COMMISSION

OF THE

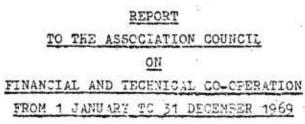
EUROPEAN COMMUNITIES

Directorate-General for Development Aid

VIII/FED/1-C&S

3120/VIII/FED/70-E

Sec/10/1601/ Fin. 12 May 1970



3120/VIII/FED/70-E

CHAPTER 1 GI 1.1 1.1.1 1.1.2 1.1.3 1.1.4 1.2 1.2.1 1.2.2 1.2.2 1.2.3	<u>ENERAL</u> <u>NEW COMMITMENTS</u> Expansion of total commitments Breakdown by sector of activity Methods of financing Breakdown by country <u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments <u>NEW ENANCING DECISIONS</u>	Page 4 5 5 5 6 9 12 14 15
1.1 1.1.1 1.1.2 1.1.3 1.1.4 1.2 1.2.1 1.2.2 1.2.2 1.2.3 <u>CHAPTER 2</u> IN 2.1 2.1.1 2.1.1.1 2.1.1.2	<u>NEW COMMITMENTS</u> Expansion of total commitments Breakdown by sector of activity Methods of financing Breakdown by country <u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments <u>NVESTMENTS AND RELATED TECHNICAL CO-OPERAT</u>	4 5 5 6 9 12 14 14 14 14
CHAPTER 1 GI 1.1 1.1.1 1.1.2 1.1.3 1.1.3 1.1.4 1.2 1.2.1 1.2.2 1.2.2 1.2.3 CHAPTER 2 IN 2.1 2.1.1 2.1.1.1 2.1.1.2 1.1.2	<u>NEW COMMITMENTS</u> Expansion of total commitments Breakdown by sector of activity Methods of financing Breakdown by country <u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments <u>NVESTMENTS AND RELATED TECHNICAL CO-OPERAT</u>	5 5 6 9 12 14 14 14 14 14
1.1 1.1.1 1.1.2 1.1.3 1.1.4 1.2 1.2.1 1.2.2 1.2.2 1.2.3 <u>CHAPTER 2</u> IN 2.1 2.1.1 2.1.1.1 2.1.1.2	<u>NEW COMMITMENTS</u> Expansion of total commitments Breakdown by sector of activity Methods of financing Breakdown by country <u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments <u>NVESTMENTS AND RELATED TECHNICAL CO-OPERAT</u>	5 5 6 9 12 14 14 14 14 14
1.1.1 1.1.2 1.1.3 1.1.4 1.2 1.2.1 1.2.2 1.2.3 <u>CHAPTER 2</u> IN 2.1 2.1.1 2.1.11 2.1.1.1 2.1.1.2	Expansion of total commitments Breakdown by sector of activity Methods of financing Breakdown by country <u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments NVESTMENTS AND RELATED TECHNICAL CO-OPERAT	5 6 9 12 14 14 14 14
1.1.2 1.1.3 1.1.4 1.2 1.2.1 1.2.2 1.2.2 1.2.3 <u>CHAPTER 2</u> IN 2.1 2.1 2.1.1 2.1.1.1 2.1.1.2	Breakdown by sector of activity Methods of financing Breakdown by country <u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments <u>NVESTMENTS AND RELATED TECHNICAL CO-OPERA</u>	6 9 12 14 14 14 14
1.1.3 1.1.4 1.2 1.2.1 1.2.2 1.2.3 <u>CHAPTER 2</u> 2.1 2.1.1 2.1.11 2.1.1.1 2.1.1.2	Methods of financing Breakdown by country <u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments <u>NVESTMENTS AND RELATED TECHNICAL CO-OPERA</u>	9 12 14 14 14 16
1.1.4 1.2 1.2.1 1.2.2 1.2.3 <u>CHAPTER 2</u> IN 2.1 2.1.1 2.1.1.1 2.1.1.1 2.1.1.2	Breakdown by country <u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments <u>NVESTMENTS AND RELATED TECHNICAL CO-OPERA</u>	12 14 14 14 16
1.2 1.2.1 1.2.2 1.2.3 <u>CHAPTER 2</u> IN 2.1 2.1.1 2.1.1.1 2.1.1.2	<u>PROGRESS OF OPERATIONS</u> Invitations to tender Contracts Payments NVESTMENTS AND RELATED TECHNICAL CO-OPERAT	14 14 14 16
1.2.1 1.2.2 1.2.3 <u>CHAPTER 2</u> IN 2.1 2.1.1 2.1.1.1 2.1.1.1 2.1.1.2	Invitations to tender Contracts Payments NVESTMENTS AND RELATED TECHNICAL CO-OPERA	14 14 16
1.2.2 1.2.3 <u>CHAPTER 2</u> 2.1 2.1.1 2.1.1.1 2.1.1.1 2.1.1.2	Contracts Payments NVESTMENTS AND RELATED TECHNICAL CO-OPERA	14 16
1.2.3 <u>CHAPTER 2</u> II 2.1 2.1.1 2.1.1.1 2.1.1.2	Payments	16
CHAPTER 2 II 2.1 2.1.1 2.1.1.1 2.1.1.1 2.1.1.2	NVESTMENTS AND RELATED TECHNICAL CO-OPERA	
2.1 2.1.1 2.1.1.1 2.1.1.1 2.1.1.2		18 ר מסויו
2.1.1 2.1.1.1 2.1.1.2	NET DIMANCING DECISIONS	
2.1.1.1 2.1.1.2	NEW FINANCING DECISIONS	18
2.1.1.2	European Development Fund	18
	Investments	18
2.1.2	Technical co-operation related to investments	25
	European Investment Bank	28
2.2	PREPARATION AND SUBMISSION OF NEW PROJE	<u>CTS</u> 29
2.2.1	European Development Fund	29
2.2.2	European Investment Bank	30
2.3	EXECUTION OF PROJECTS	31
2.3.1	European Development Fund	31
2.3.2	European Investment Bank	34
2.4	USE MADE OF INVESTMENTS AND RELATED TECHNICAL CO-OPERATION	35
2.4.1	General	35
2.4.2	Investments	35
2.4.3	Technical co-operation related to investments	42
		46

- l -

٠, ٢

3.1 AIDS TO PRODUCTION 44 3.1.1 Five-year programmes - situation 44 3.1.2 Commitment of further annual instalments 44 3.1.3 Spending of instalments committed 45 3.1.4 Utility of aids to production 46 3.2 AIDS TO DIVERSIFICATION 47 3.2.1 European Development Fund 47 3.2.2 European Investment Bank 49 CHAFTER 4 GENERAL TECHNICAL CO-OPERATION 51 4.1 SERVICES OF EXPERTS AND INSTRUCTORS 51 4.2 GENERAL SURVEYS 51 4.2 GENERAL SURVEYS 51 4.2.1 Surveys in hand 51 4.2.2 Use made of the completed surveys 51 4.3 TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING 52 4.3.1 General 52 4.3.2 Full-time training scholarships 53 4.3.3 Scholarships for training by correspondence course 54 4.3.4 Local part-time courses 55 4.3.5 Specific training programmes 55	· ·		Pag
3.1.1Five-year programmes - situation443.1.2Commitment of further annual instalments443.1.3Spending of instalments committed453.1.4Utility of aids to production463.2AIDS TO DIVERSIFICATION473.2.1European Development Fund473.2.2European Investment Bank49CHAPTER 4GENERAL TECHNICAL CO-OFERATION514.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4.1Further training for officials564.4.2Short courses; symposia565.1EMEROFICY AID585.2ADVANCES TO STAELLIZATION FUNDS53	CHAPTER 3	AIDS TO PRODUCTION AND DIVERSIFICATION	44
3.1.2Commitment of further annual instalments443.1.3Spending of instalments committed453.1.4Utility of aids to production463.2AIDS TO DIVERSIFICATION473.2.1European Development Fund473.2.2European Investment Bank49CHAPTER 4GENERAL TECHNICAL CO-OPERATION514.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2GENERAL SURVEYS514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses; symposia565.1EMERGENCY AID585.2ADVANCES TO STAELLIZATION FUNDS53	3.1	AIDS TO PRODUCTION	44
instalments443.1.3Spending of instalments committed453.1.4Utility of aids to production463.2AIDS TO DIVERSIFICATION473.2.1European Development Fund473.2.2European Investment Bank49CHAPTER 4GENERAL TECHNICAL CO-OFERATION514.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course554.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOFF COURSES564.4.1Further training for officials564.4.1Further training for officials564.4.1Further training for officials565.1EMERGENCY AID585.2ADVANCES TO STAFFILIZATION FUNDS53	3.1.1	Five-year programmes - situation	44
3.1.4Utility of aids to production463.2AIDS TO DIVERSIFICATION473.2.1European Development Fund473.2.2European Investment Bank49CHAPTER 4GENERAL TECHNICAL CO-OPERATION514.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2.1Surveys in band514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia565.1EMERCEPCY AID585.2ADVANCES TO STAELLIZATION FUNDS53	3.1.2		44
3.2AIDS TO DIVERSIFICATION473.2.1European Development Fund473.2.2European Investment Bank49CHAPTER 4GENERAL TECHNICAL CO-OPERATION514.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.1Further training for officials565.1EMERGENCY AID585.2ADVANCES TO STAFFILIZATION FUNDS53	3.1.3	Spending of instalments committed	45
3.2.1European Development Fund473.2.2European Investment Bank49CHAPTER 4GENERAL TECHNICAL CO-OPERATION514.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training for officials564.4.1Further training for officials564.4.2Short courses: symposia565.1EMERGENCY AID585.2ADVANCES TO STAELLEATION FUNDS53	3.1.4	Utility of aids to production	46
3.2.2European Investment Bank49CHAPTER 4GENERAL TECHNICAL CO-OPERATION514.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia565.1EMERGENCY AID585.2ADVANCES TO STAELLIZATION FUNDS53	3.2	AIDS TO DIVERSIFICATION	47
CHAFTER 4GENERAL TECHNICAL CO-OPERATION514.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4.1Further training for officials564.4.2Short courses: symposia565.1 <u>EMERGENCY AID</u> 585.2 <u>ADVANCES TO STAELLEATION FUNDS</u> 53	3.2.1	European Development Fund	47
4.1SERVICES OF EXPERTS AND INSTRUCTORS514.2GENERAL SURVEYS514.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia565.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	3.2.2	European Investment Bank	49
4.2GENERAL SURVEYS514.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4.1Further training for officials564.4.2Short courses: symposia565.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	CHAPTER 4	GENERAL TECHNICAL CO-OPERATION	51
4.2.1Surveys in hand514.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia565.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.1	SERVICES OF EXPERTS AND INSTRUCTORS	51
4.2.2Use made of the completed surveys514.3TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia585.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.2	GENERAL SURVEYS	51
4.3 TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING 52 4.3.1 General 52 4.3.2 Full-time training scholarships 53 4.3.3 Scholarships for training by correspondence course 54 4.3.4 Local part-time courses 55 4.3.5 Specific training programmes 55 4.4 TRAINING FOR OFFICIALS AND SHOPT COURSES 56 4.4.1 Further training for officials 56 4.4.2 Short courses: symposia 56 5.1 EMERGENCY AID 58 5.2 ADVANCES TO STABLIZATION FUNDS 53	4.2.1	Surveys in hand	51
VOCATIONAL TRAINING524.3.1General524.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia565.1EMERGENCY AID585.2ADVANCES TO STAELLIZATION FUNDS53	4.2.2	Use made of the completed surveys	51
4.3.2Full-time training scholarships534.3.3Scholarships for training by correspondence course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia565.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.3		52
4.3.3Scholarships for training by correspondence course4.3.4Local part-time courses544.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHORT COURSES564.4.1Further training for officials564.4.2Short courses: symposia565.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.3.1	General	52
course544.3.4Local part-time courses554.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHORT COURSES564.4.1Further training for officials564.4.2Short courses: symposia56CHAPTER 5OTHER TYPES OF AID585.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.3.2	Full-time training scholarships	53
4.3.5Specific training programmes554.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia56CHAPTER 5OTHER TYPES OF AID585.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.3.3		nce 54
4.4TRAINING FOR OFFICIALS AND SHOPT COURSES564.4.1Further training for officials564.4.2Short courses: symposia56CHAPTER 5OTHER TYPES OF AID585.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.3.4	Local part-time courses	55
4.4.1Further training for officials564.4.2Short courses: symposia56CHAPTER 5OTHER TYPES OF ALD585.1EMERGENCY ALD585.2ADVANCES TO STABILIZATION FUNDS53	4.3.5	Specific training programmes	55
4.4.2Short courses: symposia56CHAPTER 5OTHER TYPES OF AID585.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.4	TRAINING FOR OFFICIALS AND SHORT COURSES	56
CHAPTER 5OTHER TYPES OF AID585.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.4.1	Further training for officials	56
5.1EMERGENCY AID585.2ADVANCES TO STABILIZATION FUNDS53	4.4.2	Short courses: symposia	56
5.2 ADVANCES TO STABILIZATION FUNDS 53	CHAPTER 5	OTHER TYPES OF AID	58
₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	5.1	EMERGENCY AID	58
5.3 <u>AID FOR PROMOTION OF EXPORTS FROM THE AASM</u> 59	5.2	ADVANCES TO STABILIZATION FUNDS	53
	5.3	AID FOR PROMOTION OF EXPORTS FROM THE AASM	59

· . .

		Pages
CHAPTER 6	ADMINISTRATION	60
6.1	CO-OPERATICN BETWEEN THE COMMUNITY AND OTHER ORGANIZATIONS PROVIDING AID	60
6.1.1	Co-ordination within the Community	60
6.1.2	Co-operation with non-Community organizations providing aid	61
6.1.3	Participation in work of multilateral organizations	62
6.2	AIMINISTRATION OF SUPERVISORS AND TECHNICAL ASSISTANCE STAFF	64
· · · ·		
ANNEX	COMMUNITY FOOD ALD	
TABLES		

. . ./ . . .

INTRODUCTION

This, the fifth report on financial and technical co-operation between the European Economic Community and the Associated African States and Madagascar (AASM), was drawn up by the Commission in pursuance of Article 27 of the first Yaoundé Convention. In general plan it resembles the earlier reports. It deals with work undertaken or completed in 1969, whether financed by the second European Development Fund (EDF) or by ordinary loans granted by the European Investment Bank (EIB). The sections concerning the EIB's activities were prepared by the Bank itself.

This report, like the earlier ones, shows in particular the way in which the Commission, in administering technical and financial co-operation, has paid careful attention to the general pattern for the economic and social development of the AASM as formulated by the Association Council in its resolutions of 1966, 1967 and 1968.

This report differs from the previous ones in two respects. Firstly, it includes data on the preparation and submission of projects for the third EDF in accordance with the transitional measures and arrangements adopted by the Associated States and the Commission with a view to making these projects part of the medium and long-term programmes under Article 22 of the second Yaoundé Convention.

Secondly, this report gives a brief account of a new form of aid granted to the AASM by the Community in 1969, viz. food aid. This form of aid is reported on in an Annex only since it is provided not under the Yaoundé Convention but under the Food Aid Convention. None the less, it reinforces the support given to the AASM in the form of financial and technical co-operation for their economic and social development. Chapter 1 - GENERAL

1.1 NEW COMMITMENTS

1.1.1 Expansion of total commitments (see Table 1)

The gross figure for commitments undertaken in 1969 by the Commission under the second EDF was 106 million u.a.^{*} This sum is lower than the annual average for the period 1964-68 (127 million u.a.) because of the gradual exhaustion of the second EDF and, a more important factor, the difficulties involved in some of the projects which came to light when the projects were examined.

In the year under review 60 financing proposals were submitted to the EDF Committee by normal procedure at the 9 meetings held in the course of the year. The Committee endorsed 59 of these proposals and the Commission agreed to finance them. The proposal concerning a project for the Congo (Brazzaville) - the purchase of a dredger for the port of Pointe Noire - was not endorsed by the Committee but was nevertheless submitted by the Commission to the Council of Ministers and adopted.

After allowance for adjustments to and reductions in previous commitments, the net accumulated total of commitments at the end of 1969 was 645 million u.a., which takes into account the cost of technical supervision and other expenses relating to the projects. Thus nearly all (96%) the funds available for the AASM out of the total provided for the period of implementation of Yaoundé Convention I have been committed.

This Convention expired on 31 May 1969, but by decision of the contracting parties its provisions will continue to be applied until the new Association Convention, signed at Yaoundé on 29 July 1969, comes into force.

To avoid any discontinuity in the examination of projects during the transitional period, the Association Council also decided (Decision 30/69 of 29 May 1969) that the projects and programmes to be financed under the third EDF could be submitted by the Associated States once Yaoundé Convention I had expired and any funds still available

n. 1/ ...

Not including the costs for supervising execution of the projects. nor administrative and financial expenses. under the second EDF could be employed in particular for financing studies required to prepare these projects and programmes. In view of the expansion of earlier commitments under the heading of investmentlinked technical co-operation, an overall sum of 1.5 million u.a. was authorized for commitments for this purpose by "accelerated procedure".

- 6 -

In 1969 the European Investment Bank provided 1.6 million u.a. towards the financing of two industrial projects; this brought its total aid from the funds it obtains on the capital markets up to 46.8 million u.a.

11.2 Breakdown by sector of activity (see Tables 2 and 4)

As in the preceding years, the largest proportion of the EDF aid committed in 1969 went to rural production, i.e. 45% of the total (compared with 36% in 1968). New commitments bring the share of rural production in the accumulated total of second EDF commitments to 44%.

About half the investments in this sector related to structural improvement and diversification projects, for which the same high level as in 1968 was attained. To a large extent these projects relate to the establishment or extension of plantation crops (see Chapter 3). Land improvement and in particular irrigation schemes also played a major part in the 1969 EDF investments.

Finally, a very marked drop in price support is to be observed, from 6.2 million u.a. in 1968 to 1.36 million u.a. in 1969 (see Chapter 3).

Aid in the stock-breeding sector was primarily connected with training and preparatory technical assistance, which implies increased investments in this sector during the coming years.

