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REPORT OF THE COMMISSION  
TO THE ASSOCIATION COUNCIL  
ON  
FINANCIAL AND TECHNICAL COOPERATION  
FROM 1 JANUARY TO 31 DECEMBER 1971

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## INTRODUCTION

This report deals with the management of the financial and technical cooperation between the European Economic Community and the Associated African States and Madagascar (AASM) during 1971, the first year in which the second Yaoundé Convention was applied. The provisions of the latter follow on strictly from those of the first Convention and have confirmed the general lines of direction defined by the relevant resolutions of the Association Council.

These lines of direction, confirmed in this way and made explicit by the new Convention, may be broadly summarized as follows:

- a) a buttressing of the economic independence of the AASM, especially by furthering productive sectors and diversifying production;
- b) promoting trade in products exported and exportable by those States;
- c) encouraging intra-African regional cooperation;
- d) increasing the responsibility of the Associated States in the programming of actions to be financed by the Community, as well as in the upkeep and use of what has been brought into being.

The application of the provisions of the second Yaoundé Convention which concern financial and technical cooperation took concrete form, in 1971, in numerous and extensive financing decisions, which led to the engagement of about a quarter of all the credits provided for. The projects and programmes thus launched are briefly reviewed below, sector by sector. A second chapter describes the practical realization of each of the main methods of financing, from the preparations for the aid up to the use made of the completed undertakings.

Those parts of the report which concern the European Investment Bank were prepared by its own services, in accordance with the provisions of art. 29 of the Convention.

CHAPTER 1 - SYNOPSIS OF AIDS DECIDED ON IN 1971, BY  
SECTOR OF ECONOMIC AND SOCIAL ACTIVITY

Total commitments in 1971 from both European Development Fund (EDF) credits and the European Investment Bank's (EIB's) own resources, amounted to 253 million u.a., divided as shown below between the various sectors of activity.

'000 u.a.

		%
<u>A. Development of production and trade promotion</u>	<u>66,090.0</u>	<u>27.4</u>
. rural production	38,309.2	15.2
. industrialization	26,058.2	10.3
. tourism	1,722.6	0.7
. trade promotion	3,270.0	1.3
<u>B. Economic infrastructure</u>	<u>130,605.6</u>	<u>51.6</u>
. roads and bridges	90,238.6	35.6
. railways	12,000.0	4.7
. ports	21,474.0	8.5
. airports	3,547.0	1.5
. telecommunications	3,346.0	1.3
<u>C. Social developments</u>	<u>32,767.3</u>	<u>12.9</u>
. education and training	21,896.0	8.6
. health	2,610.1	1.1
. water supplies, municipal administration, housing	8,261.2	3.2
<u>D. Emergency aids</u>	<u>13,654.3</u>	<u>5.4</u>
<u>E. Miscellaneous</u>	<u>6,943.1</u>	<u>2.7</u>
<b>T O T A L</b>	<b>253,330.3</b>	<b>100.0 %</b>

The apportionment of these credits by recipient State is shown in tables 1 and 2 in the Annex.

Below, we analyse, sector by sector, the actions financed in 1971, putting them in the development programmes of the countries or groups of countries concerned.

The methods of financing for the projects and programmes referred to in this chapter are not stated except in the case of refundable aids; in all other cases, in the absence of any particular indication, the subsidies are from the EDF. The detailed conditions for financing are described in 2.2 (below).

## 1.1 - THE DEVELOPMENT OF PRODUCTION AND TRADE PROMOTION

In accordance with the guidelines given by the Association Council, the Commission has, since the first Yaoundé Convention, taken care to give particular encouragement to the directly productive sectors: 43.2 % of all the credits from the second EDF have been devoted to the development of the various branches of production. In 1971, the credits committed in this sector were only 26 % of all commitments, but this percentage should not be considered as reflecting a new direction taken by Community aid: it is merely a sign of too small a volume of productive projects which had reached a stage advanced enough for taking a decision on financing in 1971.

