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PRESS RELEASE

EUROPEAN DEVELOPMENT FUND: NINE NEW SCHEMES FINANCED TO A TOTAL OF OVER  
31 MILLION UNITS OF ACCOUNT

After approval by the Committee of the European Development Fund at its sixteenth meeting on 12 May 1966, the EEC Commission decided on 25 May to finance a further nine schemes by non-repayable grants from the EDF to a total of 31 522 000 u.a. (= dollars).

1. Second annual instalment of the production aid programme in the Republic of Dahomey : 231 613 000 CFA francs, or roughly 938 000 u.a. This instalment is concerned with price support for groundnut, cotton and copra and certain structural improvement operations affecting oil palms, groundnuts, cotton, coconut palms and coffee.
2. Pilot plantation of coco trees at Lukolela in Congo (Brazzaville): 185 million CFA francs, or about 749 000 u.a. This will be a 500-hectare plantation, cultivated by intensive methods, in the fertile area of Lukolela on the right bank of the Congo river. A soil survey of the area will also be carried out. The scheme includes roads and tracks and the construction of dwellings, sheds and drying plant.
3. Improvement of the Cotonu-Hillakondji road in Dahomey: 795 million CFA francs, or about 3 221 000 u.a. This is the main highway in the country, running 95 kilometres along the Bight of Benin and linking Cotonu, the capital of Dahomey with Togo and Nigeria. It is the centre-piece of a modern, uniform road and trade route which will link within a few years the frontiers of Ghana and Nigeria, serving the coastal areas of Togo and Dahomey.
4. Building of the Dieri road in Senegal: 1 200 million CFA francs, or roughly 4 861 000 u.a. With the work already carried out with aid from the first EDF and the work begun by the Senegal Government itself, there will be a continuous asphalt road from Saint-Louis to Matam, a distance of about 445 kilometres. The road will be a decisive factor in the development of the river basin.
5. Construction of two slaughterhouses at Saint-Louis and Thiès in Senegal: 100 million CFA francs or about 405 000 u.a. The slaughterhouse at Thiès will have a cold store. This is the first instalment in a chain of up-to-date slaughterhouses which will extend over the principal towns of Senegal and allow a rational exploitation of meat and by-products with a favourable influence on prices, market supplies and food hygiene.
6. Building and equipment of teacher training colleges at Thysville, Elisabethville and Leopoldville, and of a secondary school at Kimwenza at a cost of 1 919 843 000 Congolese francs, or 12 796 000 u.a. These four establishments will cater for 1 600 pupils (710 boarders) and will cover a total area of nearly 40 000 square metres. This is the largest social project ever approved by the EDF. The main object is to provide for the training of 200 urgently needed secondary school teachers a year.

7. Water engineering in the Tulear-Fiherenana Plain in Madagascar (second stage): 510 million Malagasy francs, or roughly 2 066 000 u.a. The object is to complete the irrigation and drainage of an area of 4 000 hectares in the south-west of Madagascar. These works have already been carried out for 1 700 hectares at a cost of 607 million Malagasy francs provided by the first EDF. Land improvement will result in larger cash crops and a sizeable increase in farmers' earnings.

8. Water engineering in Bras de la Plaine in the Department of Réunion (second stage): 1 000 million CFA francs, or about 4 051 000 u.a. The first stage of this scheme was financed by the first EDF to a total of 3 646 000 u.a. When the whole scheme is completed, the area can be profitably farmed, production can be increased and diversified, notably by the addition of food crops.

9. Storage installations in Senegal : 601 million CFA francs, or some 2 435 000 u.a. This appropriation under the third stage of Senegal's production programme will supplement an appropriation under the second stage, thus making it possible to call for tenders for the building of storage installations with a capacity of 270 000 tons of groundnuts. The total cost will be 3 852 000 u.a.

With these new decisions the total commitments of the second European Development Fund have reached some 271 598 000 u.a. for 131 projects.

This set of decisions marks the completion of the second year of application of the Yaoundé Convention which came into force on 1 June 1964. During these two years the Commission will have earmarked, with the EDF Committee's approval, nearly two fifths of the total resources of the Fund. The Fund is, as planned, fully in operation in spite of the great difficulties experienced by the relevant Commission departments, which have to assume responsibility, without increase of staff, for the management of two Funds totalling more than 1 300 million units of account.