The funds allocated to industrialization (including energy) formed 23% of total commitments in 1969, representing a considerable increase over previous years. This was due mainly to one very large investment (18 million u.a.): the Inga hydroelectric scheme in Congo (Kinshase), which, it must be emphasized, is of great importance for the industrialization of that country.

The share allocated to economic infrastructure was smaller in 1969 than in the preceding years. Commitments in this sector represented 18.4% of total commitments and in particular concern road projects, which

/

are either an essential corollary to operations to develop rural production or a factor promoting inter-State communications and, consequently, African regional co-operation.

Social sector commitments have tapered off over the last few years; in 1969 they accounted for some 8% only of total commitments, compared with 11% in 1968 and as much as 24% in 1967. This drop affects principally infrastructure projects in education and health. It reflects the Commission's concern to avoid financing educational and health establishments the maintenance and operation of which are likely to be too great a burden on the budget of the authorities in the country in question. This problem, which has been referred to by the Association Council (Resolution 1/66, 4, 9, and 12), has caused the Commission to concentrate on less ambitious operations and on technical co-operation (see Chapter 2.1.1.2).

In the urban infrastructure sector few commitments were undertaken in 1969. These relate to two surveys only: installation of a water supply system in Cotonou and an improvement scheme in the town of Mogadishu.

.....

The table below summarizes the manner in which the breakdown of commitments by sectors has evolved since the Yaoundé Convention came into force: it shows the predominance of productive projects and, in particular, the sharp increase in measures to promote the industrialization of the Associated States.

	1.6.64 1.6.65	1.6.65 31.12.66	1967	1968	1969
Industrialization (incl. energy) ²	1.0	1.2	3.5	18.4	23.1
Rural production	51.1	36.6	47.0	36.0	45.4
Transport and communications	20.4	31.8	25.7	35.4	18.4
Social	19.8	29.3	23.7	11.4	7.8
Miscellaneous	7.7	1.2	0.4	0.1	1.5

) 1 On the basis of gross commitments.

² Excluding loans from the European Investment Bank.

Under the Association Convention ordinary loans granted by the European Investment Bank have been used to finance immediately productive projects, mainly in industry and mining, and also infrastructure schemes:

- (i) eleven loans, representing 44% of the total value of these loans, to set up plant for processing agricultural produce, and for food manufacture, textiles, chemicals and metal working;
- (ii) two loans (43%) to develop extractive industries;
- (iii) one loan (8%) to improve and enlarge a hydroelectric plant;
- (iv) one loan (5%) to build a road serving a forest area.

- 8 -

1.1.3 Methods of financing

(a) The two ordinary loans were granted by the European Investment Bank for eight years at the interest rates applied by the EIB when the financing contracts were signed, i.e. 6½% and 7% respectively.

These were made on normal terms, which take into account the expected financial returns from the projects and the average period of actual depreciation.

(b) The loans on special terms granted in 1969 amount to 15 million u.a., or 15% of the gross fresh commitments for the year, bringing their total up to 43.4 million u.a., i.e. 94% of the sum allocated for such loans under the Yaoundé Convention I. In both relative and absolute terms, the value of these loans, four in all, represents a considerable increase over the preceding year.

Each of the four loans formed part of a mixed type of financing: they were linked with either a non-repayable grant or an ordinary loan from the European Investment Bank. The mixed financing formula on a grant/loan basis was employed firstly in consideration of the type of the project and its profitability and, secondly, in order to avoid any excessive increase in the indebtedness of the countries in question.

The loans were used for directly productive investments and for economic infrastructure projects that promised to be directly profitable.

In 1969 the largest loan (9 million u.a.) was allocated to industrialization: part of the major hydroelectric scheme at Inga in the Congo (Kinshasa). The financing was split equally between a loan and a grant. This financing formula was adopted in particular to prevent an excessive burden upon the national debt of the State in question.

· ...

The second loan (2.5 million u.a.) was for the construction of the Basse Obiga-River Waguy forest read in Gabon, extending the Libreville-Mikongo trunk road. This is the first road project which the EDF has financed by means of a loan. When estimating its profitability, account must be taken of private investments in forestry, to which this project is an essential adjunct. In addition the European Investment Bank granted for this project an ordinary loan of 2.3 million u.a., on which the Commission has allowed an interest rebate of 3%. The weighted average interest rate for these two supplementary loans has thus been reduced to 2.4%.

A third loan is intended to provide partial financing for an agricultural project, namely the development of cotton production in the Ivory Coast. Mixed financing is also employed for this investment, the special loan share being 1.67 million u.a. to cover the cost of processing and storage equipment, while the grant is essentially to cover the cost of technical assistance.

A fourth lcan on special terms is for financing a new slaughterhouse in Tananarive, Madagascar (1.86 million u.a.). For this project too non-repayable aid has been granted amounting to 1.45 million u.a. (see Chapter 2.1.1.1).

The financial terms of the four loans granted in 1969 range from 20 to 33 years as regards duration and from 1% to 2% as regards interest rates.

If all the loans on special terms granted under the second EDF are taken together, it is seen that transport infrastructure has been allocated the largest share (41%), for the purpose of financing three railway projects, a wharf and a road.

Industrialization takes second place (31%), with a major power project, a cement works, a textile factory and a slaughterhouse. Agro-industrial schemes, in particular oil-palm plantations, account for 28% of the total.

(c) In 1969 commitments in the form of non-repayable grants rose to
 91 million u.a., giving an accumulated total of 596.6 million u.a.,
 i.e. 96% of the amount set aside under the Yaoundé Convention
 for this type of financing.

. . . / . . .

In several cases these subsidies have been made conditional upon special provisions concerning the formation of a "reinvestment fund", the proceeds of which will be re-allocated by the State in question to economic development operations. This formula of grant linked with a re-investment fund is used primarily for agricultural projects, i.e. for productive projects where financial profitability is too uncertain, diffuse or remote for financing by loan (see report to the Association Council, 1968).

- 11. -

It has been employed in 1969 to finance rice-growing schemes in Mauritania, selected palm plantations in Togo and to extend tea growing in Burundi.

The financing agreement does not lay down strict conditions for re-allocating funds repaid to the State by recipients: this is left to the Government concerned, which undertakes to consult the Commission beforehand.

 (d) In addition to loans on special terms, interest rebates and grants, the Commission granted in 1969 an advance of 1 million u.a. from the EDF's liquid assets to the Office des Cultures Industrielles in Burundi (see Chapter 5.2).

1.1.4 <u>Breakdown by country</u> (see Table 3)

The commitments undertaken in 1969 under the European Development Fund made it possible to rectify some imbalance which still exists in the distribution of aid among the Associated States.

The projects approved in 1969 primarily benefited those countries which had received a relatively smaller share of aid in previous years owing either to a lack of suitable projects, incomplete state of dossiers submitted or the need for a fairly lengthy period to prepare large-scale investment projects. These countries are Burundi, the Congo (Kinshasa), Upper Volta, Niger, Rwanda and Togo.

By placing greater emphasis upon pre-investment technical assistance, the Commission has tried to assist these Associated States in their choice of suitable projects and in drawing up dossiers for submission (Rwanda, Burundi).

It has also maintained a consultant in Rwanda to deal with power programming: it will be noted that EDF investments in that country's power sector have been particularly numerous in recent years.

The Congo (Kinshasa) was the main recipient of Community aid in 1969: it received over 30% of the new commitments undertaken during the year and so the amount of aid granted to that State under the second EDF has nearly doubled. This spectacular increase is due principally to three large investments: the major power project at Inga and two rural production projects.

Togo received the next largest share of aid after the Congo (Kinshasa). In 1969 it received 44% of all the commitments undertaken under the second EDF in its favour. This aid covered two road investments, an agricultural development programme and an industrial plantation project.

.../...

The marked increase in aid commitments for Burundi in 1969 (25% of the total granted under the second EDF) relates principally to a major road project. The 32% rise in the total granted to Upper Volta is mainly accounted for by a road project and an industrialization project (Cuagadougou slaughterhouse). The new aid granted to Niger and Rwanda in 1969 is the most diversified. In the case of Niger it relates to a major road project and also to smaller-scale schemes in the social and rural production sectors. The aid granted to this country is more than twice as much as in 1968. In Rwanda the Community's operations were connected with rural production and projects in the energy and educational sectors.

Finally, it must be pointed out that the aid granted to the above Associated States in 1969 was, with about one exception (Congo-Kinshasa), in the form of non-repayable aid since these States are among those whose development is impeded by the greatest structural obstacles.

0

The two projects financed in 1969 by ordinary loans from the European Investment Bank were for Cameroon and the Ivory Coast.

0

At the end of 1969 the breakdown of total loans granted by the Bank was: Ivory Coast (11.7 million u.a. or 24.9%); Meuritania (11 million u.a. or 23.5%); Cameroon (9.5 million u.a. or 20.3%); Congo-Brazzaville (9 million u.a. or 19.2%); Gabon (3.2 million u.a. or 6.9%); Senegal (2.4 million u.a. or 5.2%).

PROGRESS OF OPERATIONS

1.2.1 Invitations to tender

1.2

The Commission has no more dossiers for tenders at the publication stage. Any received are examined immediately and either published or forwarded, after being finalized, to the Associated States for publication.

-14-

In the course of 1969, 88 international invitations to tender were issued representing a total value of 64.8 million u.a. Of these calls for tender 26 related to works contracts and 62 to supply contracts.

Those for works contracts represent 45 million u.a., i.e. 69.6% of the total, and those for supply contracts represent 30.4% at 19.7 million u.a. Compared with the preceding years the share of supply contracts has risen at a more rapid rate than that of works contracts. This comparative increase in supplies reflects the evolution of the aid policy formulated by the Community's authorities responsible for association matters; there is now a tendency to finance fewer infrastructure investments than originally and to place more emphasis upon production plant.

The Commission's departments have standardized their working methods in this field. The most obvious feature is that, of the 62 invitations to tender for supply contracts, 55 were issued in the form of "public consultation", which involves, for the Commission's departments, drawing up and placing at the disposal of the administrative authorities in the Associated States the full text of the special specifications; this makes for greater uniformity of invitations to tender.

Contracts by public tender, direct-labour estimate and single tender (see Table 5)

At the next stage in the implementation of aid, 698 contracts (by public tender, direct-labour estimate and single tender) were placed under the two EDFs in 1969: 142 under the first EDF and 556 under the second.

With regard to the first EDF it is now chiefly a matter of finalizing projects which involve the placing of comparatively small contracts primarily of interest to concerns in the Associated States rather than in the Member States.

The figures given in this chapter do not differentiate between the AASM and OCTD (Overseas Countries, Territories and Departments).

1.2.2

The total figure for the 142 contracts financed under the first EDF was only ⁸ million u.a., while the 556 contracts under the second EDF represent a total of 137 million.

3120/VIII/FED

The total for contracts (by public tender, direct-labour estimate and single tender) placed under the two EDFs was thus 145 million u.a. If the trend since 1959 is observed, 1969 proves to have been a year in which the implementation of operations undertaken accelerated. The totals for these contracts have risen as follows:

Year	direct-	labour est	lic tender, imate and	Үез	r-to-year in	crease by	Fund
	siugre	tender)	(Value in	n million u	.a.)		-
	First EDF	Second EDF	Total	First EDF	Second ' FDF	Total	
1959	4	_	4	4		.4	
1960	13	-	13	9		9	anatan sebelah sebelah Sebelah sebelah s
1961	67		67	54	·	54	-
.1962 .	130	-	130	63	, 1 	63	
1963	234	-	234	104	-	104	
1964	345	-	345	111		111	
1965	415	49	464	70	. 49	119	•
1966	482	92	574	67	43	110	, *
1967	502	150	652	20	58	78	
1968	52.3	259	782	21	109	130	
1969	531	396	927	8	137	145	
'. ·	,		•	531	396	927	

If the first Fund is taken separately, implementation of operations did not begin until 1959. The pace increased at a more or less steady rate until the end of 1964, after which it fell off.

As for the second Fund, implementation of operations started in 1965 but the 49 million u.a. shown for that year actually relates to commitments carried cut from 1 June 1964 to 31 December 1965, i.e. over a period of 19 months. If allowance is made for this fact, the year-toyear increases show a steady rise until in 1969 they reach 137 million u.a., which is the highest figure attained since the EDF came into operation.

- 15 -

For the two Funds together, during the initial period extending from the launching of the EDF until 31 December 1965, the pace of implementetion shows a steady rise. If it is borne in mind that for the second Fund 1965 really covers 19 months of operations, it will be seen that the 1966 figure was nearly the same as for the preceding two or three In 1967, however, a definite falling-off appears in the total: years. this was caused by the marked drop in commitments undertaken under the first Fund from 1965 onwards. Since 1967 the Commission has made a special effort to step up as far as possible the issue of invitations to tender for works or supply contracts. The figures reflect this effort: while the annual average for 1963-66 was about 110 million u.a., by 1968 the total had increased to 130 u.a. and was no less than 145 million u.a. in 1969.

At the end of the year under review, contracts placed represented 91% of total credit available under the first Fund and 54% of what was avaiable under the second Fund.

1.2.3 <u>Payments</u> (see Table 5)

The acceleration in the implementation of projects financed by the EDF is reflected in the rise in payments, which had remched 768 million u.e by the end of 1969 under the first and second EDFs.

Since 1965 the pattern of payments under the two Funds has been as follows:

		·	millic	on u.a.
Year	First EDF	Second EDF	Total	j,
1965	.85	22	107	,
1966	77	32	109	
1967	62	43	105	
1968	40	70	110	• •
1969	25	91	116	

NB. Advances to price stabilization funds are not included.

Total payments have shown a regular increase since 1967. This is because payments under the second Fund have accelerated more rapidly than payments under the first Fund have tapered off.

. . . / . . .

At the end of 1969, payments under the second Fund represented approximately 35% of commitments against 31% at the end of 1968, while those made under the first Fund since 1959 amounted to 88% of commitments. Taken together, payments under the two Funds equalled some 60% of total commitments by the end of 1969.

- 17 -

.:	Chapter 2 - INVESTMENTS	AND RELATED	TECHNICAL CO-OP	ERATION	· •
)					,
2.1	NEW FINANCING DECISIONS			•••	
2.1.1	European Development Fund	1	· · · ·		
2.1.1.1	Investments (including div	versification	n investments)		

- 18 -

As in the preceding years, new EDF credits have been employed primarily (81%) for financing investments and related technical assistance.

Again as in the preceding years, the projects approved in 1969 were chosen, and the preparatory studies financed, in accordance with the criteria applied by the Commission and in the light of the priorities established by the AASM themselves, especially within the context of short- and long-term development programmes. When assessing projects submitted, the Commission has acted in accordance with the general guidelines formulated by the Association Council in its Resolutions 1/66, 2/67 and 3/68. Some of these investments occupy a special place in a general development programme or one by sector or region: on their implementation depends the implementation or effectiveness of other points of the programme. The following investments are the principal examples:

- (a) The read project financed in Gabon makes it possible to intensify development of the country's valuable forests. When extended to Lastourville it will provide a link with the mining centres in the south-east;
- (b) The repair and asphalting of the main road from Muramvya to Gitega in Burundi. This project forms part of a road programme under Burundi's five-year plan for 1968-72. The road serves a foodand coffee-growing region;
- (c) Fromotion of tea-growing in Kiwu and reorganization of agriculture in Ubangui (Congo-Kinshasa), which form part of a regional agricultural programme drawn up by the Congolese Government and backed by bilateral and multilateral aid from several sources (see Chapter 6);
- (d) The Inga hydroelectric scheme (Congo-Kinshasa), for which the second EDF will finance the supply and installation of a high-voltage

. . . / . . .

.../...

electricity transmission system linking the Inga hydroelectric power station with Kinshasa and with the main consumption centres in Central Congo Province, and also the construction of seven transformer stations at Inga. This project will provide an electricity supply for Kinshasa and the main consumption centres in Central Congo Province, which contains the majority of the Congo's manufacturing industries and attracts over 65% of the country's total import/export traffic.

(e) The development of cotton growing in Ivory Coast is a major stage in the implementation of the "cotton programme" put in hand in 1963, particularly as a means of developing the central and northern regions in order to reduce the considerable economic imbalance between these areas and the southern maritime and forest area. For this project the Commission has taken into account, as required by Association Council Resolution No. 1/66(2), the effect of introducing cotton growing here on the markets of the cotton-growing Associated States.

(f) The construction of a new industrial slaughterhouse at Tananarive (Madagascar) forms part of the Malagasy Government's general development programme for livestock production, which ranges from the setting up of cattle-fattening ranches to development of the meat and meat products industry. This EDF project is the first in this sector and could lead to further, supplementary schemes being financed. It involves the replacement of the existing outdated slaughterhouse, which will permit the reorganization of slaughter lines, the establishment of a network for chilled meat and the development of an industrial complex for the development of livestock production in the region.

This list is not exhaustive; in addition there are aids to production and a number of aids to diversification in the framework of multi-annual programmes.

Other projects correspond in particular to one or other criterion put forward by the Association Council and will be reviewed below. Some projects, of course, have been selected because they correspond to several criteria at the same time.

Encouragement of food production

In this field efforts in 1969 were concentrated in particular on a project for small rice-growing schemes in Mauritania.

Operations to develop rice growing also went ahead in Mali and Madagascar. In Niger the irrigation and land improvement scheme in the Niver valley, which is also to promote rice-growing, must in addition help to cope with the large-scale return of Niger nationals who had emigrated to Ghana. Eice is a new exportable product for this country.

In Togo, the EDF's participation in the development programme for the central and plateaux regions is principally aimed at increasing food production.

In other cases (Burundi, Upper Volta) the financing of roads is intended to increase food supplies for the population by opening up food production areas.

Stock-breeding played a large part in the EDF's commitments during the year: finance for slaughterhouses (Upper Volta, Madagascar) and preliminary studies for ranches (Ivory Coast, Mali). The ranch study in the Ivory Coast concerns a new way of increasing the country's food production in one of its poorest regions.

