795 compared to 229 in 1994, 367 in 1995, 603 in 1996 and 748 in 1997.

There was little change in proportional contributions to interventions compared to 1997. The CDI's share varied only slightly (46.7 %). The share of the ACP promoters rose slightly (31.7 %), while that of the EU partners fell very slightly (11.0 %). That of the EU institutions continued its decline from a high of 18.8 % in 1995 to 10.6 % in 1998.

The majority of interventions (52.1 %) were direct assistance to ACP companies. The second group (30.1 %) related to preparatory work for existing projects (diagnostics), feasibility studies for new projects, and financial advice.

Other activities

Industrial partnership meetings and seminars

Industrial partnership meetings have proved to be a very effective means of promoting ACP–EU industrial cooperation.

The CDI first selects a specific sector as having potential for expansion, usually in export markets. It then identifies a group of 20 to 25 key companies in an ACP country or region together with a similar number of EU companies interested in cooperation. In many cases, export marketing is the key interest. In the CDI's experience, rapid commercial links develop not only between European and ACP participants but also between the ACP companies themselves. The CDI monitors these contacts and provides technical and marketing assistance, as appropriate.

Industrial partnership meetings are often followed some months later by seminars that focus on key topics raised by the participants during the meetings. The seminars usually bring together ACP companies in the same field of activity. In this way, the participants can learn, not only from the ACP and European experts invited by the CDI but also from each other's experience in terms of equipment or technology used, upgrading of personnel, market research and data banks.

From the initial three meetings per year, the number rose to 9 in 1995, 12 in 1996, 15 in 1997 and 18 in 1998. The number is not expected to increase in 1999.

Another positive effect of these meetings and seminars is the improvement of the CDI's knowledge of specific industrial sub-sectors in the targeted ACP regions and/or in Europe. Each meeting is preceded by a sector survey that reviews, for example, availability and specifications of raw materials, existing companies active in the sector and their development plans, existing and potential markets (local or foreign), the need for new equipment or technical upgrading. Based on the conclusions, the CDI is in a better position to focus its assistance on the most viable projects or programmes.

Improvements

The main indicators of performance all showed a clear improvement. More companies received more interventions than at any time in the centre's history. This has been the result of well-defined and measurable objectives given to the staff and continuous incremental improvements in the way in which the centre manages projects. However, with the current budget levels it will be difficult to increase the number of companies receiving assistance without compromising the quality or impact of the interventions.

In order to achieve a greater impact on the companies that the centre is able to assist, impact assessment is now an integral part of

the project cycle, with expected impact being declared at the intervention proposal stage against which actual results can be analysed. An initial assessment by the centre's clients was positive and clearly demonstrated that the CDI's impact on job creation and investment was significant. Some 11 500 new jobs were created and some ECU 250 million new investment was generated in a sample of 387 companies that were surveyed in 1998 and that comprised some of the companies that received CDI assistance in 1997.