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Annexes: 9

Annexe : I

DAHOMEY REPUBLIC: SECOND ANNUAL INSTALMENT  
OF PRODUCTION AID

On 25 May 1966 the EEC Commission approved a grant from the second European Development Fund representing the second annual instalment of production aid to Dahomey. This project was endorsed by the EDF Committee at its sixteenth meeting and will cost 231 613 000 CFA francs, or roughly 938 000 u.a. (= dollars).

The Commission had taken note on 21 January 1965 of the five-year plan of this State and fixed the amount of the first annual instalment at 249 643 000 CFA francs. As a result of delays in the planning of operations and difficulties experienced by the Dahomey authorities in their execution, certain structural improvement schemes were not begun but were postponed to the second stage.

This second grant is earmarked for the support of groundnut, cotton and copra prices (60 375 000 CFA francs), a series of structural improvement schemes (171 238 000 CFA francs) for oil palms, groundnuts, cotton, coconuts and coffee, also supervisory staff, cover crops, tracks, selected seed, stripping and shelling machinery, spray-diffusers, insecticides, fertilizers, drying equipment, etc.

Annexe : II

PILOT PLANTATION OF CACAO TREES AT LOUKOLELA, CONGO (BRAZZAVILLE)

On 25 May 1966 the EEC Commission decided to finance, by non-repayable grants from the European Development Fund (EDF), an economic diversification project in Congo (Brazzaville). The project, which was endorsed by the EDF Committee at its sixteenth meeting, will cost 185 million Frs. CFA or some 749 000 units of account (= US dollars).

A 500-hectare pilot plantation of cacao trees will be set up in the Loukolela area on the right bank of the Congo River. The soil here is of above-average fertility for the Congo basin and has been found suitable for cultivating cacao trees. Up to the present these have been planted only in small individual farms, while on the other side of the river in the Congo (Leopoldville) they have long been grown on an industrial scale.

On the economic plane, the aim of creating in this area a large-scale pilot plantation to be run on an independent financial basis is to achieve maximum productivity in order to provide an example and encourage the setting up of reasonably profitable family holdings. Another aim is to put a brake on the drift from the countryside by creating new jobs for the inhabitants of the area. The scheme will also include a detailed soil survey of the area, the building of 18 kilometres of roads and 48 kilometres of tracks, and the construction of dwellings, barns and drying platforms.

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Annexe : III

IMPROVEMENT OF COTONU-HILLAKONDJI ROAD IN DAHOMEY

On 25 May 1966 the EEC Commission approved a grant from the second European Development Fund for an economic project in the Dahomey Republic. This had been endorsed by the EDF Committee at its sixteenth meeting and will cost 795m. CFA francs, or roughly 3 221 000 u.a. (= dollars).

The project is to repair and improve the main highway of Dahomey which runs 95 kilometres along the Bight of Benin, linking Cotonu, the capital of Dahomey, with Togo and leading on into Nigeria.

The need for a trunk road common to the States on the Bight of Benin is obvious. Grants were made from the first EDF for rebuilding the Lomé-Hillakondji road in Togo and improving the 35-km. stretch from Cotonu to Porto-Novo in Dahomey. The present scheme will therefore be the centrepiece of a modern, uniform road and trade route which will link within a few years the frontiers of Ghana and Nigeria, a distance of 220 kilometres, passing through the richest areas of Togo and Dahomey.

As regards the Dahomey stretch, the importance of this road to the country is illustrated by the traffic density, which increases from 320 vehicles a day at the Togo frontier to 800 around Uidah and 1 300 at the approaches to Cotonu.

It is understandable that the Dahomey Government should have given this scheme top priority in its economic and social development plan for 1966-70, approved early in 1966.

Annexe : IV

ROAD BUILDING IN SENEGAL

On 25 May 1966 the EEC Commission approved a grant from the second European Development Fund in aid of the building of the Dieri road in Senegal. This project had been endorsed by the EDF Committee at its sixteenth meeting and will cost 1 200m. CFA francs, or roughly 4 861 000 u.a. (= dollars).

This 200-km. road will link N'Dioum and Matam on the left bank of the Senegal river which is the frontier between Senegal and Mauritania. With the work already carried out with aid from the first EDF (asphalt road from Saint-Louis to Rosso with a branch to the paddy fields at Richard Toll) and the work begun by the Senegal Government using its own road fund (the asphalt road from Richard Toll to Dagana and a good dirt road, later to be asphalted, from Dagana to N'Dioum), there will in two years be a continuous asphalt road without change of surface from Saint-Louis to Matam, a distance of about 445 kilometres.

