

EUROPEAN ECONOMIC COMMUNITY
Official Spokesman
of the Commission

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PRESS RELEASE

European Development Fund: 9 more projects financed
totalling about 15 million units of account

On 22 December the EEC Commission approved the financing by EDF grants of nine new projects; these had been endorsed by the EDF Committee at its thirteenth meeting on 14 December 1965 and will cost 14 995 000 units of account (= US dollars). They are the following:

1. Second annual tranche of production aid programme in Niger: Frs. CFA 439 571 000 or some 1 781 000 u.a. This instalment will be used for price support of groundnuts and cotton and for structural improvement.
2. Extension of secondary school for girls at Cotonou in Dahomey: Frs. CFA 95 million or some 385 000 u.a. New classrooms and dormitories will be built and equipped for the principal girls' secondary school in Dahomey as the premises are now inadequate.
3. Building and equipping of Ampefiloha hospital, Tananarive, Madagascar: 1 625 million Malagasy francs or about 6 583 000 u.a. The project is to substitute a fully equipped new building for the capital's old hospital, which falls far short of modern standards and needs. Part of this hospital will be retained and renovated. The EDF grant is the largest contribution to a joint operation intended to put the entire hospital system in Tananarive and the province on a proper footing.
4. Inter-African Statistical Training Centre at Yaoundé, Cameroon: Frs. CFA 61 million or some 247 000 u.a. The object is to extend the Centre, which was founded in 1961 and is attended by a growing number of students from various countries in French-speaking Africa, in particular central Africa. The training of statisticians comes under the heading of specialized schools which benefit several countries and make it possible to avoid the considerable expenditure and adjustment difficulties involved in sending students to Europe.

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5. Supplementary aid to revive the National Institute of Agricultural Studies in the Congo (Leopoldville) - INEAC: 117 750 000 Congolese francs or 785 000 u.a. Equipment will be provided for the eight main INEAC stations that are accessible at present and temporary technical assistance will be given by seconding two experts for five years to the Institute's Directorate-General and Advisory Scientific Council.

6. 500 hectares for tea-plantations at Tera in Burundi: 192.5 million Burundi francs or some 2.2 million u.a. This scheme is the first submitted under Burundi's five-year diversification plan and concerns the planting of 300 ha. of tea on an industrial scale and 200 ha. divided into family holdings. The project comes after two other tea-plantation schemes in Burundi which were financed by the first EDF. Tea planting was started in Burundi following a survey carried out in 1961 with help from the first EDF.

7. Two agricultural improvement studies in Madagascar: 70 million Malagasy francs or some 284 000 u.a. The two studies concern the cultivation of two oil-yielding plants in Madagascar, the coconut palm and the oil palm, and will facilitate the preparation of a 2 100-ha. coconut plantation and a 3 000-ha. plantation of oil palms. This technical assistance and investment project is the first to be financed under Madagascar's five-year diversification plan.

8. Building of the M'Banga-Kumba railway (Ediki-Kumba section) in Cameroon: Frs. CFA 279 million or some 1 130 000 u.a. A 13.7-km. railway will be built to link the federated states of East Cameroon and West Cameroon.

9. Emergency aid to the Somali Republic to run the Mogadishu General Hospital up to 30 June 1967 : 11 425 000 SoSh. or about 1 600 000 u.a.

The new projects bring the second EDF's total commitments, since it began to operate in July 1964, to 207 115 000 units of account by 103 financing decisions.

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Annexe : I

Niger: second annual tranche of programme of aid
to production

On 22 December 1965 the EEC Commission approved the financing by grants from the second European Development Fund (EDF) of the second instalment of the five-year programme of aid to production in Niger. This instalment, which had been endorsed by the EDF Committee at its thirteenth meeting, will cost Frs. CFA 439 571 000 or some 1 781 000 units of account. (= US dollars).

The Commission had taken formal note of the five-year plan in December 1964 and had fixed the amount of the first instalment at Frs. CFA 231 875 000. As the price trend of groundnuts has been relatively favourable and as it has been difficult to provide supervisory personnel for agricultural schemes, a number of operations planned for the first year were not carried out and the corresponding amounts have been carried over to the second year.

In view of these sums the second instalment will be used for price support of Niger's two main products: groundnuts (Frs. CFA 237 500 000) and cotton (Frs. CFA 19 782 000). By the end of the five-year plan it should be possible to market both products at world prices. The balance, earmarked for structural improvement (Frs. CFA 139 208 000 for groundnuts and Frs. CFA 43 081 000 for cotton) will be used to finance various operations, such as encouraging wider use of selected seed, animal-drawn tilling, etc., application of fertilizers, weed and pest control, and building and equipping co-operatives.

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Annexe : II

Extension of secondary school for girls at Cotonou
in Dahomey

On 22 December 1965 the EEC Commission approved the financing by grants from the second European Development Fund (EDF) of a social investment project in Dahomey. The scheme, which had been endorsed by the EDF Committee at its thirteenth meeting, will cost Frs. CFA 95 million or some 385 000 units of account (= US dollars).