EVOLUTION OF THE MAIN INDICATORS

	Total 1993	Total 1994	Total 1995	Total 1996	Total 1997	Total 1998
A. Requests	612	575	1 248	1 570	1 079	1 225
B. Interventions						
— Interventions carried over (situation at end of previous year) (situation end of previous period)	100	86	83	140	239	320
— Interventions started during the year	90	143	284	463	509	475
— Total of interventions processed	190	229	367	603	748	795
— Active interventions (situation at the end of the period)	86	83	140	239	320	313
— Interventions completed within the year/period	104	146	227	364	428	482
— Total of interventions processed	190	229	367	603	748	795
— Average value of CDI's contribution for the interventions processed during the period (in ecu)	17 430	16 572	15 848	13 287	10 984	11 326
— Idem on budgetary art. for the year only (in ecu)	14 168	16 338	14 394	10 671	10 944	10 472
— Average contribution to the interventions						
CDI	49 %	43 %	44.5 %	46.0 %	46.6 %	46.7 %
Inst.	23 %	18 %	18.8 %	15.9 %	13.7 %	10.6 %
EU part	11 %	15 %	14.1 %	10.6 %	11.2 %	11.0 %
ACP part	17 %	24 %	22.6 %	27.5 %	28.5 %	31.7 %
C. Projects						
— Number of projects having received a first assistance in the year	NC	84	165	279	255	269
— Total number of projects processed in the year	154	192	286	468	547	597
— new and pilot projects	40 %	34 %	32.8 %	31.6 %	29.8 %	25.0 %
— existing enterprises (expansion or diversification)	27.3 %	34 %	36.5 %	30.4 %	26.3 %	32.0 %
— existing enterprises (rehabilitation and consolidation)	32.5 %	31 %	30.7 %	38.0 %	43.9 %	43.0 %
— Percentage of fully private projects	83.8 %	85 %	82.9 %	85.0 %	87.6 %	86.1 %
— Percentage of projects with EU partnership	64.9 %	50 %	50.2 %	42.3 %	40.0 %	37.2 %
Distribution by sector (number of projects)						
Agro-industry	36 %	34 %	41.8 %	39.3 %	42.6 %	44.6 %
Construction, wood, metal	34 %	31 %	33.4 %	35.7 %	32.4 %	27.8 %
Others	30 %	35 %	24.8 %	25.0 %	25.0 %	27.6 %
Geographical distribution (number of projects)						
West Africa	24 %	23 %	28.2 %	22.4 %	24.9 %	24.6 %
Southern Africa	20 %	21 %	20.9 %	24.1 %	20.7 %	21.1 %
East Africa	18 %	24 %	19.9 %	19.4 %	21.2 %	21.8 %
Caribbean	18 %	18 %	16.7 %	11.8 %	12.8 %	11.6 %
Central Africa	14 %	7 %	8.4 %	13.7 %	10.0 %	9.2 %
Pacific	6 %	6 %	5.9 %	8.5 %	10.4 %	11.7 %

Annex II

SUMMARY REPORT OF CTA ACTIVITIES IN 1998

INTRODUCTION

In February 2000, it is expected that new ACP–EU cooperation arrangements will become effective. This is when the Fourth ACP–EU Lomé Convention, under which CTA currently operates, comes to an end. The purpose and objectives of the successor agreements are clearly a major preoccupation for CTA at this time, and this has been reflected in the focus of many aspects of the centre’s work during the year. In this introduction we begin by placing CTA in the context of the negotiations for a successor agreement, anticipating possible post-Lomé roles for the centre. Much of this discussion centres on the relationship between agriculture and poverty reduction. This report concludes with the highlights of the centre’s activities in 1998.

Post-Lomé negotiations: poverty reduction as a principal aim

The official negotiations about what should replace Lomé IV began in September 1998. They were preceded by a long series of consultations and debates in both the ACP and EU States. CTA had been called on repeatedly by bodies such as the Development Group of the European Parliament, the Subcommittees of Agriculture of both the ACP and EU delegations in Brussels and by national and regional organisations. Perhaps the most important theme requiring elucidation by CTA in these meetings was the significance of ACP agricultural development and its role in poverty reduction.

A consensus has emerged in the ACP and EU States that post-Lomé cooperation agreements should ensure that poverty alleviation is the cornerstone of the new partnership. Similarly, ACP capacity-building is destined

to become one of the main influences on the choice of practical arrangements for aid. The Libreville Declaration adopted by the First Summit of ACP Heads of State or Government (November 1997) specifically referred to the need to strengthen human resources in the agricultural sector in view of its significance for poverty reduction and socioeconomic development. These emphases were reiterated at the ACP–EU Council of Ministers meeting in Barbados (May 1998).

The negotiating mandates of both the ACP and the EU recommend that the role of CTA should be reinforced in the post-Lomé IV era. Detailed negotiation on ways in which CTA may better serve ACP needs — and hence of any modifications to our current mission and objectives — will take place during 1999.