This means of communication may be a determining factor in the development of the river basin, which is an oasis in the heart of the near-deserts of Mauritania and Ferlo, where agricultural development is so hampered by difficulties of access that a large part of the population, unable to find permanent employment locally, swells the flow of migration to Dakar.

With the new road, passenger traffic and the movement of produce from the river valley will be possible at all times of the year. Costs will be much lower: it is estimated that a ton/kilometre costs 30 CFA francs over an ordinary track, 15 francs on a dirt road and 10 francs on a metalled road. The volume of traffic has been found by previous experience to be rapidly increasing. Over the Saint Louis-Rosso road, built with the aid of the first EDF, the traffic expected in the medium term was 200 vehicles a day, but by 1964-65 the actual traffic had reached 400 vehicles a day. The Dieri road will probably not carry such a volume of traffic for some time, but with the agricultural improvement schemes to be carried out under the four-year plan in the area it serves these new communication facilities will soon be used to capacity.

Annexe : V

BUILDING OF TWO SLAUGHTERHOUSES  
AT SAINT-LOUIS AND THIES, SENEGAL

On 25 May 1966 the EEC Commission approved grants from the second European Development Fund in aid of a scheme in the Senegal Republic; this had been endorsed by the EDF Committee at its sixteenth meeting and will cost 100m. CFA francs, or roughly 405 000 u.a. (= dollars).

The project is to build and equip two slaughterhouses, one at Saint-Louis and another at Thies, which will also have a cold store. This is the first instalment in a chain of modernized slaughterhouses which will extend over the principal towns of Senegal and allow of rational exploitation of meat and by-products with a favourable influence on prices, market supplies and food hygiene.

Stockraising is an important industry in Senegal, the total head being 1 900 000 cattle and 1 200 000 sheep and goats. But cattle in particular are far from being satisfactorily exploited, mainly because of faulty organization in slaughtering and retail trade.

The farmers' prices are relatively low; the offal and by-products are not turned to good account and are often discarded; the lack of facilities for preserving means that butchers supply the market in a chaotic way, causing violent price swings; there are far too many slaughterers, butchers and middlemen, so that it is difficult to rationalize the trade and its distribution channels. Despite its wealth in livestock, Senegal is a net importer of meat (from Mali and Mauritania). Consumption is going up in step with the rise in population and living standards.

The present project represents the beginnings of a solution; the object is to rationalize marketing channels and ensure more remunerative outlets at reasonable retail prices less subject to fluctuations.

Annexe : VI

TEACHER TRAINING COLLEGES AT THYSVILLE, ELISABETHVILLE AND  
LEOPOLDVILLE; GIRLS' SCHOOL AT KIMWENZA

On 25 May 1966 the EEC Commission approved a grant from the second European Development Fund in aid of an important social project in the Democratic Republic of Congo. This scheme had been endorsed by the EDF Committee at its sixteenth meeting and will cost 1 919 843 000 Congolese francs, or roughly 12 796 000 u.a. (= dollars). This is the largest social project ever approved by the EDF.

It is proposed to build and fit out four educational establishments: three teacher training colleges - at Elisabethville (500 students, 15 classes, 120 boarders, area 10 452 square metres), Thysville (270 students, 9 classes, 130 boarders, area 8 360 square metres), and Leopoldville (330 students, 10 classes, 180 boarders, area 8 566 square metres), and a school at Kimwenda (500 pupils, 12 classes, 280 boarders, area 12 105 square metres).

The object is to endow the Congo with a sufficient number of training colleges for teachers in the lower forms of secondary schools, and to enable the Kimwenda establishment to offer a complete secondary course for girls in permanent premises.

These undertakings were strongly urged in 1963 by an EEC study mission; they will provide for the training of 200 much needed secondary schoolteachers a year and will bring about an expansion of girls' secondary education in Leopoldville.

Congo has an educational system which is numerically one of the largest, coming sixth among African countries as regards numbers in primary schools (school attendance 72%) and twelfth for secondary schools (attendance 3%).

The problem arising in the Congo as regards the full use of this educational capital is mainly one of quality. For some years Congolese children thirsting for knowledge have been rushing into the schools; in 1953 the total attending school was barely 1 1/2 million, in 1965 it was nearly 2 million and by 1972 the figure is expected to rise to 2.7 million. Lack of school premises and teaching staff, and heavy upkeep expenses, may well mean sooner or later a deterioration in the quality of the education given.