It must be pointed out here that studying and carrying out projects of this type are generally long and sometimes difficult matters, especially when they concern agricultural activities, and that they often require preliminary financing for preparatory technical assistance. A detailed analysis of operations financed in 1971 shows that about half of them were the results in fact of studies carried out from the resources of the second EDF, while the remaining half related to the continuation or extension of projects previously undertaken by the EDF. Hence, if we wish to see

how the financial and technical cooperation is going, it is better, rather than looking merely at the apportionment of the credits committed in 1971, to consider the scope of the studies financed during that year for the preparation of productive projects. The observations which can be made on this point are completely reassuring, because it will be seen that the majority of the new studies concern the agricultural, stock-breeding and export industries; the volume of aid devoted to these important sectors of production should therefore show a marked rise in the next few years.

Moreover it should not be forgotten that dividing projects by sectors obviously implies certain arbitrary classifications, because some of them directly concern several sectors. For instance certain financing decisions concerning training activities are aimed at increasing the help given by Community aid in developing production and more particularly in agriculture. The same applies to certain road infrastructure projects which, by allowing rapid and easy transport of products to the large consumer centres and indeed for export, will facilitate a greater exploitation of several production areas at the same time.

### 1.1.1 Rural production

The development of rural production had the benefit of 38.3 million u.s. in new commitments in 1971. In addition to a series of preparatory studies for projects, these financing moves concerned a score of undertakings, nearly all aimed at improving the structure of rural cultivations and increasing their productivity. Only one of these projects concerned the extension of large, industrial-type plantations.



The main industrial crops developed by these projects were tea, coffee, cotton and tobacco. In certain cases, chiefly those concerning cotton in Senegal and tobacco in Mali, production is intended partly for the local industries which supply the domestic market.

A fair number of the projects financed are aimed at the production of foodstuffs, mainly cereals. Four in particular concern the expansion of rice-growing. In addition, several undertakings concern a number of operations at the same time in both industry and food-production, which complement each other within the agricultural undertakings. In food production we should also mention a project for developing fisheries in Mali.

Some of the rural production projects approved in 1971 concerned the launching of new enterprises: the development of rice-growing in East Senegal, an experimental programme for growing rice as rain crops and in swampland in Mali, and the development of the valley of the Badeguicheri in Niger and of cotton-growing in the central region and on the plateaux in Togo.

A good half of the projects approved in 1971 consisted in the continuation of programmes which had benefited in various ways from Community aid during previous years. Indeed, changes in methods of rural production and the introduction of new crops or varieties can only be carried out gradually, matching the pace of the adaption of thought and social structures, in such a way that the peasants shall be ultimately capable of mastering the technical and economic methods and thus initiators of later developments. It is for this reason that EDF-financed projects in this sector are often carried out in several stages, each adapted to the results of the previous one, and normally spreading over fairly long periods.

Finally, three projects started in 1971 took the form of provisional sections in preparation for new programmes covering several years, in particular for the structural improvement of cotton-growing in the CAR and Chad.

It should be pointed out that all these actions directly concerning agricultural production were backed up by certain training

projects with specific bearings on the modernization of country life: the domestic training of women in Niger, the building of a centre for training in horticulture and nutrition in Dahomey, training for key staff for rural cooperatives and unions in Madagascar and the creation of a rural agricultural and trade training centre in Rwanda. These projects are detailed in 1.3.1 - Education and training.

Rural development has also been promoted by many projects for the infrastructure in transport, also approved in 1971, for facilitating a better service for the production areas. Here we may mention the Kenge-Kikwit road in Zaire, which will make it possible to open up the agricultural region of Kwilu; the Bamenda-Bafoussam road which will link the northern districts of West Cameroon to the big trunk roads East Cameroon and thence to the main economic centres of the country. In the same category let us quote the new projects for roads: Vohemar-Sambava in the Malagasy Republic, Ziguinchor-Kolda in Senegal and Arara-Giamama in Somalia, and also the continued modernization of the Niamey-Zinder road in Niger (cf. 1.2).