Last year’s CTA annual report noted that agriculture and rural development have the potential to play a central role in economic growth. Whilst economic growth *per se* is a necessary requirement for tackling rural poverty, it is insufficient. Two other essential components of a poverty focus are the adoption of appropriate policy and effective institutional development. The poor will benefit from economic growth if policy supports their productive activities, such that they receive adequate returns, and ensures that they are integrated into market operations. Public policy on institutional development must ensure that the relevant organisations and their services are appropriate to the needs of the poor. Institutional development aimed at poverty alleviation concerns outputs and services that promote the incomes and competitiveness of smallholder farmers. Activities which address the weaknesses of these services are major elements of CTA’s programme to strengthen its ACP partners’ capacities through improved information and communication management.

CTA’s partners and beneficiaries include agricultural and rural development agencies, planners and policy-makers, researchers and technicians, extension workers, trainers, and farmers’ cooperatives and associations. This

group, referred to collectively as the National Agricultural System (NAS) and covering both the public and independent sectors, develops, adapts and disseminates improved, sustainable technologies for production, agro-industrial development and marketing.

CTA's evolving objectives

The evolution of CTA's programme balance charted in the mid-term plan (approved in 1996 and discussed in our last three annual reports) will present a considerably transformed CTA in the year 2000, which nevertheless will operate essentially to the mandate agreed for Lomé IV. The accelerating changes in ACP countries recorded by late 1998 indicate that a more profound change may be appropriate, reflecting the strategies needed to overcome the constraints to agricultural and rural development. These strategies require the development and implementation of appropriate policies, together with a strengthening of the performance of the NAS. Policies for poverty alleviation should essentially aim at promoting the move from subsistence to more productive farming systems generating surpluses and wealth derived from markets, and at tackling biases against poor farmers and women.

Such a change would require CTA to strengthen the ACP capacity to formulate policies and strategies for agricultural development at national and regional levels through improved information and communication management. This information must be managed, and data must be focused, so as to help decision-takers cope with policy formulation and implementation in a rapidly changing physical and socio-economic environment. A major requirement is the need to obtain stakeholder participation at all levels to define the desired objective and impact of the policy. Associated constraints are lack of clarity and prioritisation regarding the information required, and problems of timeliness and quality of data collection and processing methods. This policy axis would focus on issues in which information and communication management is a major constraint.

Turning to institutional development, the public sector has a key role to play in directing growth to favour poverty reduction by increasing the responsiveness of organisations to the needs of the poor. Effective interaction is required between the public and private sectors, but this is limited by a lack of organisational capacity. CTA will further develop its work on capacity strengthening, including the need for appropriate decentralisation of services, enhanced performance monitoring of institutions and improved public and independent sector coordination. Some elements of this are described below.

Many ACP partners have also noted that they would like CTA's post-Lomé role to involve a stronger interaction with the EU's cooperation programmes in the agriculture and rural development sector. CTA's capacity development and policy formulation roles could therefore assist ACP partners to prepare information and communication programmes in this sector. As an ACP-EU parity institution, CTA can continue to contribute to reinforcing interactions between the EU's cooperation programme and the agricultural development policies of the ACP countries. An example of this interaction this year was the organisation of a joint seminar with DG VIII on reducing poverty through agricultural sector strategies in eastern and southern Africa (November, 1998).

Reducing poverty through agricultural sector strategies

Looking at how resources are allocated reveals a government's priorities, and is vital when planning expenditures. Policy-makers can look at the overall size of the agricultural sector's budget, as well as how it is broken down by function (farm inputs, research, extension, marketing and other specialist services), geographic region (for example, infrastructure and other expenditure in high- and low-potential areas), economic activity (salaries, capital and operational expenditures) and public expenditure management (effective and efficient management systems).

Many agricultural services are currently biased towards the rich. Wealthier people find it easier to get credit and extension advice, and researchers tend to focus on crops grown mainly by larger farmers. There is comparatively little research and extension effort devoted to the complex, diverse and risk-prone areas where many of the poor live.

Agricultural sector programmes in eastern and southern Africa contain some elements of a pro-poor strategy. In Mozambique, for example, agricultural research priorities will be reoriented towards small farmer and women-farmer issues. Nevertheless, more must be done if the poor are to benefit from agricultural sector programmes. In general, prices for services should not be subsidised, as this is unsustainable and often does not benefit the poorest anyway. Rather, efforts to combat poverty should be aimed at improving poor people's (and especially women's) access to resources, and at providing the following services cost-effectively: extension services; research efforts; veterinary services; land titling (assured access to land); financial services (availability of credit and effective microfinance institutions); market access (farm-to-market roads, market infrastructure and market information); and access to water.