Effects on intra-African co-operation

The Commission took this major criterion into account as far as possible when selecting projects in 1969. In addition to further technical co-operation projects concerning educational establishments catering for a whole region (see Chapter 4), mention may be made of the financing of the industrial slaughterhouse at Ouagadougou, Upper Volta. This project was studied with particular reference to livestock and meat supply problems in the Council of the Entente States.

The millet genetic improvement programme, which is currently being implemented in Senegal alone, may later affect all the West African savanna States when new, more productive varieties developed under this agricultural research programme become available. Both traditional research methods and new techniques, viz. the use of ionizing radiation and radioactive tracers, are being employed in this project.

The silo construction project for the flour-mill at Zinder, Niger, is also connected with millet and may likewise be of regional importance: it relates to an experimental plant for processing millet and if successful the lessons learnt will be applicable in the neighbouring millet-growing sevence countries.

- 20 -

Several road infrastructure projects have helped to form an inter-State network, an important factor for intra-regional and international trade. Work on improvement and modernization of the Niamey-Zinder road in Niger has been continued; this will increase east-west trade, that is between the most populated and fertile regions.

• 21 ~

The Ouagadougou-Koupéla road is the first step in an international link-up between Upper Volta, Niger and Togo. The first section to Zorgho will be financed under the second EDF, the balance available from this Fund not being sufficient to finance the entire road, which will eventually be extended to Koupéla, in one instalment. The same problem arose in Togo in connection with the south-north trunk road from Lomé to the Upper Volta frontier, the First section of which as for as Nuatja was covered by a commitment under the second EDF in 1969 whereas the completed project will extend to Atakpamé.

Improvement to regional and intra-African communications was also the reason for financing a dredger for the port of Pointe Noire (Congo-Brazzaville), which is the point of departure for the route linking northern Congo, the Central African Republic and southern Chad with the sea. The EDF has already provided other aid for the inland waterway in question.

Concentration of effort

As required by the recommendations of the Association Ccuncil set out in Resolution I/66, 3, the Community's operations decided on in 1969 continue to encourage concentration of effort on certain key sectors of activity or development areas. In many cases these two types of concentration are combined in one and the same project:

(a) <u>Concentration on key sectors</u>: this can mean in practice either the continuation pure and simple of earlier schemes without any change in their nature, or supplementary and auxiliary schemes to create a coherent body of operations essential for the development of the chosen sector.

In Burundi and Rwanda, for instance, the EDF's concentration on tea production has taken the form first of financing industrialscale plantations and then extending them to will are plantations: the plantations have been provided with processing plants, which in their turn obtain their power from new hydroelectric stations and high-voltage lines. The large number of operations in this field financed under the first and second EDFs should enable this new crop, which is intended to diversify the economies of the two countries, to become a permanent feature there. In Burundi they represent a total of about 7 million u.a. In Rwanda the EDF's tea-promotion operations also include road studies for the purpose of facilitating transportation of produce from the plantations, and also a project to train staff for agricultural cooperatives. In all, the EDF has financed eleven projects and studies in this field in Rwanda, at a cost of 5.8 million u.a.

A scheme to promote pyrethrum growing was also financed in Rwands: it covers the generation of electric power for the processing plant, which was financed from another source of eid (see Chapter 6).

Two EDF operations in 1969 concerned inland waterway transport in the Central African Republic, namely the construction of a port at Nola and the provision of a river fleet for the Upper Sangha. This project is of special significance for the Central African Republic from both the short and long-term aspects, since it will eventually open up the south-west of the country and, as a result, make the large forest resources in that area accessible. Other sources of aid are also participating in this project, which may be the starting point for a number of supplementary operations benefiting the area.

 (b) Operations relating entirely to a specific region or crop: other agricultural projects can also be cited for 1969. Among them are the development in Mali of tobacco growing in conjunction with a cigarette factory, and the development in Senegal of rice (continental Casamance) and cotton growing.

In the Ivory Coast efforts have been concentrated firstly on the poorer regions in the north and centre and, secondly, on a key sector, namely cotton, with a scheme to develop production of this agricultural raw material in conjunction with industrial processing.

In the Congo (Brazzaville) the aim of the first stage of the programme to modernize the oil-mills at Etoumbi and Kunda is to provide two oil-mills with the necessary equipment and staff to enable the palm plantation in the Cuvette area already financed under the second EDF to be developed inductrially In Togo, the project to plant 3 000 hectares of selected palms, which was also approved in 1969, is, as regards the operation in the Tsévié region, a further step after the earlier EDF-financed schemes to plant palms and rebuild an oil-mill.

3120/VIII/FED/70-E

The Community has also financed a complete study of palm-oil production (inventory and programming).

Encouragement of efforts made by the growers themselves (Association Council Resolution 1/66, 5)

In 1969, as in the preceding years, the Commission was careful to devote a large proportion of its agricultural schemes to advisory and information services for the purpose of familiarizing farmers with new techniques which would increase the yield from their labour and their land and, at the same time, encourage their efforts by providing them with a higher income. Another aim of the schemes is to introduce new crops, often in addition to the traditional ones; this means an intensification of agricultural production in the area concerned. Examples of this system are the scheme to improve cotton production in Ivory Coast, in which upland rice is rotated with cotton, and the tobacco development project in the Upper Niger Valley, Mali, where production was intensified by introducing tobacco growing during the dry season in addition to the traditional crops during the rainy season.

The advisory and information activities consist in particular of instructing farmers and providing advisers, and also include programmes of applied research. They involve the introduction of new cultivation and organizational methods, supplemented by the supply of fertilizers, insecticides and selected seeds at reduced prices, the provision of spraying equipment, construction of storage facilities, repairs to tracks, sundry maintenance operations, etc.

From the numerous EDF operations of this nature approved in 1969, the following may be cited: the agricultural development programme in the central and plateaux regions of Togo, the continuation of the project to improve cotton production in Chad, which was described in the 1968 Report to the Association Council, schemes to promote rice growing in Senegal, the continuation of studies on a development scheme for the Andapa Basin in Madagascar, which includes preparatory advisory and information activity, and also the continuation of the seed treatment and crop preservation scheme in the Upper Volta.

In Mauritania the new project for ten small agricultural schemes will be implemented with the unpaid assistance of the local population.

Operational and maintenance costs (Association Council Resolution 1/66, 4, 9 and 12)

As explained in Chapter 1.1.2, the Commission has been anxious not to finance building for which the recurrent maintenance and operational costs are liable to overburden the local authorities' budgets. This is reflected in the gradual falling-off of commitments in the field of health and school infrastructure in recent years.

In 1969 the Commission again extended its exceptional temporary aid, by providing medical staff, for the running of the Mogadishu hospital. It must, however, be emphasized that the Somali Government has not only fulfilled but even exceeded its undertakings concerning the introduction of Somali medical staff.

In other cases, especially in the educational sector, financial responsibility for part of the staff has been taken over by other sources of aid (see Chapter 6).

With regard to road infrastructure, a field in which maintenance problems are acute, it will be possible to service the Ouagadougou-Koupéla road, the modernization of which was approved by the EDF in 1969, as a result of the re-estarlishment and reorganization of the Upper Volta Road Fund. Two-thirds of the Fund now come from budgetary receipts and the balance is supplied by French bilateral aid.

In the agricultural sector, the operational costs of some projects are covered by the EDF during the initial stage and running-in period. Examples of this system are the directing of work on the new tea plantations at Mulindi and Cyangugu (Rwanda), the regional development of the Mayaga-Bugesera area in Rwanda and of the plateaux and central areas in Togo, and the development of cotton growing in Ivory Coast and in the Siné-Saloum area in Senegal.

.../...

•••/•••

In other projects, particularly those connected with urban water supplies, it largely depends on the rates charged whether the funds required for the satisfactory running and maintenance of the investments are available; in some communes, however, a sufficiently high rate would be incompatible with the income level of the population and this may impede extension of the water installations.

• 25

The problem was particularly evident in the case of a project approved by the Commission in 1969, viz. the financing of three water supply schemes in Niger, where the rates fixed by the local authorities ensure that the administrative budget is in balance but are rather high from the social angle.

Technical co-operation related to investments

2.1.1.2 Technical co-operation related to investments

The sums granted in 1969 by the second EDF for technical cooperation related to investments amounted to 15.3 million u.a., which is distinctly more than in the previous year (7.5 million u.a. in 1968) and more or less the same as in earlier years (14.2 million u.a. in 1967 and 15.9 million u.a. in 1966).

With these new commitments, the total sum committed for investmentrelated technical co-operation under the second EDF is brought to 70.9 millioni.e. about 11% of total commitments.

This increase in 1969 is due mainly to the considerable rise in concurrent technical assistance (13.6 million u.a. in 1969 against 6.2 million in 1968 and 8.4 million in 1967), which represents over 85% of this type of aid (against 83% in 1968 and 59% in 1967). This development confirms two trends which had already appeared in the previous year, namely the inevitable tapering off of preparatory technical assistance as the Yaoundé Convention nears its end, and the Commission's intensified efforts to satisfy as far as possible the Associated States' requirements with regard to the execution and initial operating stages of rural production schemes. It should be remembered, however, that the Commission has decided to set aside a total sum of 1.5 million u.a. from the balance of the second Fund for preparing projects to be financed under the third EDF (see Chapter 1.1.1). This sum will be committed in 1970.

A very large proportion (86%) of the sums committed in 1969 for investment-related technical co-operation was utilized for rural production schemes, 11% was allocated to industry and only 1.5% to infrastructure and the social sector.

- 26 -

In 1969 preparatory, or pre-investment, technical assistance accounted for 13% of the sums committed to investment-related technical co-operation. Although the increase in concurrent technical assistance was more spectacular for the reasons mentioned above, preparatory assistance none the less took up a larger sum than in the previous year: 2 million u.a. against 1.2 million u.a. in 1968. In 1967 the figure was 5.8 million u.a.

This type of aid covers pre-investment studies, both technical and economic, largely for the preparation of dossiers for invitations to tender. The Commission also agreed to send experts and advisers to the Governments of Mali and the Congo (Prazzaville) to essist in establishing dossiers for new projects to be submitted to the EDF. The experts who had been sent earlier to Rwanda and Burundi for the same purpose were left there at the request of the authorities in those States.

The following deserve mention as examples of the most important preliminary studies (costing over 100 000 u.a.):

In the rural production sector: a study concerning the possibility of setting up a stock-breeding ranch (Ivory Coast), a study of the Hodhs dams (Mauritania), and further operations to create a polder in Lake Alaotra and an improvement scheme for the Lower Mangoky (Madagascar);

In the infrastructure sector: a technical study of the Porto Novo - Nigerian border road (Dahomey);

In the industrial sector: technical studies for the construction of a new hydroelectric station at Mukungwa (Rwanda). A number of preparatory studies were also made in the social sector but their unit costs are not high.

3120/VIII/FED/7

After more than ten years of EDF operations, experience has conclusively proved that the projects carried out are only as good as the studies preceding implementation: subsequent adjustments cost time and money and are often unsatisfactory.

As regards the techniques employed in the projects, it would in theory be a good idea to utilize for the EDF-financed projects the new techniques which in every field are constantly being developed in the more advanced countries. The application of such techniques could indeed have a favourable effect on the permanence of achievements and on maintenance costs. There is a major drawback, however, in that these techniques are very expensive and, in many cases, unsuitable for use in Africa.

While trying to avoid purely routine solutions, the Commission has accordingly preferred well-tried methods except of course where more modern techniques seem to be suitable. For architectural schemes, for instance, the Commission recommends consultant firms to encourage standardization when preparing projects and to enable contractors to employ prefabrication techniques. New materials are also used: PVC for piping, epoxy resins for anti-corrosive protection, etc.

Concurrent technical assistance is of particular importance in rural production schemes: indeed, in some cases almost the entire project consists of this form of aid. Illustrations are the continuation of the project to promote treatment of seeds and preservation of crops in Upper Volta, the continued direction of work on the tea plantations at Mulindi and Cyangugu in Rwanda and the irrigation and land improvement scheme at Nianga, Senegal.

In other cases concurrent technical assistance plays a dominant role during the execution of the project: promotion of tea growing in Kivu and agricultural promotion in Ubangui (Congo-Kinshasa),

- 27 -

extension of tea growing in the Teza area (Burundi), development of cotton production in Ivory Coast and Senegal, and further development of the Andapa Basin (Madagascar).

In the industrial sector there will be quite considerable preinvestment and concurrent technical assistance for the Inga hydroelectric scheme (Congo-Kinshasa).

With regard to post-investment technical assistance, it must be pointed out that, as an exception, the Commission approved in 1969 a final commitment in order to provide medical staff for the Mogadishu hospital in Somalia, which was built with finance from the first EDF.

European Investment Bank

2.1.2

In 1969 the EIB's activity was concentrated mainly on examining, jointly with the Commission, four projects financed by loans on special terms totalling 15 million u.a. (see Chapter 1.1.3).

The EIB also granted two ordinary loans for a total sum of 1.6 million u.a., which helped to implement industrial projects.

The Cameroon project comprised the first extension of a textile complex for which a loan had already been granted by the EIB in 1965; it means considerable economic and financial improvements for this complex and permits better utilization of the production potential of the spinning and weaving factory in the north. The aim of the Ivory Coast project is the production of fruit juices and essential oils; it contributes to the diversification of agriculture and the promotion of industrial crops, and also to the economic development of the southwest region, where major infrastructure operations have been undertaken.

It should be noted that the total loans granted by the EIB up to the end of 1969, nearly all of which were directed towards the industrial sector in the broader sense, were instrumental in implementing investments worth five times their total value, i.e. around 230 million u.a. The direct impact of these loans is relatively large. It is estimated

3120/VIII/FED/70-I

- 29 -

that in all the projects financed by the EIB will provide some 7 000 jobs. The ensuing annual increase in value added by industry is estimated to be approximately 61 million u.a. or, with side-effects, around 124 million u.a. The favourable effect of projects on the trade balances of the States in question, owing to import substitution and increased exports, is expected to be 75-80 million u.a. a year. After deduction of expected transfers abroad, the net impact on their balances of payments will probably be 36-33 million u.a. Once the tax examptions allowed during the initial period under investment rules are discontinued, the annual addition to budgetary receipts will probably be 25 million u.a.

2.2 PREPARATION AND SUBMISSION OF NET PROJECTS

2.2.1 European Development Fund

In 1959 the Associated States submitted to the Commission 25 new projects, the total cost of which was around 37.5 million u.a. Of these 25 projects, 11 are to be financed under the second EDF (at an approximate cost of 9 million u.a.), while 14 projects totalling 28 million u.a. have already been submitted for the third EDF.

The slowdown in the rate of submissions which has been observed over recent years has become more marked. By 1968 the number had fallen to 25 submissions (at a cost of 43 million u.a.) against the 147 projects (285 million u.a.) submitted in 1966.

None the less, the applications still being considered for financing under the second EDF appreciably exceed the funds still available. The limit on new commitments in 1969 was therefore set by the exhaustion of the funds rather than lack of projects (see Chapter 1.1.1).

Over 90% of the projects submitted in 1969 for financing under the second EDF relate to the rural production sector. The agricultural sector accounts for such a large proportion because of the need felt by some Associated States to employ their unused funds under the second EDF for aid to diversification. In recent years the Commission has also taken steps to encourage the preparation and submission of development and diversification projects, particularly in the agricultural sector (including stock-breeding) so that it can finance as many productive projects as possible and thus satisfy the most pressing requirements of the AASM.

For most projects submitted in 1969, numerous meetings and discussions had to be held, both in Brussels and on the spot, in order to produce a suitable dossier for the purpose of taking a financing decision.

With regard to Niger, for instance, it has been possible in this way to speed up the rate of commitments considerably: the three projects submitted in 1969 by that State were approved in the same year.

To deal in more detail with the fourteen projects already presented for the third EDF, these include eight social schemes (costing 17 million u.a.), mainly in education and water engineering for human needs. Three projects related to industrialization (at a total cost of over 3 million u.a., i.e. 11% of the total). It should be noted, however, that these projects were submitted before the Commission was notified of the programmes of measures for which the States in question are planning to apply for financial assistance from the Community during the next five years (Yaoundé Convention II, Article 22).

Advantage has been taken of the transitional period to prepare the way for the third EDF's operations in this connection. During the final months of 1969 the Commission sent fact-finding and advisory teams to Upper Volta, Togo, Dahomey and Madagascar to obtain data concerning the development programmes of the States in question, the projects they plan to submit for financing under the third EDF and their order of priority. These general exchanges of views will enable the authorities in those States to be better informed when preparing their individual projects and to place them in the context of coherent programmes.

2.2.2 European Investment Bank

The EIB is pursuing its study of projects which cannot be finalized for several months owing to their complexity and the problems involved in co-ordinating the forms of finance.

- 30 -

In the light of experience gained during Yaoundé Convention I, the EIB is evolving suitable means of increasing the effectiveness of its efforts to promote the development of the Associated States and of helping in particular to smooth out the difficulties encountered by those countries in the matter of industrialization. It is examining, for example, the details of new forms of aid to encourage industrial initiative by contributing to the risk capital of the firms concerned.

31

3129/VIII/FED/70-E

Since the beginning of the transitional period the EIB has been making contacts, in connection with its new responsibilities under Yaoundé Convention II regarding the financing of industry, in the Associated States and with potential promoters in Europe and has been gathering information on a considerable number of industrial projects.

EXECUTION OF PROJECTS

European Development Fund

(a) Conditions of competition

Taken as a whole, co-operation between the Commission and the national authorities during the year under review has been very satisfactory with regard to the execution of projects. As an example, mention can be made of the project for a school for veterinary nurses and assistants at Niamey, where the Fund's technical department did not accept the tenderers' proposed prices since it felt that these prices were established on the basis of a market situation which facilitated private agreements between building firms. In order to circumvent this restrictive arrangement and re-establish normal market conditions, it called on a foreign concern, which is currently carrying out the work at considerably lower prices than the original tenders; this was done with the agreement of the authorities in the country in question and after consulting a number of firms.