For a detailed analysis of the various productive projects financed in 1971, we group them below according to the type of production concerned: industrial crops, food crops, multi-crop undertakings, stock-breeding and fisheries. This analysis sets out concisely the principal means to be employed, with financing from Community aid, in reaching production and structural goals; certain projects consist mainly in staffing action and in extension; others combine these with important productive investments such as water-supply schemes or infrastructures for storage, or basic investments in the transport system; and certain projects also comprise research in preparation for subsequent steps forward. These various ways of participating are often integrated in a single project, in accordance with the provisions of art. 19.2 of the Convention <sup>(1)</sup>.

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(1) According to art. 19.2 of Yaoundé Convention II, and art. 1 b of protocol No. 6, annexed to it, the integrated project comprises the convergent utilization both of investments in production, in economic and social infrastructure, and of actions in technical cooperation and/or moves to further marketing and sales promotion of products exported by the Associated States. The emphasis was on a structure of this sort for projects, in the light of experience gained under Yaoundé Convention I on the structural improvement of production, in which action was more diffuse and represented a more partial approach.

a) Industrial and export crops

In this sector an important study was financed with a view to the establishment of a grapefruit plantation in Somalia.

Other preparatory studies for new projects, financed EDF resources, are concerned with coffee and tea growing and the irrigation of sugar-cane plantations in Upper Volta.

In investments, it was decided in 1971 to finance a further section of the tea-growing programmes at Têza, Rwegura and Muramvya, by a subsidy of 524,000 u.a. This project will make it possible to continue for 7 months the tea-growing work carried out since 1964 in Burundi, with EDF financing of over 5 million u.a. So far, more than 1,000 hectares of tea-plantations have been created and four factories built.

The Commission also decided in 1971 to continue to finance the development of tobacco-growing in the upper valley of the Niger in Mali. The aim is to reach, by the end of the next four campaigns, a minimum annual production of 400 t of industrial tobacco (dark), which will be grown by the peasant families and will be able to satisfy the needs of the local cigarette factory. The project also includes a programme of experiments for improving the techniques of cultivation and establishing the exploitation of light tobaccos for export.

As the 1970/71 campaign wore on it became clear that the peasants are particularly interested in this crop, which is distinctly more profitable than other crops produced in the region.

The main industrial crop which benefited from aids decided on in 1971 was cotton.

Six Associated States will benefit by new projects in this field. In three of them, Mali, Senegal and Togo, the crop is to be extended with the aim of diversifying agriculture in areas ecologically favourable to it but with very limited agricultural potentialities; in the other three, the Central African Republic, Chad and Niger, the aim is to modernize an activity which has long been widespread, in order to increase productivity.

The Community financed, with a subsidy of 3.2 million u.a., a move to develop the cotton crop in Mali. For over ten years the FAC and the EDF have successfully financed actions by the Mali Government on this crop in the regions of Sikasso, Segou and Bamako. The Community financing decided on in 1971 is intended, by the end of the next three campaigns in agriculture to increase the area under cultivation from about 65,000 ha to 85,000 ha, and the harvest from 49,000 t of cottonseed to 106,000 t (by 1976-77), corresponding to a production of cotton fibre of 40,000 t, intended almost exclusively for export. To reach these goals the project provides for a series of integrated moves: the establishment of infrastructures, the supply of ginning equipment, collection lorries and maintenance devices, a temporary and diminishing contribution to the peasant's investments for the structural improvement of his cultivation (fertilizers, insecticides and draught animals) as well as the implementation of a programme of applied research.

In Chad the Community also took a share in the financing of the first slice of a five-year programme for the improvement of the cotton crop by the supply of fertilizers and insecticides and the purchase of crushers.

Since 1965 the Community has helped the Chad Government, with EDF subsidies of over 8 million u.a., in its efforts to improve the cotton crop. The project decided on is aimed at continuing this action in the areas previously treated, and to extend it to new growers, so as to bring the areas dealt with from 45,000 up to 60,000 ha.

Finally, in Senegal the Community will participate, through a subsidy of nearly 5 million u.a., in an extension of the cultivation of cotton in Casamance in eastern Senegal and at Sine-Saloum. This programme is, during a period of four years, to extend the actions already successfully undertaken since 1965 to these regions, with Community financing.