Several eastern African countries are currently decentralising their government functions, both in managing service delivery and in planning, decision-making and resource allocation. Agricultural sector programmes are part of this trend. In Kenya, for example, decentralisation will occur initially in 16 pilot districts (out of 66), while in Mozambique provincial offices of the Ministry of Agriculture command almost 60 % of the agricultural sector programme budget. Potential benefits from decentralisation include local solutions for local problems, better response to needs and improved participation.

Governments are deeply involved in providing a wide range of services to farmers. These services are often expensive and poorly run, and they often fail to reach rural clients, espe-

cially the poor. The private sector has a clear, potential role to play in poverty reduction through the provision of more efficient services. Constructive partnerships need to be developed between public and non-public institutions.

Information and communication management capacities in institutions

Institutional development aimed at poverty alleviation concerns outputs and services that promote the incomes and competitiveness of smallholder farmers. The objectives of such services are to assist the poorer farmers to achieve marketable surpluses, exploit new product opportunities in national, regional and eventually international markets, and obtain predictable prices and returns. Such institutional development requires significant cultural change and committed leadership to continue the evolution from supply-driven to demand-driven services, to respond to new stakeholders (the private sector, NGOs, women's groups and farmers' associations), and to favour smallholder and poorer farmer communities. Such a strengthening of institutional effectiveness requires a marked change in approach, reward system, training and work procedures. An important aspect of this approach is the empowerment of farmers' organisations (particularly with regard to women farmers), NGOs, input suppliers, local credit organisations and small agro-industries to participate in defining service requirements and priorities.

In terms of information management, these areas of strengthening NAS can be translated into more effective communication with, firstly, the political and socioeconomic context of the organisation (that is, the agenda setting); secondly, the national, regional and international collaborators (the partnership or networking requirement); and thirdly, the need for effective two-way communication with intermediate and end-users or beneficiaries, where it is particularly important to identify priority needs and respond effectively.

Highlights of CTA's 1998 programme

The CTA/DG VIII seminar held in Wageningen in November on reducing poverty through agricultural sector strategies in eastern and southern Africa, which gave rise to the conclusions outlined, was one of the major highlights of the year. The participants included senior policy-makers from Kenya, Lesotho, Uganda, Zimbabwe, several European countries and the European Commission. CTA staff and specialist consultants also attended. The discussions during this three-day meeting centred on lessons learnt from the emergent sector strategies in Kenya, Mozambique and Uganda. The Zimbabwe representatives noted that the aims of the agricultural sector were 'to eradicate poverty, hunger, malnutrition and unemployment through the development of agriculture's full potential'. Participants re-examined the issue that growth is necessary to reduce poverty but noted that without specific measures to ensure the distribution of income, it may bypass substantial numbers of poor people, or even disadvantage them further. A related CTA seminar co-organised with the University of Leuven, Belgium, considered the issue of food insecurity and policy interventions affecting vulnerable groups of society; this followed up on some of the issues raised at earlier seminars co-organised with DG VIII on food security strategies. These activities represented important aspects of CTA's work to promote the exchange of information.

Poverty alleviation was not the only important thematic issue addressed during the year; further emphasis was given to market orientation and market development information across a range of activities.

The phenomenal rise in the number of people with Internet access has enhanced global interest in websites. Following the launch of its website in May, CTA now provides information about its products and services through this medium; and the centre's bulletin, *Spore*, can now be accessed via the web-

site. The website launch was followed by the annual meeting of CTA's Observatory on Information and Communication Technologies (ICTs). Training activities to develop ACP capacities included courses on web page design and the use of electronic networks.

Capacity development remains an expanding area of activity, with some 220 ACP nationals benefiting from the 14 training courses held this year. Apart from electronic communications, topics covered included scientific writing, the production of extension materials and a primer on publication. A new initiative was a two-component training module on public awareness for decision-makers in member institutions of the Conférence des responsables de recherche agronomique africains (CORAF) and of the Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA). Closer links have been developed with ACP writers and publishers through workshops and participation in international book fairs.