Rightly, therefore, the Congolese Government has given priority to secondary education and teacher training to allow of the selective expansion of national education.

The project just approved will contribute to this aim. These four up-to-date and permanent establishments will be managed by religious orders under the national subsidized educational system.



Annexe : VII

MADAGASCAR: WATER ENGINEERING IN THE TULEAR-FIHERENANA PLAIN  
(second stage)

On 25 May 1966 the EEC Commission approved a grant from the second European Development Fund for an economic and technical assistance project in Madagascar, which had been endorsed by the EDF Committee at its sixteenth meeting. It will cost 510m. Malagasy francs, or roughly 2 066 000 u.a. (= dollars).

The object is to complete the irrigation and drainage of an area of 4 000 hectares in the south-west of Madagascar. These works have already been carried out for 1 700 hectares at a cost of 607m. Malagasy francs provided by the first EDF. They made possible a very satisfactory increase in agricultural production and hence an appreciable increase in farm incomes. The remaining 2 300 hectares to which the present scheme applies and which support 1 100 families (some 4 to 5 000 people) will derive great benefit from the basic work already carried out. What remains to be done is to cut a canal to feed the irrigation network, to dig drains and lay out tracks, etc.

The EDF will bear the expense of supervisory staff for four years.

The area is expected to produce cash crops of 3 200 tons of cotton, nearly 2 000 tons of maize and 2 400 tons of Lima beans worth about 210m. Malagasy francs, whereas before these improvements the value of the crops sold did not exceed 30m. As regards farmers' earnings, it is estimated that for a family working an area of 2 hectares they will rise from 18 000 to 100 000 Malagasy francs gross and from 10 000 to 50 000 net.

Annexe : VIII

DEPARTMENT OF REUNION: WATER ENGINEERING IN BRAS  
DE LA PLAINE (second stage)

On 25 May 1966 the EEC Commission approved a grant from the second European Development Fund in aid of an economic project in the island of Réunion (French overseas Department). The scheme had been endorsed by the EDF Committee at its sixteenth meeting and is estimated to cost 1 000m. CFA francs, or roughly 4 051 000 u.a. (= dollars).

The first stage, which was financed by the first EDF to a total of 3 646 000 u.a., consisted in leading off water from the Bras de la Plaine river and channelling it to the area concerned. It also included agronomic, social, economic and technical studies which form the basis for the present scheme. The second stage, which will be in five parts, consists of creating an irrigation system throughout this area of 9 300 hectares. The EDF will finance the work on the first and to some extent the second part, the remaining parts being financed from other sources.

The rapid increase of the population (nearly 3.4% per year) means that all the land that can be reclaimed must be put under cultivation and yields must be increased. When the schemes outlined above have been completed, the area can be profitably farmed; irrigation will keep the soil moist in the dry season and production can be increased and diversified. Up to now sugar-cane has been practically the only crop. Part of the land brought under cultivation will be sown to food crops, which are at present insufficient to meet local demand; this will avoid in the future heavy expense on food imports, which account for a good deal of the deficit on trade of this Department.

The scheme will appreciably improve the living standards of the 45 000 inhabitants of the area concerned; the total income of the population should rise from 948m. to 1 814m. CFA francs (an increase of 92%) and there should be an increase of 89% in working days, which will go far towards resorbing the present underemployment.

Annexe : IX

SENEGAL: STORAGE OF GROUNDNUTS

On 25 May 1966 the EEC Commission approved a grant from the second European Development Fund in pursuance of the decision of 28 February 1966 concerning the second annual instalment of production aid to Senegal. This grant had been endorsed by the EDF Committee at its sixteenth meeting and will amount to 601 million CFA francs, or roughly 2 435 000 u.a. (= dollars).

Among the structural improvement schemes on the five-year programme of production aid in Senegal is the building of storage capacity for 270 000 tons of groundnuts. This will make it possible to space out sales thanks to lower losses by damage during the rainy season and to rationalize transport and reduce costs by mechanized handling, grading before weighing and shelling before exportation.

These installations will be financed by an appropriation of 350 million CFA francs under the second stage of Senegal's production aid programme and by a supplementary appropriation of 601 million CFA francs made by anticipation under the third stage.

It will thus be possible to call for tenders without delay for the whole of this work, which is to cost 951 million CFA francs, or 3 852 000 u.a.

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