The area cultivated and the annual production rose from 386 ha and 302 t of cottonseed respectively to a 1970 total of 14,000 ha and 15,000 t. The new project is intended to enlarge the cultivated area to 37,500 ha, corresponding to a harvest of about 52,000 t of cottonseed and a production of nearly 20,000 t of cotton fibre when fully operative. It provides for the introduction of staff alongside the operator, the extension of adequate cultivation techniques, together with the extension of selected seeds and

the application of fertilizers and insecticides. These agricultural moves are rounded off at the industrial level by financing for ginning installations, which was also decided on by the Commission in 1971 (cf. 1.1.2, p. 19).

The Commission will thus have brought a contribution altogether of more than 10 million u.a. to the development of this production. The cotton production which was originally intended for the Senegalese spinning-mills has more than met their needs, and the surplus is now being exported.

This expansion of the cotton production, which affects a population of about 300,000, will facilitate an improved diversification of the Senegalese economy, at present still very dependent on ground-nut cultivation only.

In the Central African Republic the Commission decided on the one hand to contribute 84,000 u.a. to the cotton campaign 1971/72 and on the other to finance an interim slice - 904,000 u.a. - of aid 1972/73, which is to serve to link production aids of the second EDF and a new five-year programme of improving cotton production. The total area affected by cotton productivity moves will thus rise in 1972/73 to about 62,700 ha, or about 45 % of the area devoted to cotton-growing.

Finally, in two projects financed in 1971, cotton-growing will be the driving force in an integrated regional operation affecting other undertakings associated with cotton. The first concerns the development of the valley of Badeguicheri in Niger. The aims are to increase cotton-production and thus raise peasants' incomes, to extend food-production, which at present hardly covers the needs of the valley population, and to make a more rational use of the soil and its conservation. To these ends the project provides for the spread of the means of production, selected seeds, pesticides and fertilizers; the universal use of plant-hygiene treatments for cotton-fields, rural developments to promote water-supplies for the crops and to check erosion; and carrying out infrastructure works such as roads and warehouses for the cotton. A staffing action with expatriate technical assistance is also provided

for. This project involves a population of about 30,000, and will be progressively taken over by the peasants benefiting by it, in the form of self-managing cooperatives. It will allow extra production of about 2,000 t of cottonseed and 1,500 t of millet/sorghum.

The second integrated intervention concerns the development of the central area and the plateaux of Togo. This is a non-refundable aid of 2.5 million u.a. to extend for three years the assistance already given, from EDF resources, to the rural development operations undertaken by the Sociétés Régionales d'Aménagement et de Développement (SORAD) in the central and plateau areas, covering two-thirds of the area of Togo and containing some 700,000 inhabitants. A first financing made it possible to raise cotton production from 134 t in 1967/68 to 4,650 t in 1971/72 (forecast figure). A second move, financed in 1969, was for establishing 3,000 ha of palm-plantations with selected stock, which is well on the way to completion. The new project is for carrying out a programme to increase cottonseed production to 16,000 t in 1973/74. It also includes a number of infrastructure works, in particular roads and warehouses, as well as the boring of wells.

b) Food crops

Just as cotton is the principal industrial crop involved in the projects approved in 1971, so rice is the chief food crop which the new financings of this year will promote and develop.

The other food crops affected by the new financings are associated with industrial crops in several multi-crop projects (see c) below).

Four actions were approved in 1971 in the rice-growing sphere. The consumption of rice is in fact rising in most of the Associated States, and the growing production should make it possible for them to avoid the outflow of currency which rising imports would involve.

The Commission decided to finance an experimental project for rain-crop and swampland-rice, lasting for two-and-a-half years, in the Sikasso region in Mali. It will cover 2,500 ha and provides for a settlement of peasants on areas representing the different types of rice-growing that are possible in the region, for carrying out small development schemes in hydro-agriculture, and for the conduct of a research programme on varieties, plant health and growing. During the third agricultural campaign (1974) provided for in the project, the production is expected to rise to about 4,190 t.