This example proves the need for vigilance when issuing invitations to tender and placing contracts. All too often the relevant regulations are not adhered to strictly. For instance, there are still cases where concerns are asked to make substantial changes or adjustments in their tenders after they have been opened, a practice which can distort competition.

2.3.1

2.3

3120/VIII/FED/70-1

(b) Fulfilment of obligations by contractors

Generally speaking, the contractors fulfil their contractual obligations as required; it would in any case be difficult for them to fail to do so with impunity because the execution of the work is supervised and checks are carried out. Difficulties and disputes do none the less still occur, but this is to some extent a result of the effectiveness of the controls and supervision.

If more care were taken when the specifications are drawn up, this would undoubtedly help to reduce the number of such difficulties and disputes by removing any reason for misinterpretation or misunderstanding. Stricter control when drawing up the dossier for the invitation to tender would, for instance, prevent an enterprise from risking too low a tender as a means of winning the contract with the intention of offsetting the low figure during the execution by work of inferior quality or by submitting numerous claims based on errors found in the invitation to tender.

(c) The importance of concurrent technical assistance

The recruitment of qualified staff for concurrent technical assistance is often difficult owing to the fact that such work does not offer sufficiently stable employment. Very often, however, this form of technical assistance is essential to ensure satisfactory progress on the projects, at least in the initial stages. It can also play another role, which in the long run will have results that are no less important: viz. training local personnel, whose task will be to take over from the European staff as soon as possible.

The recruitment and training of local staff is, of course, the responsibility of the State concerned. Where the project allows, the Commission has a clause specifying this obligation inserted in the financing agreement.

•••/•••

As an example, the financing agreement with the Malagasy Republic concerning an industrial nut-growing scheme lays down that the Malagasy Government must provide Malagasy supervisory staff to work with the European technical assistance staff and to be trained by them to take over when the project is fully operating.

(d) The effect of the devaluation of the French franc and franc area currencies and the revaluation of the German mark upon payments and the closing of accounts connected with contracts

In 1969 the Commission was faced with changes of parity in the currencies of two Member States, the French franc and the German mark. Devaluation of the French franc led to the devaluation of the different currencies in the franc area and therefore affected numerous Associated States.

The sums which the Member States make available for the Commission in their own currencies from their respective Treasuries are calculated in units of account. Under Article 2(5) of the EDF Financial Regulation, these contributions are guaranteed against parity changes. France was therefore obliged to pay an additional FF 25 858 873 to the Commission's accounts with the French Treasury's Central Accounting Agency and to the EDF's Paying Offices; on the other hand, the Commission had to adjust its special account with the Federal Chief Cash Office by repaying to the Federal German Republic a surplus sum of DM 3 384 448.

From a more general angle, it should be noted that 74% of the Community's operations relate to works contracts which, moreover, are mainly for the franc area countries. In all of these countries devaluation was accompanied by a number of measures to keep domestic price rises within reasonable limits.

The beneficial effects of these measures are clear: the practical result of the changes in the parities of the franc area currencies was an increase in the potential volume of investments to be financed by the EDF in these Associated States.

.../...

As regards the execution proper of operations financed by the EDF, the devaluation of the various franc area currencies and the revaluation of the mark entailed complex technical problems. The Commission therefore had to issue a number of general rules to enable the EDF's financial departments and the resident deputy supervisors to apply uniform solutions.

34 -

When these rules were formulated, prime consideration was given to the fact that the payments for contracts in hand must be made in accordance with the contractual provisions binding upon the parties thereto: these obligations are not modified, therefore, by the mere fact of devaluation or revaluation.

These rules, which have been in force since the beginning of September 1969, have caused no major difficulties.

It was found, however, that under certain specific circumstances application of these rules could cause a few contractors some difficulties. To be fair, therefore, the Commission studied ten or so cases where very special circumstances called for closer examination.

2.3.2 European Investment Bank

With the exception of the Ivory Coast plant for producing fruitjuices and essential oils, which is planned to start operating during the second half of 1970, all the industrial projects financed by the EIB came into operation as scheduled; indeed, the Cameroon textile complex has already been extended once.

The big mining projects are progressing satisfactorily: the Congolese one is now being finalized and mining has begun, while the Mauritanian project is in the process of completion.

The power project in Cameroon is proceeding normally and should be completed in 1971.

By the end of 1969, 24.2 million u.a. (i.e. 52%) of the 46.8 million u.a. committed by the EIB had been disbursed.

2.4 USE MADE OF INVESTMENTS AND RELATED TECHNICAL CO-OPERATION

2,4.1 General

In pursuance of Association Council Resolution 2/67, 4, the Commission is continuing to collect information on the use, functioning and maintenance of completed projects. This year again, the majority of them were projects financed under the first EDF.

3120/VIII/FED

A systematic investigation, backed by EDF inspections in the field, has made it possible to assess the effectiveness of investments more accurately and, where necessary, suggest remedies for any deficiencies encountered. This enquiry has provided data and results which the Commission will make use of when examining new projects in order to make them as effective as possible.

2.4.2 Investments

The information obtained in 1969 primirily concerns projects completed in the social sector, namely education, health, village water supplies and urban infrastructure.

The following survey will be restricted to the information obtained in 1969, which confirms, moreover, the more general conclusions drawn in the 1968 report to the Association Council.

2.4.2.1 Agricultural production

All the reports received in 1969 concern Mali; they deal with the project for the production of essential orange oil financed under the second EDF, and three water engineering schemes for agriculture financed under the first EDF.

The results expected for the former project have not yet been attained, mainly owing to the insufficient number of advisers and the excessive gap between the higher wage granted to peasants operating machinery and that for peasants working manually.

The dearth of advisers constitutes an even greater obstacle to the development of production in that the local population consists of stockbreeders, who show little inclination to turn to agriculture.

.../...

To overcome this problem and increase the effectiveness of this diversification project, the Commission has decided that for one season at least a technical consultant will be appointed for the project, while the Mali authorities will, for each of the ten villages, provide someone to train advisers.

The results obtained from the water-engineering schemes for agriculture have been very encouraging. The Mopti Plain scheme for intensifying and extending rice growing by irrigating 4 500 hectares has been a success: the scheme is operating smoothly and the cultivable area is 300 heotares larger than expected. The average yield per hectare has increased from 600 kg in 1965/66 to 1 500 kg in 1968/69, i.e. a rise of 150%. Thanks to the gradual improvement of agricultural techniques even higher yields may be expected in the future. The local population has evinced great interest in this scheme, as the rise in output proves.

The results of the Koboro scheme are also very satisfactory and the aims have been achieved. The scheme is operating well and is in full sving. It involves extension and intensification of two food crops - sorghum and rice - by means of flood control.

The results of the Sarantomo-Siné Plain scheme, on the other hand, have not yet been up to expectation owing to the failure to carry out works supplementary to those financed by the EDF and also because of flooding by the Niger, which prevented any production in the plain. The supplementary works essential if this scheme is to get under way will be financed under another EDF project.

2.4.2.2 Education

÷

Numercus school buildings have been examined, particularly at the secondary and junior secondary levels. Taken as a whole, the results have proved very encouraging: the local population's interest in these schools is considerable. In most cases classes have been found to be too large, especially in the Congo-Brazzaville (secondary teacher-training college and twelve general secondary schools) and in Ivory Coast (the girls secondary school at Abidjan). So many

- 36 -

•••/••

pupils are attending some schools that the authorities concerned have themselves had building work carried out to increase the number of classes. An example is the junior secondary school at Manakara, Madagascar; it became a lycée in 1965 and this also made a number of new classrooms necessary.

No serious problems have yet arisen as regards the maintenance of secondary or higher education schools and colleges; although the local budgets are often inadequate, this lack of funds is sometimes offset by help from the pupils and teachers or by establishing a parents' co-operative (Cameroon).

With regard to the shortage of teachers, which in many cases continues to prevent schools from functioning satisfactorily, mention should be made of the important part played by bilateral or multilateral technical assistance and of the real effort made by the Associated States. In the Congo (Brazzaville), for instance, arrangements have been made to run a primary teacher-training course in a general secondary school. Again in the Congo (Brazzaville) a teacher-training college has been set up for training secondary teachers for the four States concerned by this investment: Central African Republic, Gabon, Congo-Brazzaville and Chad. In 1968 all these who completed the course satisfactorily found posts in their own countries.

Employment for school-leavers is not always certain: in the Congo (Brazzaville), for example, there is some unemployment, while for pupils leaving the girls secondary school in Abidjan jobs are available only in government service or teaching. The overall results, nevertheless, are satisfactory.

Rural schools occupy a special place in the education sector. They can have a strong influence upon the agricultural development of a country, particularly by training a new class of peasants to assist in popularizing new methods where traditional ideas prevail (225 rural schools in Upper Volta). In other cases these schools play an important part in introducing new crops, especially within the context of EDF diversification projects (in Mali, 50 seasonal schools: introduction of

3120/VIII/FED/

To sum up, the major share of this kind of investment helps effectively to fill the gaps in the educational systems of the Associated States.

preparing agricultural development programmes.

In the few cases where educational facilities are underutilized or operating unsatisfactorily, the main causes are inadequate maintenance, shortage of teachers, failure on the part of the recipient countries to provide complementary investments (water and electricity supplies, etc.), technical shortcomings at the planning stage and unsatisfactory execution by contractors. The Commission is seeking to remedy this situation in collaboration with the authorities concerned.

Health

Examination of projects completed in this sector concentrated on eight hospitals (in northern Cameroon, Madagascar and Burundi), fifteen centres for the Major Endemic Diseases Service in Upper Volta and the anti-tuberculosis campaign in Mali.

The results are very satisfactory in almost every case, especially as regards the degree of utilization. For instance, 14 000 consultations and 7 943 hospitalized cases were recorded in 1969 in the hospital pavilion in Majunga, Madagascar while the hospitals in northern Cameroon are also used to their full capacity, and likewise the fifteen centres of the Major Endemic Diseases Service in Upper Volta.

Generally speaking, satisfactory operation of the projects in this sector may be hindered by two factors: insufficient funds for maintenance and running costs and shortage of medical staff. In practice, although in most cases the funds available for servicing are inadequate, maintenance is generally as good as can be expected under the circumstances and the buildings are still in good condition. In Cameroon, the scanty operating funds are sometimes supplemented by the communes, which help to cover

- 38 -

the cost of drugs, treatment and fees. In the Cibitoke rural hospital in Burundi steps are being taken to appoint medical staff while complementary investments are being undertaken by the local authorities, for example the building of accommodation for the medical staff and a dispensary. The approaches made to the Cameroon Government by the Commission to stress the pressing need for medical staff for health establishments in northern Cameroon have met with success and this has considerably increased their efficacy.

In one specific case utilization and operation have been unsatisfactory and a change of approach is necessary. This is the campaign against tuberculosis in Mali, for which seven mobile radiography units were supplied to track down those suffering from this disease, who could then be given treatment.

The equipment has proved too fragile for conditions in the field, and detection of the disease and subsequent treatment have entailed too heavy a financial burden for Mali; moreover, only a very small number of those suffering from tuberculosis could be treated, while 3-6% of the population of Mali are infected.

This project can be made more effective by a fresh approach to the anti-tuberculosis campaign, especially by concentrating on prevention (mass vaccination) and by setting up permanent centres as a means of reducing demage to the radiographic equipment.

The experience gained in this project has confirmed the need to allow for heavy recurrent costs, technical assistance available to make up for the shortage of medical staff, and adaptation of equipment to operating conditions.

2.4.2.4 Rural water supply and urban infrastructure

The DDF's operations in this sector relate to the sinking of wells and bore-holes in rural areas and water supply and drainage in urban centres.

- 40 -

3120/VIII/FED/70-E -

•••/•••

Examination of completed rural water supply projects centred primarily on the sinking of 21 wells in the Tougan and Nouna areas of Upper Volta. The immediate aim of this project - water supply for villagers and livestock - has been attained. Another result has been to help increase the numbers of non-nomadic livestock and to improve the crops in the neighbourhood of the wells.

The water supply scheme at Diego-Suarez in Madagascar has already had a favourable effect on health in the town by eliminating malaria and reducing the diseases due to impure water. Full utilization of this project has however been handicapped by the filtering station's inability to cope with the maximum catchment capacity. The situation will be improved as a result of work planned to remedy this deficiency; it is being financed mainly by a loan from the Caisse Centrale de Coopération Economique (France).

The maintenance problems concerning urban drainage are acute since they are liable to have a disproportionate effect upon the smooth operation of schemes. In the case of the drainage for the M'Batavia district of Libreville, for instance, the Commission has approached the authorities to advise them on how to meet their obligations in this connection.

2.4.2.5 Transport infrastructure

۱^۰ .

Examination in 1969 of the use made of investments in this sector covered mainly road infrastructure projects, namely the building or asphalting of roads, bridge building (Burundi, Mali, Madagascar) or supply of road equipment (Central African Republic). Examination of port infrastructure covered the construction of the jetty in the port of Tamatave, Madagascar.

On the whole, it was found that the immediate objectives, both reduction of transport costs and increase of traffic, have been attained in most cases. As regards the indirect and secondary effects, the operations have not in general been completed long enough to permit

3120/VIII/FED/70-E

final conclusions to be drawn. In many cases the economic effects of a road link depend very much on the agricultural development of a specific region from which it leads to consumer centres or exporting ports.

In Madagascar, in particular, the building of the Manakara-Farafangana road provides a link between a highly populated area and the port of Manakara, which gained even more in importance as a result of the Malagasy Government's decision to close the port of Farafangana.

After four years' use, one of the aims - that of increasing traffic - has been achieved and the target levels exceeded by 40% in terms of tonnage and by 70% in the number of vehicles. Prices, however, have undergone little change over that period, but this signifies a marked drop in real terms, due mainly to the improved roadway, better marketing arrangements for fuel and spares, and the setting, up of local repair shops. The factors preventing a larger drop in prices are mainly the ferries that have to be crossed, the high cost of insurance for goods and the difficult journey between this coast road and the plateaux by a long and dangerous road.

Another road project in Madagascar, namely the scheme for National Road No. 7 (asphalting two sections and building one bridge), is also a success; there has been a reduction in transport rates, while goods and passenger traffic has more than trebled over five years.

In Mali the bridge built on the Segou-Bla-San road makes movement on this important route considerably easier since it replaces the former foot-bridge used during the dry season, and the ferries used during the flood season. Any maintenance for this bridge will be paid for from the Mali road fund, but none has been required yet.

On a more general level, it should be mentioned that this fund operates satisfactorily and that as a whole the roads in Mali are well maintained. A project in the Central African Republic comprising the supply of road equipment (vehicles, tractors, levellers, etc.), was also examined under the heading of transport infrastructure.

3120/VIII/FED/70-E

This investment has attained its objective, but after five or six years' use nearly one-fifth of the equipment is in a poor condition, mainly because the length of road to be serviced was longer than originally planned.

Lack of maintenance is in fact always a serious problem and is aggravated by rising prices. In most cases the funds set aside by the local authorities for this purpose are inadequate and, in addition, there is often a shortage of qualified staff. With their limited resources, the recipient States are inclined to devote the available money to maintaining older infrastructure and equipment since they feel that this is more imperative than maintaining works which are still new.

A solution may lie in the formation of road funds in countries like Chad, the Congo (Brazzaville), the Central African Republic, Upper Volta, Madagascar, Mali and Burundi. Such funds have already produced results in Upper Volta and Mali, but setting up road funds cannot be considered a solution to every problem. There is a strong temptation to use the maintenance element of the road fund for new works and the example of some European countries can only encourage this attitude. The temptation is all the stronger in those Associated States which have less resources.

The Commission continues to urge upon the recipient authorities the importance of maintaining the road investments in good condition; it has stated its willingness to provide essential maintenance equipment.

2.4.3 Technical co-operation related to investments

The number of pre-investment technical assistance studies and experts' reports completed in 1969 was low and the cost was some 355 000 u.a.

.../...

As in previous years, preparatory technical assistance covered programming and market surveys and also the drawing up of dossiers for invitations to tender and for the execution of projects.

43 -

3120/VIII/FED/

Nost of these studies led to something and for many projects the financing was arranged in the same year; this was so in Burundi as a result of the study on the introduction of tea growing in the neighbourhood of villages in the Murumvya region, and in Upper Volta following the programming study for the slaughterhouse with refrigeration plant in Ouagadougou.

Other studies may form the starting-point for future projects to be financed either by the recipient governments or by the third EDF. An illustration is the study on harvesting the crops of the natural palm plantations in the Dahomey coastal area.

Ten or so of the investment projects approved in 1969 had been the subject of one or more preparatory studies carried out in earlier years. Examples are the slaughterhouse in Tananarive (Madagascar), for which an expert's report and market survey were drawn up in 1968, the agricultural water-engineering scheme in the Niger Valley (Niger), for which a land survey and development study were carried out, the Dosso-Gaya road in Niger and the construction of the National Pedagogic Institute at Butare (Rwanda).

Chapter 3 - AIDS TO PRODUCTION AND DIVERSIFICATION

3.1 AIDS TO PRODUCTION

3.1.1 Five-year programmes - situation (see Tables 6 and 7)

During the year under review the breakdown of appropriations under the five-year programmes established by the Associated States remained the same except for a slight change in Madagascar's programme, under which aids to production originally accounted for 68%. This share has been brought up to 71.9%; the structural improvement part of the programme has benefited from the change, especially for rice production. Aid to diversification has been reduced by a corresponding amount.

3.1.2 Commitment of further annual instalments

The importance of the date of 31 May 1969 should be stressed: this marked the expiry of the first Yaoundé Convention and aids to production were to be terminated at the same time.

The Associated States receiving this form of aid had signed an undertaking to submit, as soon as the Convention came into force, their five-year programmes for using this aid. On the basis of these programmes, the Commission has each year fixed instalments covering a period of twelve months which more or less corresponds to the marketing year for the products referred to in Article 26 of Protocol No. 5. Although in most cases the Associated States were very late in submitting their five-year programmes, the Commission was able to fix the final instalments within the period laid down in the Convention thanks to the constant close co-operation between its departments and those of the AASM Governments concerned.