Much of the centre's work addressed partnership issues. With respect to the development of effective national partnerships, case studies, consultations and partnership arrangements were pursued in order to further promote the independent sector's role in research, extension and support services in ACP countries. In the field of information exchange, the number of co-organised seminars doubled from 1997 to 1998, reflecting the intention of the mid-term plan to increase the impact of the seminar programme through more partnership endeavours of this sort. The participation of women in seminars has increased significantly, from 7 % in 1997 to 18 % in 1998.

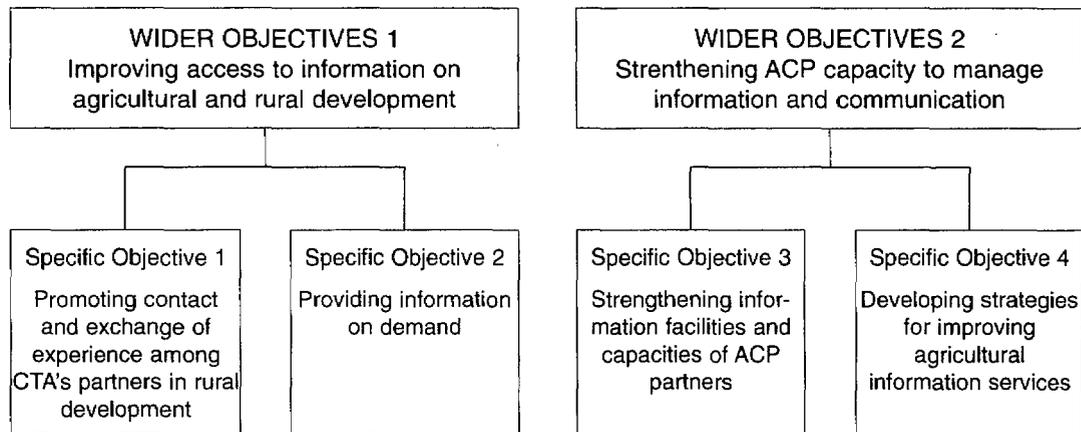
Measures to improve the efficiency and effectiveness of the production and distribution of publications were consolidated during the year. The year also saw the completion of the first annual cycle of the new subscription-based Publications Distribution Service (PDS). The impact of information management on institutional performance was

assessed at a workshop in January, and various projects paid particular attention to the enhancement of institutional performance regarding the subsistence sector, marginal areas and gender issues.

In conclusion, the evolution of CTA's programme outlined here reflects the transforma-

tion portrayed in our mid-term plan. The post-Lomé debates on the importance of agriculture and rural development to improving prosperity and sustainable development emphasise the relevance and potential of CTA's work for alleviating poverty and hence achieving the aim of future ACP-EU cooperation.

CTA's AIMS AND OBJECTIVES



DEVELOPING STRATEGIES FOR INFORMATION MANAGEMENT

The activities of CTA's Information Policies and Partnerships Department (IPPD) focus on developing strategies for improving agricultural information services in ACP countries, one of the centre's four specific objectives. The overall aim of these activities is to contribute to sound policy analysis and decision-making in the public and private sectors of national agricultural systems. Support for the development of effective partnerships at national and regional levels is an important component of the programme. IPPD is also responsible for evaluating CTA's programmes and services.

Information management strategies are being developed for agricultural policy analysis, market-led development, research and extension, and impact assessment. In all these areas the main issues addressed in 1998 related to: the interface between the public and private sectors in agricultural and rural development;

regional integration with regard to agricultural trade and development; and the establishment of market information systems. Attention was also given to gender roles in the development of rural agro-processing facilities and to the interests of resource-poor farmers in the liaison between research and extension agencies.