The results of these experimental activities should make it possible to produce a larger project for this type of rice-growing, financing for which may be requested from the Community.

The second project concerns the development of rice-growing on the Ivory Coast. It consists in taking over a first part of the Ivory Coast 1972-76 programme, aimed at raising the national rice-paddy production from 330,000 to 470,000 t by 1976, thus covering 85-90 % of the national consumption. The project financed by the Community provides, on the one hand, for equipping a first seed-conditioning centre and a laboratory for seed quality control and, on the other, for building the first small barrage on the Sologo and the primary development of its irrigable area (200 ha).

The construction of such barrages will make it easier to control the water and to introduce a second crop in a dry season.

The last two new actions in rice-growing are of a more traditional type. One of them is concerned with an operation to increase rice-production on the High Plateaux in Madagascar, and more particularly in the regions of Fianarantsoa, Ambositra, Antsirabe and Ambilobe (west coast).

The EDF financing will be over 3 million u.s., and is to enable the Malagasy authorities to maintain the connection between the production aid under the second EDF (7.6 million) and a new five-year project which might be financed by the third EDF.

The actions envisaged are to cover 37,000 ha and concern about 106,000 peasants.

The Malagasy Government will contribute about 1,5 million u.a.

The other project is for the development, in peasant conditions, of rain-crop rice-growing in the cotton region of east Senegal. This crop will be grown, alternately with that of cotton, which has incidentally had the benefit of Community financing during several campaigns. The project is aimed at reaching by 1977/78 an additional production of 11,000 t of paddy (or 7,000 t of white rice).

The imbalance between the production and consumption of rice in Senegal is now about 175,000 t of white rice per annum. The Community has already financed two projects to remedy this, at a cost of over 3.5 million u.a.: one for developing irrigated rice-growing in Casamance Maritime, the other for introducing the growing of rain-crop rice in Casamance Continentale.

c) Multi-crop associations

The projects dealt with in this part generally concern the exploitation of a particular region by developing varied agricultural undertakings in ways which will markedly increase the productivity and income from the work done, while naturally seeing to it that the necessary stages are gone through to give the peasants the skills in new techniques and equipment, as well as for setting up the most appropriate socio-economic structures.

Three new projects of this sort, approved by the Commission in 1971, concern Rwanda, Upper Volta and Madagascar.

The first concerns the development of the basin of Andapa in the Malagasy Republic. Its financing is a continuation of activities undertaken by the Community since 1962 for exploiting the agricultural potentialities of this area, inhabited by a very active population of 58,000.

In the first phase, the Community financed a road (97 km) to open up the Basin, and in a second, preparations for its agricultural development. The present project provides for the development of part of the cultivable area (4,200 ha out of 17,000) by carrying out water engineering, rural service road improvements, the rational development of 26,000 ha of rice-fields, and agricultural extension and staffing activities. The cost of the project is 5.6 million u.a.



The second regional development project is the five-year extension of the rural development in the Mayaga-Bugesera in Rwanda. The exploitation of this area is centred on the establishment of peasant groups, installing farmers by a planned occupation of the land with a production programme for increased agricultural exploitation. After a general study, the Community has already financed, with nearly 4 million u.a., two pilot peasant groupings - one in the Mayaga, the other in the Bugesera, eight peasant groupings in the Mayaga, the eradication of the tsetse fly in the Bugesera; a programme of buildings, social installations and water-supplies, technical aid to the Organization Bugesera-Mayaga (OBM) and a training operation for staffing agricultural cooperatives.

These diverse activities have allowed the installation of 15,900 families in the peasant groupings, who have planted over 3.3 million coffee-shrubs and developed 18,000 ha for food production. Specialized marketing, transport and building services etc. have been organized and nurseries for seed-production set up; the fight against erosion has been carried on as well as a method of semi-collective reforestation. These various activities will be continued and improved under the new project decided on in 1971.