At 31 May 1969 the total amount of the final batch of annual instalments approved since 1 January 1969 was 18 million u.a., of which 16.6 million for structural improvements and 1.4 million for price support. The Associated States receiving this aid were: Dahomey, Madagascar, Mali, Senegal and Chad (see Table 8). With these final instalments, the total figure for the commitments under the heading of aids to production is 89.9 million u.a., of which 29.8 million for price support and 60 million for structural improvements. Only two countries have requested aid for price support during the 1968/69 marketing year: Senegal for groundnuts and Chad for cotton.

3120/VIII/FED/70-E

The final two instalments for Madagascar have been combined in a single commitment larger than the preceding instalments.

As regards aids for structural improvement, large sums have been requested and granted for provision of advisers and training of farmers (Madagascar, Mali, Dahomey) and also for operations which have an immediate impact upon yield and the quality of products, such as the use of fertilizers (for groundnuts in Senegal and Mali, for cotton in Dahomey, Mali and Madagascar and for rice in Madagascar and Mali) the use of insecticides (for cotton in Mali and Pahomey), the use of modern treatment and packing techniques (Dahomey, Madagascar, Mali and Senegal).

3.1.3 Spending of instalments committed

Price support measures are going ahead as planned. By the end of 1969, 84% of the sums committed may be considered to have been utilized (see Table 9), against 79% at the end of the preceding year. Owing to a relatively favourable trend of world prices for groundnuts, it was not necessary to call upon the aid allocated to Senegal for this purpose. In Chad, on the other hand, the price support granted proved inadequate because of the poor world prices for cotton and the increase in transport costs as it was impossible to use the cheaper Nigerian route (see Table 10).

Structural improvement operations were carried out as scheduled. The use of funds has shown a marked improvement compared with 1968: 55% of the sums committed had been spent or had reached the checking stage (see Table 11) against 48% at the end of 1968. The Commission has continued to maintain the system by which it notifies the recipient State of its endorsement of contracts awarded before the corresponding sums are paid out either locally or directly by the EDF. Again the EDF's Principal Certifying Officer had to intervene on several occasions during 1969 to speed up payments in order to comply with Article 31 of Commission Regulation No. 62/65/CEE, but the number of such interventions showed a marked drop.

3.1.4 Utility of aids to production

With regard to price support for groundnuts, the selling price^S of this product were higher than the real cost prices owing to the drop in producers' prices which occurred at the end of 1967 (15% lower in Senegal, 20% lower in Niger), and were close to the target prices for the last year of the five-year programmes.

This does not mean, however, that the target of competing on the world market has been entirely reached since the fact that the rise in world prices during 1969 was apparently a result of the general economic situation must be taken into account.

For cotton, progress towards the target of marketing at world prices has proved insufficient because prices have fallen off considerably.

Purchases of fertilizers and insecticides in the countries receiving aid for structural improvement does not seem to have increased. The EDF was less active under this heading than in 1968 owing to the tapering off of subsidies granted for structural improvement operations.

As in 1968, on-the-spot checks in 1969 show that the yields per hectare continue to increase in areas where new cultivation methods have been used as well as fertilizers.

o

AIDS TO DIVERSIFICATION

3.2

3.2.1

European Development Fund

The manner in which aids to diversification have evolved is shown in concrete terms by the fact that in 1969 commitments were undertaken for 39 million u.a., covering 27 projects (against 18 million u.a. for 8 projects in 1968). Loans on special terms, totalling 9.5 million u.a., were granted for three of these projects. As prescribed in the Yaoundé Convention, operations in this field are intended to diversify the economies of the Associated States, firstly by widening the range of production in agriculture and industry, and secondly by improving the existing production structure and the marketing of products.

47

3120/VIII/FED/70-E

Some diversification projects approved in 1969 are a continuation of operations put in hand by the Community in previous years.

The primary aim of broadening the range of production is to satisfy the mouds of the local consumer population better by improving the su ply of food and providing a higher income, and subsequently to balance the trade account by reducing imports and, if possible, increasing exports. Taking account of these targets as formulated by the Association Council in its Resolution 1/66, 2, the Commission approved the following projects in 1969:

(a) Pural production:

in Burundi, continuation of tea-promotion scheme by planting 500 hectares of tea at Rwegura and setting up a tea factory and power plant;

in the Ivory Coast, introduction of upland rice in rotation with cotton;

in Madagascar, a study for a polder at Lake Alaotra to be used for industrial-scale dairy farming and rearing fatstock; also in Madagascar, a tea research station on the Hauts Plateaux as a step towards industrial and village plantations;

in Mali, development of tobacco growing in village units in the Upper Valley of the Niger to supply a factory the products of which will eventually replace imported cigarettes;

in Senegal, development of groundnut production for direct consumption in the Siné-Saloum region. This is an extension of a programme already in hand to introduce a product which is more profitable than groundnuts for oil and which is very popular on the European and American markets. It should be remembered that in Senegal, where groundnut products represent 80% of exports, the EDF has already financed schemes for developing cotton, millet, rice and bananas;

in Rwanda, 500 hectares of village-based tea plantations in the Cyangugu prefecture. This is supplementary to the other EDF schemes for setting up industrial-scale units comprising plantations and factories. By introducing tea growing, it should be possible to diversify the economy of Rwanda, where coffee and cassiterite represent over 90% of exports. Mention should also be made here of the EDF's promotion of pyrethrum in Rwanda;

in Somalia, a plant propagation station with a pilot plantation for grapefruit trees. The purpose is to introduce a new export crop in order to reduce this country's dependence upon stock-breeding and bananas, which together comprise 90% of its exports.

(b) Industrialization:

in Senegal, an economic and technical study with a view to establishing a steel industry;

in Congo (Kinshasa), part of the Inga hydroelectric scheme, which will provide a basis for new industries.

0

Besides these schemes for introducing new products, other projects are aimed at reforming the structure of production, especially by introducing agro-industrial schemes and village-based schemes in order to form coherent units. In addition, loans are made to buy equipment to process local products on the spot and to pay for the necessary infrastructure so that they are easier to market.

The following projects may be given as illustrations:

49 •

in Ivory Coast, continuation of the development of cotton production, involving rationalization and the supply of industrial equipment for storage and processing;

in Upper Volta, construction of the Ouagalougou industrial slaughterhouse, which should permit slaughtering to be stepped up and, as a result, an improved diet for the population and increased exports;

in Madagascar, a new industrial slaughterhouse with refigeration plant, and also facilities for storing and transporting chilled meat, primarily to satisfy the meat requirements of the population of Tananarive;

in Senegal, improvement of millet by creating new, more productive varieties in order to improve the population's inadequate diet and to reduce imports of food cereals;

in the Central African Republic, two transport infrastructure projects: provision of a river fleet for the Upper Sangha and the construction and equipping of the river port of Nola to enable the produce of this forest area to be exported.

3.2.2 European Investment Bank

The projects financed by the EIB relate essentially to the industrial sector and thus provide effective aid in modernizing and diversifying the structure of the economies involved.

Schemes in this sector, where promotion raises awkward problems, play an important role in the development strategy of the Associated States and are complementary to those in other sectors, in particular Industrialization favours the introduction and wider use of new methods, technical progress and a higher level of qualifications among workers and supervisory staff; it is usually accompanied by improved productivity and rapidly has a very marked multiplier effect upon distributed incomes, earnings of foreign currency and even, more often than not, on tax receipts.

50,-

3120/VIII/FED/

C-F

Chapter 4 - GENERAL TECHNICAL CO-OPERATION

4.1 SERVICES OF EXPERTS AND INSTRUCTORS

The teachers provided and financed since 1967 for the International Statistical Training Centre in Yaoundé and the Statistical School in Abidjan taught during the 1968/69 academic year and their tours of duty have been extended to cover the 1969/70 academic year.

4.2 GENERAL SURVEYS

4.2.1 Surveys in hand

The general survey on sales promotion for AASM bananas in the EEC will be completed during 1970.

The survey on the possibility of setting up an AASM joint export organization was continued and the finishing touches were being put to it at the end of 1969 (see 5.3).

A start was made in 1969 on the survey of the training requirements of the fishing population in the Entente countries and the means of providing training. This survey covers in detail the various aspects of the problem in a field whose importance and usefulness are frequently underestimated. It will make proposals to further training in this sector.

The survey on the teaching of basic reading and writing skills in Senegal and Mauritania has been postponed because new guidelines are necessary and also because the survey is to be extended to Gabon.

4.2.2 Use made of the completed surveys

As a result of the survey on the improvement and standardization of certain architectural projects, standard plans have been drawn up for simple types of building most used in rural infrastructure projects (living accommodation, offices, sheds and primary classrooms) in order to facilitate, improve and speed up the submission and examination of dossiers, and the execution of such projects. Practical use has already been made of these standard plans.

3120/VIII/FED

Since it was published in 1967, the general survey on industrialization possibilities in the AASM has become more and more widely known in the Member and Associated States, in European institutions and the international organizations, in the universities and other teaching and research centres, and, in particular, in financial and

52

A provisional stock-taking shows that some of the industries proposed by the experts have in fact already been established. Since, however, the industrial proposals covered a period to 1975, it will of course be a fairly long time before they are implemented, given the supplementary studies required and the need to negotiate the financing terms and suitable tax arrangements. The vast majority of the projects, moreover, were designed to be implemented at a multi-national level and this prerequisite is in fact one of the most difficult to fulfil.

TRAINING OF SUPERVISORY STAFF AND VOCATIONAL TRAINING

industrial circles in the EFC and AASM.

4.3.1 General

1.5

The 1968/69 academic year saw an increase in the number of scholarships and training grants awarded and also further diversification of the means employed.

The following figures show the rise since 1964:

<u>Acedemic year</u>	Number of scholarships	taken	up by the	AASN ¹
			Index	<u>.</u>
s 19 64/1965	1 182		100	,
1965/1966	1 497	-	127	
1966/1967	1 663		141	
1967/1968	1 892		160	
1968/1969	2 155		182	

The numbers given do not take into account grants for parttime training.

Grants for part-time training increased from 182 in 1967/68 to 304.

Grants for correspondence courses likewise went up sharply to 1 981 from 1 516 in 1967/68. The specific training programme has been developed further; a new feature is the provision of instructors to train craftsmen and heads of small firms. About 710 persons are undergoing training for medium and higher grade supervisory staff.

4.3.2 Full-time training scholarships

2 155 scholarships were awarded to AASM nationals for the 1963/69 academic year, against 1 892 in the preceding year. Apart from a marked increase in training women, there was no noteworthy change in the breakdown of scholarship holders by type of training (see Table 13).

Breakdown of scholarship holders by home country and country of study (see Table 12)

The overall increase in the number of scholarships awarded went hand in hand with a further rise in the number of scholarship holders studying in establishments in the AASM: 45.2% against 38.5% in 1957/68. The number studying in the Member States remained virtually unchanged, while the number of those doing courses in the AASM rose from 727 to 975.

There were scholarship holders studying in sixteen Associated States. Cameroon, the Congo (Kinshasa) and Ivory Coast alone account for nearly 6% of the students, who attend teaching establishments which in most cases are of a regional character.

Execution of scholarship programme

To enable it to make awards within the normal time-limits, the Commission asked the AASM to submit the candidates' dessiers in May (1968) instead of July.

Only some of the AASM complied with this request. In addition, the events which occurred in various universities and teaching establishments often caused the examinations to be delayed and this made it more difficult to decide upon the renewal of scholarships for 1968/69.

Nevertheless, use of the resident deputy supervisors has already improved the conditions for submitting and forwarding candidates' applications.

Use made of training received

(a) The overall breakdown of passes and failures at the end of the 1968/69 academic year is as follows (see Table 14): passes 82.2%, failures 17.8%, which is almost exactly the same as for the preceding year.

The percentage of failures was highest in the agricultural sector: 23.4%. The largest number of failures occurred at the "higher" level (20.3%), against 12.0% at the "vocational" level and 16.2% at the "intermediate" level.

(b) In July 1969 the Commission completed its inquiry plus a study, undertaken in accordance with the Association Council's Resolution 2/67, 7 (third to fifth paragraphs), among the 2 300 former scholarship holders who had completed their training by 1 January 1967. From the results it has been possible to assess the use made of training received. Analysis of the replies to the questionnaire sent out shows that nearly all the former scholarship holders (94%) found jobs or new jobs in their home countries. By and large the jobs correspond to the training received; 29% of the ex-trainees are employed in agriculture, 17% in the statistical services, 12% in government departments and 10% in social and health service.

The inquiry has also brought to light the requirements for further training and "refresher courses" (especially in-service training and correspondence courses.)

Likewise it suggests some useful points for improving the scholarship programmes. The inquiry will be continued among scholarship holders who completed their courses in the following academic years.

In the same context, a "follow-up" seminar was held in Yaoundé in May 1969. It was attended by ex-scholarship holders who had reached responsible positions in their national statistical services and its purpose was to introduce them to electronic data processing using the COBOL language.

4.3.3 Scholarships for training by correspondence course

In the 1968/69 academic year the number of scholarships awarded for training by correspondence course was 822, which means that the number of holders increased from 1 516 (1967/68) to 1 981 inclusive of scholarship holders from previous years who were continuing their courses (see Table 15).

A breakdown of scholarship holders by type of training shows, by comparison with 1967/68, an increase in the "agricultural" and "technical" sectors. These courses are being used to an increasing extent for agriculture, especially for training advisers and medium and higher grade supervisors.

In the "technical" sector (up 5.3%) there was an increase in those taking civil engineering (public works) courses and all the technical courses (chemistry, electronics, data processing, telecommunications, mechanical engineering, technical draughtsmanship, electrical engineering, refrigeration techniques, etc.).

A breakdown by level of training shows a marked increase in the higher and lower levels. This can be explained firstly by the number of students who have advanced to a higher course after passing the intermediate level and, secondly, by the large number of candidates for lower level courses in agriculture.

Results

At 31 December 1969, of the 1 981 scholarship holders, 1 385 (69.9%) were still pursuing their studies in 1969/70; 156 had successfully completed their courses (7.9%) and obtained diplomas or certificates; 440 had failed or had their scholarships withdrawn because they had not worked at the course with sufficient regularity (22.2%). The fact that 1 385 scholarship holders are continuing their courses may also be considered a success.

4.3.4 Local part-time courses

Training or further training for craftsmen and heads of small firms in management and organization has been extended. In 1968/69, 311 AASM nationals took these courses (against 182 in 1967/68): 103 in Cameroon, 103 in Congo (Brazzaville), 47 in Congo (Kinshasa), 31 in Gabon and 27 in Madagascar.

55 -

As the IDF began to finance seven instructors in Cameroon at the end of 1969, it will be possible to extend and reorganize this form of training in that country. Similar courses are being introduced in other countries.

4.3.5 Specific training programmes

A. Vocational training

The programmes for training OTRACO officials (Congo-Kinshasa) were pursued. The second training course, for 220 medium-grade officials, ended in March 1969. Under a new financing decision, a third course, for 230 medium-grade officials, and a refresher course for 90 senior officials were held in June 1969.

Medium-grade public works staff (Central African Republic). A group of eight site foremen completed their training in May 1969. They are now employed by the Ministry of Public Works. A second group of eight started training in September 1969. By May 1970 22 clerks of works will have completed their training.

Advisers for tea and coffee co-operatives (Rwandz). Sixty students completed their training in October 1969 and are employed on plantations financed by the EDF. A second group of 80 students began their training when the first group finished.

Audio-visual techniques

Thirty teachers will begin training in audio-visual techniques at the end of 1969 (Rwanda).

B. Programme for training women in Niger

The programme was brought into operation in October 1969. The aim is to train 45 supervisors and 400 advisers from among women in Niger and, at the same time, to make women in that country aware of development problems with a view to their playing a part in local schemes.

56

4.4 TRAINING FOR OFFICIALS AND SHORT COURSES

4.4.1 Further training for officials

One course was held from 15 February to 15 July 1969; another began on 15 September and ended on 15 February 1970. A total of 16 nationals of nine Associated States attended the two courses: 2 from Burundi, 2 from Madagascar, 1 from Niger, 2 from Senegal, 1 from Somalia, 4 from Togo, 1 from Upper Volta, 2 from Congo (Kinshasa) and 1 from Dahomey.

Most of the officials attending the 1969 courses returned to their former posts; one has come back to Erussels where he is at an embassy with the rank of secretary.

Contact with all officials who have taken a course with the Commission has been maintained by sending them the "Courrier de l'Association" regularly and through meetings to promote contacts arranged in the course of visits by the Commission's officials to Upper Volta, Danomey, the Congo (Kinshasa), Kwanda and Burundi.

4.4.2 Short courses: symposia

Symposia held in the Mamber States: in 1969, 23 symposia were held in Europe. They were attended by 974 persons, of whom 772 were AASM nationals, 43 from the Overseas Countries, Territories and Departments, and 154 from non-associated countries.

Symposia in the Associated States (AASM): 20 symposia were held in the AASM: Upper Volta, Dahomey, Burundi, Rwanda and Congo (Kinshasa); the total attendance was 4 000.

382

3120/VITI.

. .

.../...

Changes were made during the year in the organization of the symposia. Experience had shown that the way they were organized and their length were not consonant with the aims pursued by the Commission with regard to information and training for AASM nationals in particular.

3120/VIII/FED/

From July 1969, they were extended from 1[±]/₂ to 3 days.

A whole day is now devoted to a number of talks on the various aspects of relations between Europe and Africa and of the Association itself. The second day is given over to small working parties, which examine any points from the previous day's papers that are not clear and call for further study or more precise replies. At the plenary session on the third day the rapporteurs for the working parties submit the results of their discussions and the first day's speakers answer the questions that have been formulated by the working parties. The symposium closes with a general debate.

Experience since this reorganization has been encouraging. To set up working parties it has been necessary to train persons to give a lead. They are provided by the national bodies that recruit the participants. Deeper study of the problems has aroused greater interest among those attending, who find that even three days are no longer sufficient to examine these problems.