CTA supported ASARECA's efforts to improve the use of information in agricultural policy-making and analysis in eastern and central Africa. To this end a training workshop was held in Kenya from 28 September to 9 October focusing on writing proposals for research grants. This workshop was attended by 20 participants from Eritrea, Ethiopia, Kenya, Sudan, Tanzania and Uganda. The centre also supported an international workshop in Zimbabwe dealing with agricultural trade policies in Africa. This workshop was co-organised with DSE and IFPRI. In market-led development, case studies and consultations were conducted in Ethiopia, Ghana and Zimbabwe to determine alternative informa-

tion management strategies. Activities relating to research and extension information management focused on strengthening research-extension links in national agricultural systems. In impact assessment, the main focus was on methodologies for assessing the impact of information management on the performance of ACP agricultural institutions.

Efforts to promote partnerships at national level were geared towards enhancing the role of the private sector in research, extension and support services. Studies, which focused on NGOs, private enterprises and national farmers' associations, were carried out in Burkina Faso, Ethiopia, Ghana, Madagascar, Mali and Uganda. Particular attention was given to improving institutional performance with regard to the subsistence sector, marginal areas and gender issues. In regional partnerships, the main focus was on coordinating the activities of CTA and its Caribbean and Pacific Regional Branch Offices and on assisting in the development of integrated regional information programmes.

The evaluations of Spore and Esporo and of CTA's publishing programme were completed, and a detailed plan for implementing CTA's training programme was formulated. A study was conducted on developing an appropriate approach for identifying and monitoring the priority information themes underlying CTA's information services.

PROMOTING THE EXCHANGE OF INFORMATION

A key factor in CTA's mid-term plan (1997–2000) is to increase the number of initiatives aimed at strengthening institutional capacity-building in ACP countries. The increased expenditure on achieving this objective has resulted in a reduced budget allocation for other CTA activities, including those carried out by the Seminars and Studies Department (SSD). The challenge facing the department, therefore, is how to increase the impact of its efforts to promote the exchange of information under current budget restrictions. A new approach, approved by CTA's

Advisory Committee, has been developed over the past two years to meet this challenge. This approach will be tailored to reflect the results of ongoing SSD programme evaluations as they become available.

There have been significant changes in the departmental budget allocations for seminars and studies according to CTA's five thematic areas of activity. The most notable change has been the increased expenditure on seminars and studies addressing the theme of market-led development, at the expense of activities focusing on production intensification. The promotion of market-led development is now considered a major priority by ACP countries and the donor community. The budget allocation for activities on this theme will increase again in 1999.

Another element of the department's new approach is to promote partnerships with other institutions by increasing the number of seminars co-organised by CTA, with a corresponding decrease in seminars organised and funded entirely by the centre. The percentage of the budget allocated to co-organised seminars in 1998 was twice that allocated in 1997. This strategy enables partners to become more active in these events and more aware of the centre's priority information themes. Two important aspects of the strategy are co-funding, which demonstrates the interest of CTA's partners in investing in joint activities, and diversity in partner institutions, which enables the centre to reach a broader range of individuals. Many of the participants in co-organised seminars in 1998 had previously been unaware of CTA.

The participation of women in seminars increased significantly from 7 % in 1997 to 18 % in 1998. The objective is to reach 25 % in 1999. The proportions of seminar participants from the public and private sectors, however, did not vary significantly in 1998 compared to 1997. This is primarily because CTA aims to ensure that there is a balanced representation of all stakeholders in rural development in its seminars, including government officials, research leaders and exten-

sionists, representatives of NGOs and other rural development associations, and resource persons and representatives from international and regional institutions. This year CTA organised and co-organised seminars in Belgium, Mali, Netherlands, Kenya, Jamaica, Spain, Fiji, Barbados, Samoa, Uganda, Cameroon, Burkina Faso and Tanzania.

To increase the impact of CTA's seminar support programme but keep within the expenditure levels of the previous year, preference was given to meetings which were held in ACP countries and focused on themes which clearly reflected ACP priorities. Fewer meetings were supported but the number of CTA-sponsored participants in meetings increased from an average of five in 1997 to six in 1998. In total, 276 ACP nationals were supported to attend 43 meetings.

The feedback from participants in study visits indicates that these events are an effective means of exchanging information. Two study visits were arranged in 1998 (compared to one in 1997), and three study visits are scheduled for 1999. The first visit was made to France and involved farmers' associations; the second visit, focusing on seed production systems, was postponed to January 1999 at the request of the host country, Zimbabwe.