The present average income per farmer in this region, now about 15,000 F RW a year, against 8,000 F RW for Rwanda inhabitants not organized in these groups, should reach 25,000 F RW per annum at the end of the present phase.

The third multi-crop intervention is the continuation for three years of the help given to rural development by the Organisme Régional de Développement (ORD) of the Yatanga in Upper Volta, in the form of technical aid personnel and of material and financial means suitable for the improvement of the traditional techniques in exploitation. This action was launched in 1965, and its cost has already risen to nearly a million u.a. It was preceded by a soil conservation action in the same region, begun in 1861 and financed from the EDF at a cost of up to 5.4 million u.a.

The results obtained in agriculture so far have been very encouraging. In three years the production of millet and sorghum has risen by 20 %, that of groundnuts by 26 %, sesame 51 % and cotton 39 %. It is estimated that

production at the end of the project (1974) will be 75,000 t for millet and sorghum, 7,700 t for groundnuts, 680 t for sesame and 700 t for cotton.

The Upper Volta Government is contributing 292,000 u.a. to the project, and from the 1974/75 campaign onward the operation will be entirely supported by Volta's own resources.

The Commission decided in 1971 to finance the continuation of two activities for the structural improvement of agricultural production, which have been in hand since 1965, from production aid credits under the second EDF. Two million u.a. remaining from these credits allows for the continuation of these activities for the 1971/72 campaign in Madagascar and for 1972/73 in Senegal. The approved intervention for Senegal will provide for fertilizers for a million ha of groundnuts and millet/sorghum on a total seeding area of 2 million ha.

In the Malagasy Republic the approved project concerns mainly coffee and pepper production on the east coast and rice at Lake Alaotra and Marovoay.

d) Stockbreeding

In the absence of coherent programmes and of concerted action by the Associated States for defining regional policies for domestic meat supplies, the interventions financed from the resources of the second EDF for the benefit of stockbreeding have represented only a small figure, out of proportion to the real importance of this sector in the economic activity of many of the Associated States, especially those of the Sahelian area. They have centred mainly on safeguarding the health of herds and improving grazing water-supplies in the production regions.

Problems of meat supplies will become increasingly acute during the present decade, particularly in the coastal countries, and a large rise is provided for in aid to this sector, with action to develop and exploit herds.

In view, however, of the particular character and complexity of stock production and marketing structures, the development moves intended will need more time than is usual. This explains why, in 1971, no investment was

financed in this sector from Community aid; but several preparatory studies were begun, and the conclusions they reach should make it possible to devise important operations during the next few years.

These studies concern:

1. a programme of operations, under the third EDF, in stockbreeding in the west of Upper Volta, and the development of a rehabilitation depot for cattle intended for the slaughterhouses at Ouagadougou;
2. grazing capabilities of the Niono ranch in Mali;
3. cattle-tracks and equipment for the markets of the west and middle west in Niger, and the drawing up of the concrete project for developing the peasant grazing in Niger;
4. a preliminary expert report for preparing a stockbreeding project in the Ferlo in Senegal, and the drawing up of a programme for improving production and marketing of cattle in Casamance; and
5. the ranch at Adele in Togo and devising the animal technology infrastructure required for improving the herds.

This brief list of projects now under study gives a sketch of the directions taken by Community aid to stockbreeding, mainly the development of a modern sector in exploitation (ranches), an association between agriculture and stockbreeding (peasant grazings) and the improvement of conditions for marketing cattle (roads, rehabilitation depots and markets).

The next few years should see the implementation of this policy.

e) Fisheries

Alongside cattlebreeding, fishing is a traditional source of cheap supplies of animal proteins. In most cases, supplies from this productive activity could be raised considerably by modernization and rationalization.

In 1971 the Commission decided to supply aid for the development of the fisheries in the central delta region of the Niger in Mali. This project comprises several ways of intervening, to be carried out in an integrated way:

a team of staff for the fishermen, the building of repair docks, supplies of equipment, the setting up of marketing centres and the realization of a programme of technological research and diversification of fish marketing.