Chapter 5 - OTHER TYPES OF AID

EMERGENCY AID

5.1

Emergency aid was granted by the Community in 1969 on one occasion only. It took the form of aid to the Somali population when it was suffering famine after a particularly severe drought, this being the second time emergency aid has been granted to drought victims in Somalia. Essentially it comprises partial financing of the sea and road transport costs for medical and food supplies provided in an emergency aid operation involving many countries and international organizations.

The sum supplied under this heading was 49 000 u.a.

The aid granted to Mali in 1968 for its campaign against an invasion of migratory locusts was not fully used since the scale of the threat was less then enticipated.

5.2 ADVANCES TO STABILIZATION FUNDS

An advance of 1 million u.a. was made to the Burundi Industrial Crops Office in 1969 to help it cope with financial difficulties during the 1969 arabica coffee year caused by the drop in world prices for mild arabicas other than Colombian.

Earlier advances not yet fully reimbursed

Of the 8.7 million u.a. granted to the Groundnut Stabilization Fund in Senegal in 1968 5.9 million u.a. has been used, of which 2 million u.a. has been reimbursed.

The advance allowed to the OCAM Sugar Equalization Fund in 1968 had not been used by the end of 1969 as one of the recipient States had not yet provided its guarantee.

Total advances since the Yacundé Convention came into force are shown in Table 16.

5.3 AID FOR PROMOTION OF TYPOPTS FROM THE AASM

The Community's programme of participation by the AASM in trade fairs, which came into operation in 1968, has been extended for one year, from June 1969 to June 1970.

3120/VIII/FED/70-E

In 1969 Associated States' entries for the international fairs in Brussels, Marseilles, Milan and Paris and for the "Partners in Progress" imports exhibition in Berlin totalled 45.

This type of action has become more effective: the average number of trade contacts by participating State and by fair has risen from 17 in the first half of 1968 to 27 in the first half of 1969. To make it even more effective, the Commission is taking steps to consolidate the results so far attained, while seeking new markets, by developing fresh advertising and public relations approaches.

At the request of the Associated States, the Commission has decided to carry out a study on the possibility of setting up a joint export organization for the Associated African States and Madagascar.

The study is in two stages:

The first is for gathering information in order to assess the sales methods applied by exporting bodies and companies in the AASM and the difficulties encountered in marketing products, especially on European markets.

The second stage deals with the particular conditions that apply to the marketing of AASM products on the various European markets, the trade promotion drives that could improve sales opportunities, the structure of any body or bodies that could be called on to support these measures, the outlay that might be necessary to launch and maintain these drives and the relevant organization, and an outline budget of income and expenditure in the first five years of the programme under consideration.

Chapter 6 - ADMINISTRATION

60

CO-OPERATION BETWEEN THE COMMUNITY AND OTHER OPGANIZATIONS PROJIDING

• t. .

6.1

AID

6.1.1 Co-ordination within the Community

In Yaoundé Convention II the Contracting Parties specified industrialization as one of the main aims, affirming in this way their desire to encourage the industrialization process, which should lead to more rapid and sustained economic development of the Associated States, by a whole battery of instruments.

With this objective in mind, a special co-ordination meeting was held in Paris on 22 December 1969 at the invitation of the French authorities. It was attended by the Community's aid departments (EDF and EIB) and French bilateral aid bodies (Fonds d'Aide et de Coopération and the Caisse Centrale de Coopération Economique).

Thanks to this meeting, it was possible to have a far-ranging exchange of ideas on policy towards aid to industrialization in the AASM, particularly with regard to methods of promoting multinational industries.

As in earlier years regular meetings for co-ordination and information purposes have been held between the Commission's departments and the official bilateral aid organizations of the various Member States on the subject of aid given to the AASM.

As a result it was possible to carry out several joint operations in 1969 under optimum conditions. The main ones were:

(a) Promotion of tea growing in Kivu and of farming in Ubangui
 (Congo-Kinshasa). These schemes form part of the Congolese
 Government's agricultural development programme, for which
 Belgium, Germany, the United States and the United Nations
 are also providing finance;

(b) The Inga hydroelectric scheme (Congo-Kinshasa). Finance for this scheme is also being provided through a joint contribution from the Congolese Government and Italian bilateral aid for building a dam and setting up three 150 megawatt units. Total cost: 44 million u.a.;

.....

(c) River fleet for the Upper Sangha (Central African Republic). EDF aid, totalling 1 540 000 u.a. has been supplemented by a loan of 1 620 000 u.a. from the Kreditanstalt für Wiederaufbau to be used to build up a second river fleet for transporting timber out of the area;

٢

, Å

5.1.2

)

- (d) Improvement of cotton production (1970/71 crop year) in Chad. The cost of organizing advisers will be borne by French bilateral aid;
- (e) Modernization of the Tsevié-Atakpamé road (1st section) in Togo. This forms part of the plan to improve the main highways, for which the Community has already financed road works and surveys. FAC and IDA are also providing part of the finance;
- (f) Agricultural development programme for the Central and Plateaux regions (Togo). This is being financed by EDF aid and forms part of the 1966/70 Togo development plan, under which there are development programmes for each of the five economic areas. Development of the remaining three regions will be financed from French bilateral aid and the UN Development Programme;

(g) Silos for the Zinder millet mill. The UNDP and FAC are also assisting in this project.

0

The Council's Technical Assistance Group, which is concerned with technical assistance co-ordination and co-operation, held one meeting in 1969. It pursued its exchange of information on technical cooperation activity and policies between the Member States and the Commission.

In 1969 co-operation between the Community and multilateral aid organizations was strengthened even further. As a result it was

Co-operation with non-Community organizations providing aid

.../...

possible to put the following projects in hand. First of all, three of the projects referred to in the preceding section to which IDA and UNDP are contributing:

- (i) Modernization of the Tsevié-Atakpamé road in Togo,
- (ii) Agricultural development programme for the Central and Plateaux regions, Togo,
- (iii) Silos for the millet mill at Zinder.

And also:

(i) Electricity infrastructure - Studies for the Mukungwa hydroelectric station and construction of the Ntaruka-Ruhengeri power line (Rwanda)

This project comprises the construction of a high-voltage power line linking the Ntaruka power station with the pyrethrin plant financed by the UNDP. This plant will be used to process the pyrethrum produced as a result of the pyrethrum development project financed under the second EDF;

(ii) National Pedagogic Institute at Butare (Rwanda)

The technical assistance (teachers) required for this Institute will be provided by the UNDP until 1973.

6.1.3 Participation in work of multilateral organizations

The Commission continued to participate regularly in the work of OECD's Development Assistance Committee (DAC).

As part of the annual examination of development aid measures and policies, the Commission's memorandum on the EEC's activities in the matter of financial and technical assistance to the developing countries was discussed at a DAC meeting on 28 October 1969.

In winding up the discussion, DAC's Chairman laid great emphasis upon the role which the EEC should play in co-ordinating the aid accorded the Associated States and promoting regional co-operation between the AASM.

In his reply, the Commission's representative drew the Committee's attention to the procedures established by the EDF for reciprocal information and consultation with other sources of aid; he also pointed out that the Commission had given relative priority to those projects which would encourage regional co-operation. This policy, which had been applied since the beginning of the second EDF, would become even more evident during the third period of association. The Commission wished to stress, nevertheless, that the prime responsibility for regional co-operation lay with the Associated States themselves.

3120/VIII/FED

The Commission has also played an active part in studying certain development problems, both in the Committee itself and in the various working parties. The main subjects dealt with include: the essential modifications of aims needed to accord them with the resolutions adopted by UNCTAD II, the DAC's participation in work on the second Development Decade, increasing the volume of aid, effectiveness of the developing countries' own efforts.

The Commission participated as an observer in the work of the UN Committee for Development Planning in preparation for the second UN Development Decade, and in that of the UN Industrial Development Organization (UNIDO). It was also an observer at the annual meeting of the Board of Governors of the African Development Bank.

ADMINISTRATION OF SUPERVISORS AND TECHNICAL ASSISTANCE STAFF (see Table 17)

64

6.2

17

A resident deputy supervisor has been operating in each of the 18 AASM since 1968. He is in charge of a number of technical supervisors, who are either recruited individually or placed at the Commission's disposal under contract by one or more consultant firms. In addition, use is made when necessary of experts from specialist firms who are employed for short missions either in Europe to supervise supplies, or in the Associated States to supervise the implementation of particular schemes (radio-beam links, hydroelectric plant, etc.).

A meeting of resident deputy supervisors was arranged in Brussels from 21-25 April 1969 so that they could compare notes on the problems that arise during the execution of projects and together examine ways of speeding up procedures.

Amphasis was laid on the need for the deputy supervisors to be more closely associated with the whole operation of providing aid so that they can co-operate more effectively, not only at the execution stage but also when the projects are examined, and see what use is being made of aid by the recipient countries.

COMMUNITY FOOD AID

3120/VIII/FED/

- In addition to the aid provided under the Yaoundé Convention the 1. Associated States may, if they so request, be granted food aid distributed by the Community. Under the Food Aid Convention signed in 1967. the European Economic Community undertook to supply 1 035 000 tons of wheat or coarse grain annually for three years as food aid to the developing countries.
- 2. This overall commitment has been implemented partly in the form of Community operations and partly as bilateral operations by the Member States.

In the first ycar (1968/69), Community operations represented a total of 301 000 tons of wheat equivalent, i.e. 29% of the total commitment; none of the Associated States benefited from these operations since none request such aid.

In the second year (1969/70), the share provided in the form of Community operations will be around 32% of the total commitment (330 - 340 000 tons of wheat equivalent). The recipient countries include two Associated States:

- (i) Mali, which has been given 25 000 tons of maize and 5 000 tons of wheat equivalent in the form of wheaten flour. This was all delivered during the second half of 1969.
- (ii) Niger, to which the Community has offered aid equivalent to 15 000 tons of wheat (10 000 tons as grain and 5 000 tons as The contract will probably be signed in the near future and flour). implemented in the first half of 1970.

The Commission will make preparations for the third season of -Community aid in May and June 1970.

3. The Community's food aid is usually delivered fob Community ports; the recipient Government undertakes to sell the quantities supplied under normal home market conditions and to pay the yield into a special account to be used for financing development projects.

 f_{i}

ANNEX (contd)

In exceptional cases, however, food aid may be granted on a cif basis and the supplies are then usually distributed free to the recipient populations; but if the Government wishes, it may be authorized to sell all or part of the supplies, in which case the special account procedure is applied.

3120/VIII/FED/70-E

ιť.

	3120/VIII/FED/70-E
· ·	TABLES
1.	Net sums committed
2.	Sums committed: breakdown by sector
3.	Sums committed: breakdown by country
4.	Sums committed in 1969 for surveys, services of experts and technical assistance related to investments
5.	Execution of 2nd EDF and EIB projects
6.	Aids to production: five-year programmes
7.	Aids to production: credits available under the five-year programmes - by product
8.	Aids to production: annual instalments approved - 1 January-31 December 1969
9.	Aids to production: price support
10.	Aids to production: trend of commodity prices
11.	Aids to production: structural improvements
12.	Scholarship holders from the AASM (1968/69) by home country and country of study
13.	Scholarship holders from the AASM (1968/69) by home country and type of training
14.	Results obtained by type and level of training (1968/69) (in %)
15.	Scholarships held for training by correspondence course - 1968/69
16.	Advances to stabilization funds granted under the Yaoundé Convention
17.	Resident deputy supervisors and technical supervisors for the execution of EDF-financed projects in the AASM
18.	Investment, diversification and production aid projects: commitments undertaken in 1969 (2nd EDF)

TABLE 1

NET SUMS COMMITTED IN 1968 AND RECAPITULATION SINCE 1 JUNE 1964 AASM + OVERALL OPERATIONS

		· · · · · · · · · · · · · · · · · · ·	'000 u.a.
Source	<u>Type of eid</u>	1 Jan. '69 -31 Dec. '69	1 Jun. '64 -31 Dec. '69
2nd EDF Grants	Investments	35 135	321 681
Grants	Related technical assistance and supervision	4 204	37 604
	Aids to production	6 292	90 107
	Aids to diversification	31 015	110 513
	General technical co-operation	1 151	36 696
-	Emergency aid ¹	-	2 964
	Administrative and miscellaneous expenses	843	1 635
	Total grants	78 638	601 200
2nd EDF	Investments	5 500	20 099
Special loans	kids to diversification	9 533	23 309
	Total special loans	15 033	43 408
2nd EDF Advances	Advances to stabilization funds	(1 000) ²	(12 619) ²
2nd EDF	TOTAL	93 671	644 608
EIB	Participation in the financing of investments	1 540	46 831
	GRAND TOTAL	95 211	691 4 <u>3</u> 9

¹ The emergency aid granted in 1969 (49 000 u.a.) was provided from an earlier project and so no figure is given here; the balance of the two operations is therefore nil.

² Not included in the total for commitments, as these are advances from the EDF's liquid assets.

TABLE 2

SUMS COMMITTED: BREAKDOWN BY SECTOR

	1 Jan. 69	-31 Dec.	69	1 June 8	otal 4-31 Desas	
Sectors	2nd IDF		of	2nd EDF	_ <u>EIB</u>	of
	'000 u.a	'000 u.a	aTutal	'000 u.a	'000 u.a	Total
Industrialization						
General Chemicals Manufacturing Agricultural and food industries Energy Mines Metal	34 - 3 907 18 511 - 20	34 1 013 527	* 1.0 4.2 17.5 -	2 192 4 179 7 012 21 115 982 20	2 430 2 633 14 173 4 050 20 000 1 215	0.3 0.3 1.0 3.0 3.5 2.9 0.2
	22 472	1 540	22.7	35 500	44 501	11.2
Rural production			<u> </u>			
General Plantations Agricultural improvement Settlements, co-operatives, guidance	- 15 769 2 134	6	- 15.2 2.0	930 84 822 54 826	-	0.1 11.9 7.7
etc. for rural population Structural improvement and iversification Stock-breeding (and fisheries) Marketing	573 28 698 376 50		0.6 27.5 0.4 *))1C4 764) 14 542 245		14.6 2.1 *
Price support	1 357	Star Radover (data, angle - a	1.3	40 71.3	~	5.7
	<u>48 957</u>		46.3	300 842		42.1
Transport and communications						1 (* 1
General Roads and bridges Railways Ports and inland waterways Telecommunications Airports	16 936 2 982	-	16.0	59 117 220 28 597 30 379 3 411 8 374	2 330	* 4.0 4.2 0.5 1.2
	19 918		18.8	188 040	2 330	26.6
Mater engineering, urban infrastructure						1
Rural water supply Urban water supply Urban drainage	4 027 42	-	 3.8 *	15 124 21 566 5 631		2.1 3.0 0.8
	4 069		3.8	42 321		5.9
Harlth investment technical assistance) Health comparison	1 444		1.4	25 002		3.5
Health campaigns				734		0.1

* Negligible.

.

TABLE 2 (contd.)

SUMS COMMITTED: BREAKDOWN BY SECTOR

<u></u>				. <u></u> .		• . •	· · · · · · · · · · · · · · · · · · ·	
£₩6 .		1 Jan. 69-31 Dec. 69			1 Jun. 64-31 Dec. 69			
	<u>Sectors</u>	Commission's Budget	2nd EDF	% of	Commission's Budget 2nd EDF	EIB	% 0±	
		'000 u.a.	•000 u.a	total	'000 u.a.	000	u.a. to	
The	ducation and training General Education infrastructure:		28	*	251	-	<u>×</u> .	
	general technical and vocational Specific vocational training projects and scrvices of		1 379	1.4	12 639 19 407	-	1.5 2.	
	instructors Scholarships In-service training	1 000 8	1 956 1 738 54	1.9 2.6 *	7 656 28 037 326		1.1 3. *	
	Symposia	0	150	0.1	939	-	0,1	
		1 008	5 305	6.0	69 255	-		
	iscellanecus (not related to ndividual sectors)					· .		
	Information, documentation Emergency aid Programming and general		- 49	*	353 1 849	-	. (
	technical assistance General surveys Administrative and financial		116 9	0.1	2 541 254	-	0.) *	
	costs Trade promotion		300	0.3	518 800	 	* 0.	
 . .			474	0.4	6 315		<u> </u>	
TC	2nd EDF Commission's budget TALS EIB	1 008 - 1 540	102 639	_	663 973 4 036	46 831		
GF	AND TOTAL	105	187	L00-0	714 84	10	100.0	
Ad	vances to stabilization funds		1 000		12 619			

* Negligible.

- NB: The amounts shown in this table are commitments originally undertaken for the various operations; they do not take into account either later adjustments (upward or downward) or technical and delegated supervision costs.
 - This explains the differences between the totals in Table 1 and those in Table 2 and the discrepancies between these two tables in respect of certain special types of operation (in particular price support). Table 2 also shows the amounts from the Commission's budget used for technical and financial co-operation.

SUMS COMMITTED: BREAKDOWN BY COUNTRY

RECAPITULATION 1 JUNE 1964 - 31 DECEMBER 1969

'000 u.a.

AASK	2nd	EDF	EIB	TOTAL	
9 AASA	Grants	Special loans	Ordinary loans		
Burundi	19 873			19 973	
Cameroon	40 645	14 522	9 518	64 685	
Central African Republic	25 562	227	, -	25 789	
Congo (Brazzaville)	20 785	-	9 000	29 785	
Congo (Kinshasa)	65 390	9 000		74 390	
Ivory Coast	45 870	11 328	11 642	68 840	
Dahomey	22 771			22 771	
Gabon	17 865	2 500	3 241	23 606	
Upper Volta	29 712			29 712	
Madagascar	66 502	1 862	-	68 364	
Mali	33 150			. 33 150	
Mauritania	15 552	2 754	11 000	29 306	
Niger	30 061			30 061	
Rwanda	18 449			18 449	
Senegal	60 421		2 430	62 851	
Somalia	27 136			27 136	
Chad	32 450	1 215	-	33 665	
Togo	19 329			19.329	
Sums not broken down by country ¹	9 577			9 577	
TOTAL	601 200	43 408	46 831	691 439	

¹ General surveys, scholarships, in-service training, symposia, general information, technical and delegated supervision, administrative and

financial costs.

ι.