PROVIDING INFORMATION ON DEMAND

The principal function of CTA's Publications and Dissemination Department (PDD) is to meet the demand from ACP countries for information on agriculture and rural development by publishing, co-publishing and purchasing books, periodicals and other publications. These publications are distributed on request, most of them directly from CTA. Although initiatives on alternative approaches continue to be developed, the lack of equipment and trained staff in ACP countries, linguistic diversity, low purchasing power and under-developed book distribution channels all contribute to the difficulty of sustaining such approaches.

This year saw the completion of the first annual cycle of the new subscription-based Publications Distribution Service (PDS). The mailing list has been reconstructed on the basis of information supplied by subscribers, publications have been assigned values in credit units and credit limits have been allocated to subscribers, who have been sent order forms and tailor-made publications lists. Whilst the initial requirement for subscribers to re-register inevitably took time to complete and led to delays, the system operated as intended for much of the year.

Following an evaluation of CTA's leading publications *Spore* and *Esporo*, many changes were introduced which have improved the efficiency and effectiveness of these bulletins. There have been significant savings on production and distribution costs and the editorial policy has been more clearly defined. Measures to revise the content and expand the readership have been implemented.

Whilst new titles have continued to appear in CTA's well-established serial co-publication list, work has been pursued with other publishers that will lead to the establishment of new series based on themes reflecting current priorities. The book purchase programme has been expanded so that the bookstock reflects the readership profile; this profile is based on the extensive information collected during the PDS re-registration process.

An integrated programme has been established to ensure more effective promotion of the titles on CTA's list; this is particularly necessary now that self-selection by subscribers is the basis for distribution. The department has made increasing use of the CTA website. Initial priorities have been to use this facility to enhance the availability of *Spore* and the *CTA Publications Catalogue* and to make available basic information about CTA's publication policies. Articles about CTA's activities are now regularly included in the periodicals *The Courier* and *Agriculture and rural development* in order to enhance awareness of the centre.

Closer links have been developed with ACP writers and publishers through workshops and participation in international book fairs. New partnerships have been established in Zambia and Benin, on a pilot basis, to improve the distribution of publications. In a bid to continue to meet the information demands of the ACP countries, 10 CTA publications were published and 31 co-publications with publishers from the United Kingdom, the Netherlands, Kenya, France, Belgium, Tanzania, Zimbabwe, Germany, Uganda, Nigeria and South Africa. A major development has been the appointment of a commercial distributor, based in Germany, to market some 170 titles, for which CTA holds the copyright, to non-ACP countries.

Important changes to management practices aimed at improving the efficiency and quality of the services CTA provides have been introduced. These have involved the development of a multi-purpose publications database, new procedures for monitoring the efficiency of the PDS, the introduction of procedures to reduce the time taken to produce technical publications, and changes to the internal decision-making structures which will enhance the contributions made by other departments to CTA's publishing programme.

STRENGTHENING INFORMATION AND COMMUNICATION MANAGEMENT

The main activities of CTA's Information and Capacity Development Department (ICDD) focus on strengthening information and documentation capabilities in ACP countries, encouraging communication and networking among partner organisations, and promoting the use of new information and communication technologies (ICTs). In 1998, particular emphasis was given to establishing partnerships with producers' associations, NGOs, decision-makers and intermediary bodies in the private sector, and this emphasis will be retained in future programmes.

The centre began decentralising its question-and-answer service (QAS) by identifying organisations that could offer this service at national and regional levels. In southern Africa, CTA supported the establishment of a consortium of three institutions — the University of the Orange Free State, the ARC and Sabinet — to provide a demand-driven agricultural information service to the countries in the region.

Efforts to improve the quality of the Selective Dissemination of Information (SDI) Service continued, with 1 279 profiles on priority research themes being distributed to research programmes in 53 ACP countries, and partnerships with CGIAR institutions being established. The impact of this service on institutional development is currently being assessed. Under the dissemination of reference books on agriculture (DORA) programme, 14 000 titles were supplied to 40 secondary schools and universities in Africa. The themes of the resource packs produced by CTA's rural radio programme (RRP) and sent to 200 beneficiaries were land tenure, rural producers as agents of innovation, weed control, and the professionalisation of agricultural activities.