The project is to increase the quantities of dried and smoked fish marketed and to improve the quality. It should make it possible in particular to reduce losses during the preparation and storage of fish, which now vary between 25 and 50 % of the weight prepared. The project should therefore, when completed, allow a large sector of the Mali economy (150,000 t of fresh fish per annum and 19 % of the country's exports) to develop on a good, paying basis.

#### 1.1.2 Industrialization

As regards investment proper, five decisions were taken during the 1971 financial year, involving a total of 25.3 million u.a. in repayable aid from the resources of the EDF on the one hand and the European Investment Bank on the other. They have contributed to the achievement of a round total of some 130 million u.a. in industrial investments.

The five projects are in Zaire (2), Senegal, Cameroon and Dahomey (1 each).

An analysis of the 25.3 million u.a. by sector of industry is as follows:

Extracting industries	63.2 %
Manufacturing industries	6.3 %
Power	13.7 %
Agricultural industries	16.8 %

a) Extracting industries

The largest of the industrial projects attracted a loan of 16 million u.a. from the Bank. It concerned the extension of mining and industrial installations in the Shaba province (formerly Katanga) in Zaire to raise the copper and cobalt production capacities of the principal enterprise in Zaire, GECAMINES, now supplying two-thirds of the country's export receipts and half its budget resources.

This will make it possible to increase Gecamines production capacity by about a quarter, and Zaire should thereby regain roughly the relative position which is occupied in the world copper market before 1960. When completed, this project will have very great economic effects in added value, fiscal receipts and net gains of currency; and will also make the creation of 4,700 new jobs possible. The annual extra added value in industry will be about 5.7 % of the GDP in Zaire in 1969. The annual net currency gain will be the equivalent of about 32 % of the country's gross external credit at the end of 1969.

The total of extra fiscal receipts per annum might be about 16 % of the current receipts from the country's previous budget of 1970. These effects, cautiously estimated on the basis of a copper price which anticipated the drop of 1971, will of course be proportionate to the course taken by copper prices; they should, however, once the increases in production have come, help to compensate for the unfavourable consequences to the Zaire economy of any continuation of the present low copper prices.

b) Manufacturing industries

In Zaire, the Bank also granted the Société Financière de Développement (SOFIDE) a loan equivalent to 1.6 million u.a. for financing the expansion of a synthetic textiles factory at Kinshasa. SOFIDE was set up by the authorities in the Republic of Zaire in 1970 to give the country a national development organization for financial aid to enterprises, particularly in industry.

In addition to providing 300 new jobs, the completion of this project will bring extra industrial added value equivalent to 5.8 % of the value added by all the manufacturing, supply and equipment industries in 1969, or about 16 % of the value added by the spinning and weaving sector. It will also have a positive effect on the country's trade balance.

c) Power

The hydro-electric project financed by the Bank in Cameroon, through a loan to the ENELCAM Company of 3.5 million u.a., provided for raising the regulating barrage at Mbakaou and building the reservoir barrage at Bamendjin, and the installation of three additional groups in the Edéa III plant, which will raise the nominal power of the Edéa hydro-electric complex from 200.6 to 263 MW. The ENELCAM Company had already had a first loan from the Bank, 4 million u.a., in 1967, which helped in the building of the Mbakaou storage barrage and in the installation of the first two groups in the Edéa III Plant.

This project is intended to meet the rapid development in demands for electric power in the Cameroon, more particularly in the towns of Douala, Edéa and Yaoundé. It will make it possible to raise the guaranteed power of public supplies, in which sales prospects are likely to rise at an average annual rate of between 12 and 14 % from 1969 to 1979-80, and it will also help to regularize the supplies of electrical energy to the Edéa aluminium plant.

d) Agricultural industries

In this industrial sub-sector the credits committed in 1971 concern in the main the establishment of new installations on which the exploitation of local agricultural products depends.

An EDF loan on special conditions, of 3.3 million u.a. was granted to Dahomey, which will reassign it to the Société Nationale pour le Développement Rural (SONADER) for the construction of a palm-oil plant with a capacity of 20 t of clusters an hour in the Agony area in the south.