An extension will be built and equipped for the girls' secondary school in the capital of Dahomey. At present the building contains only 14 class-rooms and a boarding establishment for 175 pupils. An advanced mathematics and applied science class will be opened and the number of classes in the upper school will be doubled to cope with the intake from the middle school, which has already been divided into two streams. The Cotonou secondary school is the only one in the whole of Dahomey that takes girls to baccalauréat level. For this reason a further 80-bed dormitory will be built to take the best pupils from the numerous schools in the area, none of which go beyond the third class.

Dahomey has already received aid for its education programme from the first EDF, which in 1963 financed a lycée at Parakou, a secondary school for girls at Abomey and 20 primary schools in various parts of the country.

Annexe : III

Ampefiloha hospital, Tananarive, Madagascar

On 22 December 1965 the EEC Commission decided to finance a social project in the Malagasy Republic by grants from the second European Development Fund. The project, - estimated to cost 1 625 million Malagasy francs or about 6 583 000 u.s. (= US dollars), had been endorsed by the EDF Committee at its thirteenth meeting.

The project is to substitute a fully equipped new building for the hospital in the Befelatanana district of Tananarive, which is quite unable to meet modern health requirements and current hospital needs. The old buildings, most of them dating from 1925 and intended to house 600 patients, now contain 1 085 beds. The new hospital, to be built in the Ampefiloha quarter, will take over the important functions of the old hospital - serving the provincial capital and in fact the whole country. At the same time, the Ampefiloha hospital should fill a gap in university teaching in Madagascar by providing the Tananarive Faculty of Medicine with facilities for clinical work.

The project meets the requirement of the national five-year plan for 1964-68, which provides for more hospital beds to satisfy the needs of a growing population and for repairs and improvements to existing facilities. Accordingly, parts of the Befelatanana hospital will be retained and renovated, and this will be charged to the Malagasy budget; the hospital will then deal with maternity cases and train nursing and midwifery students and interns. Later, a pediatric unit will be added; the EDF will be asked to finance this. The specialized annexes in the new hospital will be financed from French aid.

The EDF contribution will not be the only one, therefore: it will constitute only a part - though the most important from the financial angle - of a joint operation intended to put the entire hospital system in Tananarive and the provinces onto a proper footing.

Annexe : IV

Inter-African Statistical Training Centre at Yaoundé, Cameroon

On 22 December 1965 the EEC Commission approved the financing by grants from the second European Development Fund (EDF) of a social investment project in Cameroon. The scheme had been endorsed by the EDF Committee at its thirteenth meeting and will cost Frs. CFA 61 million or some 247 000 units of account (= US dollars).

The Inter-African Statistical Training Centre in Yaoundé was founded in 1961 under the auspices of the Cameroon Federal Government and the United Nations. At present it trains only technical staff recruited at primary school certificate level. The Centre started with 20 pupils and now has 65 for the 1965/66 academic year. Under the new scheme the existing technical section will be supplemented by one for the training of higher-grade technical assistants, who will be recruited at "baccalauréat" level. The EDF-financed buildings have been designed to take some 60 students of the first category, who will study for one year, and about 20 future technical assistants, who will do a two-year course. The students come from various countries in French-speaking Africa, in particular central Africa, but also in increasing numbers from the African countries as a whole.

For several years the EDF has been encouraging the African States and Madagascar to establish such regional technical schools, which benefit a number of countries and make it possible to avoid the considerable expenditure and adjustment difficulties involved in sending students to Europe. The training of statisticians comes under the heading of specialized schools which cannot be justified by a single country's needs but which it is preferable to set up in Africa.

This is not the first time that the EEC has helped the Yaoundé Inter-African Centre; in the 1964/65 academic year, for instance, the Community awarded 15 scholarships for statistical training.

Annexe : V

Supplementary aid to relaunch the National Institute
of Agricultural Studies in the Congo (Leopoldville) -
INEAC

On 22 December 1965 the EEC Commission approved the financing by grants from the second European Development Fund (EDF) of a investment and technical assistance scheme in the Congo (Leopoldville). The scheme had been endorsed by the EDF Committee at its thirteenth meeting and will cost 117 750 000 Congolese francs or 785 000 units of account (= US dollars).

Agricultural, transport, stock-raising, laboratory processing, documentation and general equipment will be provided for seven research stations, for the experimental Bongabo plantation and for the Institute's Directorate-General in Leopoldville (634 000 u.a.); secondly, temporary technical assistance will be given for 5 years by a planning and programming expert seconded to the Institute's Directorate-General and by another attached to the Advisory Scientific Council (151 000 u.a.).

At EEC level the problem was examined for the first time in 1963 by a survey team (Torre mission), which reported that a recovery in the agricultural production of the Congo was out of the question without a relaunching of the only agricultural research institute in the country. In 1964 the EEC Technical Assistance Group approved the sending of an expert to ascertain how INEAC stood in view of the changed situation. In accordance with the Group's recommendations a mission was instructed in early 1965 to visit the principal stations of INEAC that were accessible and to draw up a realistic list of requirements. The present scheme will implement proposals made by the mission, which was financed by the EDF.