TABLE 4

SUMS COMMITTED IN 1969 FOR SURVEYS, SERVICES OF EXPERTS

AND TECHNICAL ASSISTANCE RELATED TO INVESTMENTS

u.a.

<u>Sectors</u>	Separate technical assistance projects ^a	Technical assistance included in projects.	Total	Total <u>1 Jun. '64 -</u> <u>31 Dec. '69</u>
	1 Januar;	y - 31 December 1969		
Industrialization	92 000	1 270 000	1 362 000	4 221 000
Rural production	1 086 000	11 830 000	12 916 000	43 454 000
Transport and communications	335 000	41 000	376 000 👘	12 981 000
Water engineering, urban infrastructure	65 000	-	65 000	2 382 000
Health	390 000	20 000	410 000	3 839 000
Education and training	5.000	-	5 000	1 554 000
Miscellaneous	116 000	-	116 000	2 517 000
TOTAL	2 089 000	13 161 000	15 250 000	70 948 000

^a Including certain technical assistance operations under headings other than "technical co-operation related to investments", and also those financed with funds allocated to earlier projects.

		2nd EDF AND E			1000)u.a.
	1	AT 31 DEC. 196	<u>8</u>	A	T 31 DEC. 1969	
	Commitments	Contracts placed	Fayments	Commitments	Contracts	Payments
GRANTS (2nd EDF) FCR:		· · · · · · · · · · · · · · · · · · ·	· ·		-	
Investments	236 545	97 289	- 44 634	321 681	162 813	89 279
Technical assistance related to investments and supervision	33 395	23-699	18 245	37 604	34 468	25 491
Aids to production: Price support Structural improvement	8 <u>3 815</u> 30 890 52 925		<u>49_601</u> 23_069 26_532	90_107 29_301 60_806	<u>67_182</u> 28_602 38_580	<u>60_318</u> 24_9 35_3
Aids to diversification	79 579	38 851	28 155	110 513	53 671	40 639
General technical co-operation: Experts, general surveys and trade promotion Scholarships Symposia In-service training General information	<u>35_542</u> 8 832 25 419 702 244 345	14 148 702 244	534	25 970 798 261	29 718 6 925 21 468 798 261 266	18 7 60 2
Emergency aid	2 964	1 902	1 192	2 964	1 902	1 264
Advances to stabilization funds [¥] Financial and administrative costs	(11 703) 792	(4 535) 792	(3 619) ^a 770	(12 619) 1 635	(8 237) 1 635	(5 295) ^a 1 220
TOTAL GRANTS	522 632	244 211	161 410	601 200	351 389	243 767
LOANS (2nd EDF) CN SPECIAL TERMS FOR:			,			
Investments	14 599	1 215	827	20 099	14 599	1 215
Aids to diversification	13 776	6 482	536	23 309	13 549	1 618
IOTAL LOANS ON SPECIAL TERMS	28-375	7 697	1 363	43 408	28 148	.2 833
fotal from 2nd EDF	551 007	251 908	162 773	644 608	379 537	246 600
ETB LOANS	45 29 1		12 808	16 831	a ve de l'este de la construcción d	24 168

TABLE 6

· P

.

AIDS TO PRODUCTION

÷ •

FIVE-YEAR PROGRAMMES

	Price support		Structural improvement		Total	
	'000 u.a.	70 .	'000 u.a.	%	'000 u.a.	1/0
Camercon	1 702	21.7	6 1 37	78.3	7 839	100
Central African Republic	2 872	56.7	2 188	43.3	5 060	100
Dahomey	1 105	28.1	2 820	71.9	3 925	100
Modagascar	4 097	18.0	18 614	82.0	22 711	100
Mali	1 594	39.Ò	2 596	62.0	4 190	100
Niger	2 833	58.1	2 042	41.9	4 875	100
Senegal	15 283	43.6	19 737	56.4	35 025	100
Chad	4 177	100	-	-	4 1.77	100
Togo	863	26.8	2 363.	73.2	3 224	100
TOTAL	34 531	38.0	56 495	62.0	91 026	100

•

+000

٢

TABLE 7

AIDS TO PRODUCTION

CREDITS AVAILABLE UNDER THE FIVE-YEAR PROGRAMMES - BY PRODUCT

	Price support	Structural	Total
	a managar at the second to the second	improvement	
GROUNDNUTS			
Senegal Niger Cameroon Dahomey Togo Mali	15 288 2 522 1 702 674 335 215	19 737 1 735 810 604 838 932	35 025 4 275 2 512 1 278 1 173 1 147
	20 7 36	24 656	45 392=(49.9%)
Opfiee			
Madegascar Cameroon Central African Republic Togo Dahomey	158	6 677 3 666 1 209 697 55	6 835 3 666 1 209 697 55
	158	12 304	12 462=(13.7%
COTTON Chad Central African Republic Mali Cameroon Togo Dahomey Madagascar Niger	$ \begin{array}{r} 4 \ 177 \\ 2 \ 872 \\ 1 \ 379 \\ 478 \\ 294 \\ 31.1 \\ 9 \ 511 \\ \end{array} $	979 1 318 1 661 756 618 696 307 6 335	$ \begin{array}{c} 4 \ 177 \\ 3 \ 851 \\ 2 \ 697 \\ 1 \ 661 \\ 1 \ 234 \\ 912 \\ 696 \\ 618 \\ \hline 15 \ 846=(17.4\%) \end{array} $
<u>NCE</u> Madagascer Mali	2 773	10 969 346 11 315	$ \begin{array}{r} 13 742 \\ 346 \\ 14 088 = (15.5\%) \end{array} $
IL PALMS Dahomey Togo		1 426	$ \begin{array}{c} 1 426 \\ 50 \\ 1 476=(1.6\%) \end{array} $
Modagascar	1 166		1 438=(1.5%)
OCONUTS Dahomey Togo	1.37	117 70	254 70
	137		324=(0.4%)
OTAL	34 531	56 495	91 026=(100%)

TABLE 8

AIDS TO PRODUCTION

ANN

ANNUAL INSTALMENTS APPROVED 1 JANUARY-31 DECEMBER 1969

Sums originally committed - by product

+000 u.a.

· _	··									
			instalment			instalmer			Total	
		Price support	Structu- ral im- provement	Total		Structu- ral im- provement	1	Price support		
	<u>DAHOMEY</u> Oil palms Groundnuts Cotton Coconut palms Coffee					456 29 412 33 11 941	456 29 412 33 11 941		456 29 412 33 11 941	456 29 412 33 11 911
	MADAGASCAR ¹ Coffee Pepper Rice Cotton		2 174 90 5 714 128	2 174 90 5 714 128					2 174 90 5 714 128	2 174
		_	8 106	3 106					8 106	8 166
	MALI Cotton Groundnuts Rice			-		996 46 404	996 46 404		996 46 404	995 46 404
				-		1 446	1 446		1 446	1 416
	<u>SENEGAL</u> Groundnuts	-		-	891	6 149	7 040	891	6 149	<u>7 0</u> 40
	<u>CHAD</u> Cotton				466	; 	466	466	-	46
È.		1	,	!	1	. ·				•

1 This instalment is for two years.

· · ·

, A.

 ~ 1

. .

Table 9

AIDS TO PROPUCTION

PRICE SUPPORT

.

Financial situation at 31 December 1969

.

'000 u.e.

	Funds committed	Payments made or in process
این از میروند. بین با این میروند به این بین بین بین بین بین بین بین بین بین ب		
Cameroon	572	173
Central African Republic	2 653	2 653
Dahomey	777	430
Madagascar	2 584	1 380
Mali	_	-
Niger	2 924	1 340
Senegal	14 747	14 708
Chad	4 176	3 431
Togo	868	512
TOTAL:	29 301	24 973

TABLE 10

AIDS TO PRODUCTION

TREND OF COMMODITY PRICES

Frs. CFA.

Product: COTTON

fob prices per kg of cotton fibre

			*			· · ·	•
-	Country	Prices	lst instel- ment	2nd instal- ment	3rd instal- ment	4th instal- ment	5th instal- ment
2	CENTRAL AFRICAN REPUBLIC	Target price Forecast selling price Actual selling price	160. 1 00 138. 518 136. 889	1.49.50 135.50 132.359	1.47 .10 132.50 126.889	133 122: 124•233	133 128 -
	DAHOMEY	Target price Forecast selling price Actual selling price	1 38.8 17 128.363 121.604	137.035 127.573 121.046	135.235 124.235 129.849 ^p	132.750 130	131.130 131.130
÷	MALT	Target price Forecast selling pr ce Actual selling price	150.34 143.50 150.128 ^p	141.23	148.50 143.50 	147.50 143.50	143.50 143.50
	NIGER	Target price Forccast selling price Actual selling price	145 137 143•403	125	141.50 128 130.92	133 137 	137 137 _1
	CHAD	Target price Forccast selling price Actual selling price	153.304 141 136.962	147.508 141 130.702	141.882 136.815 137.645 ^p	143.385 141 	141 141
	TOGO	Target price Forecast selling price Actual selling price	130.50 118 123.285	127.50 118 108.50	124.60 118 111.22	123.20 118 114.896	120 .20 116

Product: SHRENDED COCONUT

fob prices per kg

cif prices per kg

DAHOMEY Target price 87 82 77 72 6 Forecast selling price 63 63 63 63 63 63 63 63 63 63 63 63 63	
---	--

PALM OIL Product:

-	<u> </u>							t.
	TOCO	Target price	58	51.50	57	56	55	
1		Forecast selling price	54	54	.541	541	54-j	
. •		Actual selling price	60.247	51.943	·	* .		
		1					استعمد بمرجع مستعربيت وسيمه	Į .

p = provisional.
l
For these instalments price support no longer requested.

TABLE 10 (contd.1)

AIDS TO PRODUCTION

TREND OF COMMODITY PRICES

. • .	
roduct:	GROUNDNUTS

Ρ

cif prices per kg (shelled)

Country	Prices	lst instal- ment		3rd instal- ment		5th instal- ment
CAMEROON	Target price Forecast selling price Actual selling price	51 42.50 48.775	49 42.50 48.154	49 44 48	48 45 _p 39 ^p	46 38
DAHOMEY	Target price Forecast selling price Actual selling price	51.50 47 50.193	49.50 44 45.13	48.33 44 45.48	45.50 40	43.50 42
MALI	Target price Forecast selling price Actual selling price	43.95 42.70 47.31 ^p	43.59 42.70 47.04 ^p	43.24 42.70	42.90 42.70	42.57 42.70
NIGER	Target price Forecast selling price Actual selling price	50.05 48.43 47.937	46.50 44 45.59	48.415 47.656 47.657 ^p	41.72 38.50 38.50 ^p	44 44 ₁
SENEGAL	Target price Forecast selling price Actual selling price	52.50 49.50 49.55	49.75 48.75 France 44 othe countrie 48.75	er -	46.25 39 39.859 ¹	46 46
34 34 34 34 34 34 34 34 34 34 34 34 34 3			France 44.85 other countrie			
TOGO	Target price Forecast selling price Actual selling price	51.50 46.11 46.254	49.50 45 45.696	46.50 43 45.395	46 43 37.004	45 43
Product:	COFFTE			cif	prices per	r kg
MADAGAS- CAR	Target price Forecast selling price Actual selling price			128.141 130.263 ₁	128.141	128.141

p = provisional.
l
For these instalments price support no longer requested. γ .

TABLE 10 (contd. 2)

AIDS TO PRODUCTION TREND OF COMMODITY PRICES

Product: RICE

cif prices per kg

<u>Country</u>	Frices	<u>1st instel-</u> ment	<u>2nd instal-</u> <u>ment</u>	<u>3rd instal</u> <u>ment</u>	<u>4th instal-</u> ment	<u>5th instal.</u> <u>ment</u>
MADAGAS- CAR	Target price	61.565	55•172°	49.840	45.672	41.350
UAR	Forecast selling price	41.254	41.270	41.290	41.330	41.350
	Actual selling price	50.362	41.250 ^p	•••		1

Product: PEFPER

cif prices per kg

MADAGAS- CAR	Target price	217.095	206.247	195.450	180	180
SAN	Forecast selling price	180	180	180	180	180
-29 ⁴⁷ - 1	Actual selling price	192.824	189.500 ^p	175•484	1	1

p = provisional

¹ For these instalments price support no longer requested.

3120/VIII/FED/70-E

tono'

TABLE 11

AIDS TO PRODUCTION

STRUCTURAL IMPROVEMENTS

Financial situation at 31 December 1967

	Suppli	Les	Works	5	Advis	sers	Miscella	meous
	Funds committed	Fayments made or in process	Funds committed	Payments made or in process	Funds committed	Payments made or in process	Funds committed	Peyment mede or in process
Cameroon	4 670	3 943	51,7	279			1 399	1 386
Central African Republic	2 078	1 934	-	_	-	-	324	324
Dahomey	1.499	1 036	786	251	546	370	309	291
Madagascar	2 883	1 342	5 066	2 614	9 734	4 638	2 391	1 732
Meli	3 C28	2 856	360	96	763	491	-	-
Niger	545	234	708	245	584	206	107	96
Senegal	6 362	4 579	5 817	466	3 818	2 926	4 278	4 051
Ched		-		-	-			-
Togo	860	370	711	322	333	18	330	179
TOTAL	21 925	16 294	13 965	4 273	15 778	8 699	9 1 38	8.062.

•*

SCHOLARSHIP HOLDERS FROM THE AASM (1968/69) BY HOME COUNTRY AND COUNTRY OF STUDY

Home country Burundi Cameroon Central African Republic Congo (Brazzaville) Congo (Kinchasa)	2 6	පී I 65	9 16 France	9.1 Italy	1 I Luxembourg	N Netherlands	2 Burundi	Gameroon	l Central African Republic	Congo (Brazzaville)	Econgo (Kinshasa)	Ivory Coast	Dahomey	Gabon	Upper Volta	Madagascar	Mali	Mauritania	Niger	Rwanda		r Chad	1 Togo	Tawal
Eurundi Cameroon 1 Central African Republic 4 Congo (Brazzaville) Congo (Kinchasa) 132	1 ⁻ 4 ⁻	19 12	61	6		1	25		-	_	4	, 									1 i j		_	
Dahomey 1 Gabon Upper Volta Madagascar Mali Mauritania Niger Rwanda 3 Senegal 1 Somalia Chad	156531230 3017	49 4 6 - 8 5 1 - 6 5 - 4 9 - 8 - - - 8 - - 8 - 8 - - 8 - - 8 - 8 - 8 - 8 - 8 - 8 - 8 - 8 - 8 - 8 - 8 - 8 - - 8 - - 8 - - 8 - - - 8 - - 8 - - 8 - 8 - 8 - 8 - 8 - 8 - 8 - 8 - 8 - - 8 - - 8 - - 8 - - - - - - - - - - - - - -	510863044415	- 332376742133235 1576742133235				79 10 11 6 3 2 - 12 2 1 - 12 - - - - - - - - - - - -	8			- 16-871539-945-141	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	21			1 1 1 1 1 1 1 1 20 1 1 1 4				1 1 2 4 1 1 1 3 1 7 1 8 2		8 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	
Total (by country 30 of study)	02 2	266 2	261	283	13	11	25	168	 9	-	131	290	17	21	47			56	21	35	68	35	8	1
		-ملتحمة م	1 13		<u> </u>			. 		·		.9	75			25		•						1

SCHOLARSHIP HOLDERS FROM THE AASM (1968/69)

BY HOME COUNTRY AND TYPE OF TRAINING

Home country	Economics	Agriculture	Technical	Occupations for women	Total
Burundi	37	31	78	8	154
Cameroon	77	41	47	17	182
Central African Republic	10	-	28	1	39
Congo (Brazzaville)	17	9	1.1	-	37
Congo (Kinshasa)	66	125	162	8	361
Ivory Coast	29	44	50	58	181
Dahomey	17	30	13	37	97
Gabon	7	21	9	1	38
Upper Volta	33	21 .	31	71	156
Madagascar	48	13	22	11	94
Mali	23	21	5	2	51
Mauritania	2 ·	. 4 .	59		65
Niger	18	16	35	22 .	91
Rwanda	37	37	55	14	143
Senegal	19	24	23	29	. 95
Scmalia	50	36	83	-	169
Chad	15	25	39	8	87
Togo	27	27	25	36	115
Total	532	525	· 775	323	2 155
Percentages		sa 2			1 ()
1968/69	24.7	24.3	36.0	15.0	100.0
1967/68	25.6	25.6	36.4	12.4	100.0
1966/67	27.8	25.7	34.7	11.8	100.0
1965/66	24.8	22.9	41.5	10.8	100.0
1964/65	25.9	16.8	42.7	14.6	100.0

-

_____i

RESULTS OBTAINED BY TYPE AND LEVEL OF TRAINING

(1968/69, in %)

	TYPE	ECO	NOMICS	AGRIC	ULTURE	TEC	HNICAL		PATIONS WOMEN	TOTAL E	BY LEVEL
LEVEL		Passes	Failures	Passes	Failures	Passes	Failures	Passes	Failures	Passes	Failures
Vocational		-	-	40.0	60.0	90.3	9.7	_	-	88.0	12.0
Intermediate		84.6	15.4	92.2	7.8	79.1	20.9	.	-	83.8	16.2
Higher		84.9	15.1	71.9	28.1	83.4	16.6	—	-	79•7	20.3
Total by type		84.8	15.2	76.6	23.4	82.8	17.2	85.4	14.6		<

· .