Within the context of CTA's new training strategy, the centre organised 14 courses, 11 at regional level and three at national level. The courses were attended by 220 ACP nationals from Angola, Botswana, Lesotho, Malawi, Mozambique, South Africa, Swaziland, Zambia, Zimbabwe, Benin, Burkina Faso, Burundi, Cape Verde, Chad, Congo, Gabon, Guinea, Mali, Mauritania, Niger, Senegal, Togo, Kiribati, Samoa, Tuvalu, Ghana, Kenya, Namibia, Nigeria, Seychelles, Tanzania, Uganda, Eritrea, Ethiopia, Rwanda and Sudan. The topics covered in these courses included scientific writing, the production of extension materials, and publishing. Training was also provided at two workshops on public awareness, attended by decision-makers in CORAF and ASARECA member institutions. Topics addressed by rural radio training workshops included the assessment of rural radio audiences, interview

ORGANISATIONAL STRUCTURE OF CTA

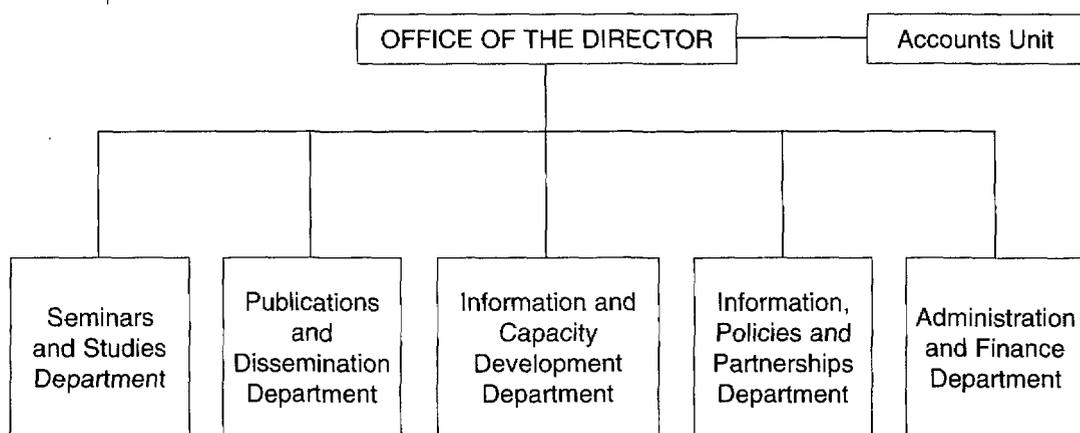


Table 1

Income and budget allocation, 1998		
Income	Amount (1 000 EUR)	Percentage
EDF contribution	11 399	98.4
Interest and others	180	1.6
Total	11 579	100.0
Budget allocation		
Staff costs	3 723	32.2
CTA running costs	838	7.2
Operational programme	7 018	60.6
Total	11 579	100.0

Table 2

1998 budget: Distribution of operational programme by specific objective	
Specific objective 1 (Seminars and studies)	21.0
Specific objective 2 (Publications and dissemination)	36.5
Specific objective 3 (Information and capacity development)	24.0
Specific objective 4 (Information policies and partnerships)	18.5
Total	100.0

Acronyms and abbreviations

ACP	African, Caribbean and Pacific group of States
ARC	Agricultural Research Council (South Africa)
ASARECA	Association for Strengthening Agricultural Research in Eastern and Central Africa
CGIAR	Consultative Group on International Agricultural Research
CORAF	Conférence des responsables de recherche agronomique africains
DG VIII	Directorate-General for Development (EC)
DORA	dissemination of reference works on agriculture
DSE	Deutsche Stiftung für Internationale Entwicklung
EU	European Union
ICT	information and communication technology
IFPRI	International Food Policy Research Institute
NAS	National Agricultural System
NGO	non-governmental organisation
Sabinet	Southern African bibliographic information network

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