This Community aid from the EDF to the eight stations now accessible, supplementing bilateral technical assistance to INEAC from several EEC Member States, will help to set up the Institute again on rational and useful lines to meet the essential needs of agricultural development in the Congo.

Annexe : VI

500 hectares for tea-plantations at Tora in Burundi

On 22 December 1965 the EEC Commission approved the financing by grants from the second European Development Fund (EDF) of aid to a diversification scheme in Burundi. The EDF Committee had endorsed the project at its thirteenth meeting.

In the Mugamba and Buyenjero districts 300 hectares of tea will be planted for large-scale cultivation in units of 5 to 25 ha and 200 ha divided into small family holdings of 1/10 to 1/2 of an hectare. This is the first undertaking of Burundi's five-year diversification plan, which will cost 5.25 million units of account (= US dollars).

The EDF contribution, which will be spread over 8 years, will amount to 192.5 million Burundi francs or some 2.2 million u.a. The total cost of the scheme, however, will be 257.6 million Burundi francs, and the difference will be provided partly by the Burundi Government (22.75 million Burundi francs) and by the beneficiaries themselves (5.6 million Burundi francs), while at a later stage a tea factory with a capacity of 600 tons will have to be financed by the private sector (36.75 million Burundi francs).

Tea planting in Burundi is of recent origin and was begun following a survey carried out in 1961 with help from the first EDF in Burundi and the neighbouring state of Rwanda. The financing of a first plantation of 500 ha in Burundi with a tea factory in Bugarama was approved in 1962 and a plantation and factory unit in Rwegura was decided upon in 1964. The EEC has also financed a programme of research on tea cultivation. The five tea-planting schemes in operation, three in Rwanda and two in Burundi, have so far produced favourable results. Exports of tea will probably begin in 1967.

The new plantation in Burundi has many points in common with the first two: it is proposed to plant 500 ha of tea around a factory capable of producing 600-800 tons of dried tea a year. With the 200 ha for individual holdings, however, Burundi is embarking on a new way of expanding tea growing: i.e. village cultivation, which should make great strides in the future. The Government is particularly interested in expanding this new export crop because Burundi's external trade is based mainly on one product, Arabica coffee, which accounts for 70-80% of exports. When it is in full production the new tea-plantation will provide about 5% of the country's exports at present values.

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Annexe : VII

Two agricultural improvement studies in the Malagasy Republic

On 22 December 1965 the EEC Commission decided to finance a diversification project in the Malagasy Republic by grants from the second European Development Fund. The EDF Committee had endorsed the project, which is estimated to cost 70 million Malagasy francs or about 284 000 u.a. (= US dollars), at its thirteenth meeting.

The two studies concern the cultivation of two oil-yielding plants in Madagascar: the coconut palm and the oil palm. This technical assistance and investment project is the first to be financed under Madagascar's five-year programme of aid for diversification, under which a total of 10 233 000 u.a. will be spent.

The first study, on nut growing (expected to cost 20 million Malagasy francs, or about 81 000 u.a.), will facilitate the preparation of a 2 100-ha coconut plantation, to be followed later by the same area of small plantations, in the Ambilobé area on the north-west coast. The second, dealing with palm cultivation (50 million Malagasy francs or about 203 000 u.a.), is preparatory to the plantation of 3 000 ha of oil palms (700 ha of industrial palms and the rest in small family allotments) on the east coast in the Tamatave region.

Both of these crops are already established on Madagascar, but in very small plantations with no industrial potential. Setting them up on a broader base should enable the country's fat deficiency to be made up and remove the need for imports which at present weigh heavily on Malagasy's adverse trade balance.

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Annexe : VIII

CONSTRUCTION OF THE M'BANGA-KUMBA RAILWAY (EDIKI-KUMBA SECTION)
IN CAMEROON

On 22 December 1965 the EEC Commission approved the financing, by non-repayable grants from the new European Development Fund, of an economic infrastructure project in Cameroon, which the EDF Committee had endorsed at its thirteenth meeting. The cost will be 279 million Frs. CFA or some 1 130 000 units of account (= US dollars).

A 13.7-kilometre long railway will be built to link the town of Kumba (40 000 inhabitants) with the port of Douala. It will incorporate the Ediki-M'Banga line, at present under construction, and the existing M'Banga-Douala section. The aid requested by the Cameroon authorities will be used for a part of the earthworks and other construction; for the provision of ballast and for three branch roads to serve these works.

The Cameroon Railway Board will provide 330 million Frs. CFA out of its own resources for rails and sleepers, the laying of the ballast and track, the accessory installations, rolling-stock and a part of the earthworks.

The supply of rolling stock (55 Railway carriages and trucks) will be financed later by a special loan from the European Development Fund.

The line will be a very busy one, despite its short length, because the increase in traffic is estimated at 78 000 tons of merchandise and nearly 100 000 passengers a year bound for Kumba or Douala.

The project is also of particular importance as it is one of the measures taken by the Federal Government to accelerate the reunification of the two Cameroon States, which were separated for nearly 45 years. By crossing the River Mungo, which is a serious obstacle, this stretch of railway takes its place among various other efforts being made to promote inter-state communications, the lack of which has in the past aggravated political separation.