Overall percentages:PassesFailures82.217.8

3 VILL/FED/70-I

TABLE 14

SCHOLARSHIFS HELD FOR TRAINING BY CORRESPONDENCE COURSE

(1968/69)

AASM	Economics	Agriculture	Technical	Total
Burundi	24	12	9	45
Cameroon	168	13	100	281
Contral African Republic	16		9	81
Congo (Brazzaville)	66	7	44	117
Congo (Kinshasa)	46	3	77	126
Ivory Coast	65	20	138	223
Dahomey	12	65	16	93
Gabon	26	3	19	48
Upper Volta	78	23	79	+ 180
Madagascar	119	26	71	216
Mali	10	63	· - ·	73
Mauritania	8	. 1		.10
Niger	203	-	2	205
Rwanda	33	8	10	51
Senegal	7	3	26	: 35
Somalia	-	. .	-	
Chad	4	94	2	100
Togo 💥	68	8	20	96
Total	953	405	623	1 981
Percentage	48.1	20.5	31.4	100

BREAKDOWN BY LEVEL

:

844441499 844444444444444444444444444444	Vocational	Intermediate	Higher	Total
	922	853	206	1 981
Percentage	46.5	43.1	10.4	100

•

ADVANCES TO STABILIZATION FUNDS

GRANTED UNDER THE YACUNDE CONVENTION

Situation at 31 December u.a.

3120/VIII/F TABLE 16

Country	Product	Amount	Date of contract	Deadline for reimbursement		Am	ount	
	,	granted	CONSPICE	reimoursement	Mcbilized	Date	Reimbursed	Date
CAMEROCN	Cocoa	6 076 490	30.3.1966	1.7.1968	916 472	13.12.1966	916 472 ¹	11.2.1967
SENEGAL	Groundnuts	8 709 628	1.10.1968	31.5.1969	1 619 330 1 999 618 2 249 813 5 868 761 ²	15.10.1968) 31.10.1968) 20.1.1969)	2.025 497	5.8.1969
ocam ³	Sugar	1 227 451	still to be signed	31.5.1971	· • · · ·	_	-	-
CHAD BURUNDI	Cotton Coffee	1 7.66 233⁴ 1 000 000	1C.11.1969 still to be signed	31.12.1971 1.4.1972	1 452 718 -	12.12.1969 -	-	-

¹ The improvement in cocoa prices enabled the Fund to reimburse the advance earlier.

² Amount advanced at 28 February 1969.

³ Advance guaranteed by Madagascar and Congo (Brazzaville).

4 Amount reduced to 1 510 204 u.a. in the contract (corresponding to guarantee provided by the State).

3120/VIII,

TABLE 17

RESIDENT DUPUTY SUPERVISORS AND TECHNICAL SUPERVISORS

FOR THE EXECUTION OF TEE-FINANCED PROJECTS IN THE

AASM

(Situation at 31 December 1969)¹

Duty Country station origin	Germany	Belgium	France	Italy	Luxem- bourg	Nether- lands	TOTAL
Burundi	1.	1	1	1			4
Cameroon	2	1	5				8
Central African Republic	1			1	. 6	1	9
Congo (Brazzaville)	1		3 :	1	 : .		5 .:
Congo (Kinshasa)	1	3	1		ч -		5
Ivory Coast	4		1	1		1	6
Dahomey	1	1	1		- 	1	4
Gabon			1	1	· .	1	3
Upper Volta		2		4 9	· · ·		6
Medagascar		4	5				9
Mali	2	1	1				4
Mauritania	1		' l	1 1			3
Niger	4			1.	•		5
Rwanda.	1	1				1 .	3
Senegal	1	2	1 .	1	. `1	1	7
Somalia	1			2 🗟			3
Ched	-4		1				5
Togo	· -	1	1	1			3
TOTAL	25	17	22	15	7	6	92

1 The difference between the present situation and that at 31 December 1968 (94 supervisors) arises from the resignation of one supervisor (Ivery Coast), who will be replaced at the beginning of 1970, and the expiry of a supervisor's contract in Somalia (project completed).

² The staff of consultant firms are assumed to be nationals of the country of their employers.



INVESTMENT, DIVERSIFICATION AND PRODUCTION AID PROJECTS

÷.,

•••

COMMITMENTS UNDERTAKEN IN 1969 (2nd EDF)

1) INDUSTRIALIZATION

COUNTRY AND REGISTRATION NO	TITLE	FURFOSE	PLACE	TECHNICAL ASSIST. INVCLVED in u.a.	$\begin{array}{c} \underline{TOTAL}\\ \underline{COST}\\ in u.a. \end{array}$	NOTES
BURUNDI 211.001.27	500 ha of tea planta- tions plus tea factory and power supply	Extra financing required because of the choice of a different kind of equipment and changes in the design of the hydroelectric generating plant	R∀EGURA		307 000	
CONGO (KINSHASA) 215.004.28 221.004.28 225.004.28	Hydroelectric scheme at Inga	Supply and construction of a high-voltage electric grid and construction of 7 transformer stations	CENTRAL CONGO FROVINCE (KINSHASA) 4 million inhabitants	(1 100 00C = 6%)	18 000 000 (of which 9 000 000 u.a. = loan on special terms)	Total cost of the scheme is 44 million u.a., to which Italian bilateral aid is also contributing
UPPER VOLTA 215.009.31	house at Ouagadougou	Construction and equipping of a new slaughterhouse plus the financing of TA (to organize the work of the slaughterhouse and train local supervisory staff)	OUAGADOUGOU	$\begin{array}{r} \text{Fre-TA} + \\ \text{CTA} \\ (170 \ 000 \\ = 8\%) \end{array}$	2 107 000	
NADAGASCAR 215.010.44 225.010.44	house at Tananarive	Construction of a new slaughterhouse, including the installation of slaughter lines, the provi- sion of refrigeration equipment and of storage and transport facilities	TANANARIVE) 1 1	3 310 000 of which 862 000 = oan on special terms	
215.013.28 r		Provision of storage facilities for the mill	ZINDER			tench bilderal a and the UN are a contributing to his scheme

· ~~,

1 TA = Technical Assistance CTA = Concercent Technical Assistance

145 16

Pre.TA = Pre-investment Technical Assistance Fost.TA = Post-investment Technical Assistance S = Works supervisio



3120/VIII/FED/70-E TABLE 18 (contd. 1)

-

2) WATER ENGINEERING

COUNTRY AND REGISTRATION NO.	TITLE	PURFOSE	PLACE	<u>TECHNICAL</u> ASSIST. INVOLVED in u.a.	TOTAL COST in u.a.	NOTES
MALI 211.011.35	Improvement of the water supply at Bamako	Construction of a new water catchment point in the Niger, a pumping station, an additional reservoir, and the supply and laying of water mains	BAMAKO Senou airport		2 384 000	Completion of the first part of an emergency programme to improve and increase the town's supply and storage of water
NIGER. 211.013.27	Water surply at Tahoua, Filingué and Birni N'Konni	Borings, installation of water towers and generating plant; provision of distribution networks	Tahoua, Filingué Birni N'Konni		1 620 000	Supply of water for livestock to

3) EDUCATION

NIGER 211.013.26		Construction and fitting out of a building for the training	Niamey	640 000	Existing buildin put up by the
211.019.20		of office staff and medium-			FAC
		grade civil engineering cadres			
RWANDA					•
211.014.42	Institut Redagogique	Building of administrative	Butare	734 000	
	National at Butare	premises, classrooms, work-			ance (teachers)
		shops, dormitories and a			provided by the
1. A C		multi-purpose hall			Special Fund until 1973

312C/VIII/FED/70-E TABLE 18 (contd. 2)

· · · · · · · · · · · · · · · · · · ·						
COUNTRY AND REGISTRATION NO.	TITLE	PURPOSE	PLACE	TECHNICAL ASSIST. INVOLVED in u.a.	$\frac{\text{TOTAL}}{\text{COST}}$ in u.a.	NOTES
IVORY COAST 211.006.18	Equipment for the National Institute of Public Health	Equipment e.g. furniture, medical and audio-visual equipment, equipment for living quarters	ABIDJAN, and indirectly all Ivory Coast		365 000	The Institute was partly financed by tl first EDF
MALI 211.011.36	Regional Health Centre at Mopti	Rebuilding and reorgani- zation of a complex of buildings for the Health Services	Town of MOPTI (56 OCO inhabitants)	Pre.TA (20 000 = 4%)	446 000	Pre.TA mainly for preparation of call for tenders
CHAD 211.017.39	Further improvements to the hospital at Fort Lamy	Additional water puri- fication and drainage system, improvement of electricity distribution system	FORT LAMY		243 000	The hospital has already received financial aid from the EDF (1964: 1 264 000 u.a

4) <u>HEALTH</u>

31 VIII/FEL/AC-E TABLE 18 (contd. 3a) 5) THANSFORT AND COMMUNICATIONS

COUNTRY AND TECHNICAL TOTAL REGISTRATION NO. NOTES TITLE FURPOSE PLACE ACSIST. COST INVCLVED in u.a. in u.a. Repair and asphalting Improvement of 54 km of 2 806 000 BURUNDI Provinces This scheme forms 211.001.28 National Road 2 of the Muramvyaof Murampart of the road section of the Gitega road vya and Burundi 5-year pla Gitega -Earlier work on th (approx. R.N. 2 was finance 900 COC by the EDF in 1959 inhabitants) and 1962 South-CENTRAL AFRICAN Construction and Port installations 450 000 The project will (quay wall, sheds), western REPUBLIC equipping of the help forestry region 215.003.33 port of Nola embankments.etc. 211.003.34 South-1 090 000 Ditto. River fleet for the Construction of a western 215.003.34 Upper Sangha fleet of pusher-tugs and shallow-draught region barges CONGO Purchase of a 1 337 000 Project further Provision of equipment BRAZZAVILLE) dredger for the to another EDF project (2 berths) 211.005.20 port of Fointe-Noire Also special loan 2 500 000 GABON Lower Obiga-Building of a section Central 211.006.06 (loan on from the EIB. The Wagny road of the road between and southspecial terms) project will help Lower Chiga and eastern forestry Lastourville region UPPER Modernization of Improvement and South-Pre.TA Makes accessible a region to be developed under the 1967-1970 plan land also VOLTA esphalting of first the Ouagadougoueastern 41 000 = 3 229 000 211.009.30 Koupela road (1st section of about 100 km region (more 1.3%) instalment) than 500 000 increases contacts with neighbouring inhabitants) States

			•	:	÷	
· .	, 1 [°] 4				:**	

3120/VIC/FED/70-E

TABLE 18 (contd. 3b)

. .

5) TRANSPORT AND COMMUNICATIONS (contd.)

			(000000.)	- -	
NIGER 211.013.29	Modernization of the Niamey-Zinder road	Improvement and asphalting of a section of about 113 km	Western and eastern region		The EDF has alread provided financial aid for the road (since 1962)
211.013.18	Widening of the Dosso- Gaya road	Widening of the road from 3.50 m to 6 m	Southern region		Further financial aid, in addition t the 1967 EDF schem to take into accou new technical and economic circum- stances
TOGO 211.018.15	Atakpamé-Badou road	Completion of improvements and asphalting	Plateaux region		Continuation of work done under th 1st and 2nd EDFs since 1964
211.018.18	Modernization of the Tsévié-Atakpamé road (1st instalment)	Asphalting of an 85 km- section of road	Northern Togo (300 COO inhabitants)		Continuation of earlier EDF scheme Road running paral to a railway which scheduled to disap

÷ . . .

	in a line of	· · · · ·		3120/VIII/FED/70-E
			· · ·	TABLE 18 (contd. 4a)
	6) RURAL PRODUCTION		۰ ۰	
			<u> </u>	

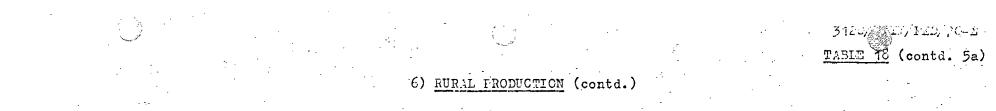
CCUNTRY AND REGISTRATION NO.	<u>TITLE</u>	PRODUCT	PURFOSE	PLACE	TECHNICAL ASSIST. INVCLVED in u.a.	TOTAL COST in u.a.	<u>NOTES</u>
BURUNDI 211.001.29	Extension of tea- growing areas around Teza (1st instalment)	Tea	500 ha toa-plantations, training, setting up of social and economic infrastructure and supply of equipment and products	TEZA	CTA (approx. 20C COO = 61%)	328 000	Partial finan- cing (1/3)of total project
CONGO (KINSHASA) 211.CO4.31	Promotion of tea growing in Kivu	Tea	2 industrial-scale planta- tions of 2CO ha each and 300 ha of village planta- tions, plus modernization of 2 tea factories	KIVU	Pre.TA (1 775 000 = 40%)		This project forms part of a regional agricultural programme financed from numerous external aid sources
211.004.31	motion in Ubengui	Palm	A 3 100 ha oil-palm planta- tion and 2 450 ha of cocoa trees; cocoa-packing plant	UBAN- GUI	CTA (2 262 000 = 34%)	6 715 000	Ditto
IVORY COAST 215.006.20 225.006.20	Development of cotton production		Rationalization of cotton growing, supply of indus- trial equipment for storage and processing of cotton	Central and north- ern regions	CTA (4 638 000 = 73%)	6 309 000 (of which 1 671 000 = loan on special terms)	

3120/VIII FED/70-E TABLE 18 (conta. 46)

6) RURAL PRODUCTION (contd.)

st. ∫^{*}.

×			a subject to		· -	TABLE	10 (conta. 46)
· · · · ·			6) <u>RURAL PRODUCTION</u> (cont	a.)		, v.*	
DAHOMEY 215.007.21	Aid to production (5th instalment)	Oil palms Cotton Coconut palms Coffee	Supervisors and advi- sory service; distri- bution of fertilizers, insecticides and selected seeds, construction of sheds, improvement of tracks	Various	•	941 000	
MADAGASCAR 215.110.41	Aid to production (4th and 5th instalments)	Coffee Pepper Rice Cotton	Structural improvement	Various		8 106 000	
211.010.43 215.010.43	Tea research station in the Hauts Plateaux area	Tea	Experimental station near Fianarantsoa for research into conditions and methods of growing tea and industrial utilization	Hauts Plateaux area	CTA (93 000 = 24%)	385 000	Research programm aimed at the setti up of industrial and village plant tions. This is t continuation of a earlier FED schem
MALI 215.011.38	Development of tobacco growing in the Upper Niger Valley	Tobacco	Progressive planting of 300 ha of tobacco for cultivation by peasants; provision of supervisors and supply of equipment	Upper Niger Valley	CTA (179 000 = 33%)	537 000	The tobacco pro- duced will go to the cigarette factory nearby
214.011.39	Aid to production (5th instalment)	Cotton Groundnuts Rice	Structural improvement	Various		1 445 0C0	



MAURITANIA 215.012.17	10 small rice plantations	Rice	Construction of an irri- gation network, building site equipment, prepara- tion of 350 ha	Lower Senegal Valley (17 00C inhabi- tants)	CTA (81 000 = 30%)	271 000	Agricultural co-operativ
NIGER 215.013.30	Rice-growing improvement schemes in the Niger Valley	Rice	Irrigation scheme and fish traps to prevent rice-eating fish from entering the rice fields	Karma basin and the Zinder canton (approx. 12 000 inhabi- tants)		292 000	
RWANDA 211.014.40 215.014.40	Introduction of tea growing in village area	Tea	500 ha of tea planta- tions, technical assist- ance, infrastructure for transporting the harvest, supply of materials	Cyangugu prefect- ure	CTA (369 000 = 37%)	992 000	
SENEGAL 215.015.25	Improvement of millet	•	Agricultural research programme to obtain more productive varieties of millet		CTA (410 000 = 34%)	1 205 000	Continuation of a project started by Senegal and ORSTOM which, if succes- ful, will benefit the neighbouring Savanna states
215.015.26	Development of groundnut pro- duction for direct consump- tion		Planting of an extra 7 300 ha. Supervisors, technical advisory service, supply of materials and equipment	Siné- Saloum region (123 COO inhabi- tants)	CTA (291 000 = 26%)	1 134 000	Extension of current Senegalese-financed programme

	· · ·		· · · · · ·	6) RURAL PRODUCTIO	DN (contd.)			3120/VIII/FED/70-E TABLE 18 (contd. 5b
-		· · ·						
	215.015.28	Aid to production (5th instalment)	Ground- nuts	Price support. Struc- tural improvement			7 C41 OCO	
na ber naturkter er an er en en en den som den som etter i er er fører det som er e	215 .015.29	Development of rice growing	Rice	Introduction of up- land rice for culti- vation by peasants, and advisory service; development of irri- gated rice production by small-scale irri- gation systems	Continental Casamance	CTA (812 000 = 47%)	1 732 000	
	215.015.30	Development of cotton growing	Cotton	Planting of a further 5 700 ha	Upper Casamance, Eastern Senegal, Siné- Saloum	CTA (105 000 = 14%)	770 000	Further to earlier EDF schemes (1965 and 1967)
1	SCMALIA 215.016.28	Flant propagation station, training of personnel for agriculture and livestock-rearing	Grape- fruit	Froduction and distri- bution of about 35 000 selected seedlings in order to plant a further 1 500 ha	Genale	CTA and Post.TA (120 000 = 23%)	527 000	Includes training after completion of the project

.

· .

. :		6)	RURAL PRODUCTION (contd.)	}			0/VIII/FED/70-E LE 18 (contd. 6)
CHAD 214.017.40	Aid to production (5th instalment)	Cotton	Price support			466 000	
211.017.41	Improvement of cotton preduction (1970/71 crop year)	Cotton	Treatment of 60 000 ha of cotton, financing of 41% of supply of fertilizers and insecticides, seed dis- infection, storage faci- lities, purchase of vehicles			906 000	Provision of supervisors will be financed by French lateral aid. Extend of aid granted similar
TOGO 212.818.14	Agricultural development programme	Food- crops Live- stock	Development programme covering 37 540 sq. km: including technical assist- ance, livestock health facilities, applied agri- cultural research, improve- ments in communications	Central and Platcaux regions (6CO COO inhabi- tants)	CTA and Fre.TA (414 000 = 54%)	760 000	This is one of th regional programm making up the Tog development plan
215.018.17	Planting of 3 000 ha of selected palm trees	Palm oil Palm- kernel oil	1 500 ha of village plan- tations and 1 500 ha of industrial plantations. Financing of supervisors until 1973	Southern region	Pre.TA (81 000 = 4%)	2 160 000	In part the scheme supplements a 1st EDF project; a re- investment fund is to be set up