The SONADER project is the necessary industrial counterpart of the creation of 7,000 ha of selected palms in the same area and entirely financed from a non-refundable aid granted in 1967 from the resources of the second EDF. The economic justification cannot well be separated from that of the blocks of palm groves which it complements. The annual extra value added by the plantations and oil plant together has been estimated at 4 to 4.5 % of the 1966 GDP. The value added that is directly attributable to the oil mill, running at full capacity should represent the equivalent of 11.3 to 15 % of the value added in 1966 by all the manufacturing industries combined. The yearly net profit in currency should reach the equivalent of 20 to 22 % of the net external credit of Dahomey at the end of 1970. The fiscal receipts attributable directly to this project should represent about 2.3 to 5 % of current receipts for 1970.

The second loan on special conditions, of 972,000 u.a., was granted to Senegal for building a cotton-ginning plant with a capacity of 16,000 t at Vélingara in the region of the Casamance, and for the addition of a second ginning mill in the plant at Kahone.

This project is the complement to the operation for expanding cotton-growing which the Commission decided in 1971 to finance from non-refundable EDF aid (cf. 1.1.1, p. 9). The main justification of the project, which concerns 40 % of the Senegal cotton production, lies in its contribution to the indispensable diversification of the Senegalese economy, provided cotton-growing can be developed in Senegal on competitive conditions, which seems to depend on conditions in the world cotton market, the geographic position of Senegal, and crops that are good in relation to those found in the other Associated States. In the employment field the project will entail the creation of 30 permanent jobs, 108 temporary jobs, and 1,500 days of piecework per annum.

In reply to the concern expressed by the Association Council that the associated States should be assured a harmonious and diversified industrial development, two new studies of a general character were devoted to the possibilities of industrialization in the AASM with a view to exports.

The first study concerns a preliminary selection of export industries which appear suitable for introducing into the AASM. It covers all the industrial sectors except textiles, and is intended to discover and set in order of precedence those branches of manufacturing, among the many which might be studied in theory, which appear to have the best chances of proving feasible in the AASM and could then be studied more thoroughly. This preliminary study was completed during 1971.

The second study deals with the textile export industries which might be set up in the AASM. An analysis of the demand for textile products in the European Community and the United Kingdom, and a study of the general conditions for supply in the AASM were completed toward the end of 1971. A consideration of specific possibilities of establishing textile export industries in the AASM is in progress and will be completed in 1972.

### 1.1.3 Tourism

The development of tourist activities is among the new aims specifically included in Yaoundé Convention II. Under the first and second EDFs this sector was promoted indirectly by improvements in such elements of the infrastructure as roads, airfields, water-supplies and so on.

During 1971, a first study project in this field was approved, dealing with possibilities in developing tourism in Senegal and considering the potential market in the client countries. This study, financed from EDF resources, should lead to a definition of a medium-term programme and possible measures and investments to be provided for.

A hotel project, also in Senegal, is the first operation carried out by the Bank in the field of tourism in Africa. The hotel, built by the Société Propriétaire de l'Hôtel de l'Union, will be called "Téranga"; it is in the middle of Dakar and borders on the sea, and will have 264 rooms, two restaurants, lounges and assembly rooms, with a swimming pool in a leisure area. The ordinary Bank loan is of 1.44 million u.s.

The establishment of an international class hotel at Dakar will be an improvement on the present inadequate hotel accommodation there and will contribute to the tourist activities which produce jobs, budget receipts and currency.

### 1.1.4 Marketing and trade promotion

During the period of application of Yaoundé Convention I, the Association Council recognized that marketing conditions for AASM products on foreign markets were a bottleneck in the process of economic development, and that these inadequacies threatened to reduce the effectiveness of efforts made to diversify their exportable products and make them more competitive. It therefore decided as an experiment to extend the scope of Community aid to the field of trading. This line of action was again included and extended in the provisions of Yaoundé Convention II.



These being new texts, the Commission informed the Governments concerned in 1970 of the main forms of aid which appeared suitable for aid in this field. Most of the AASM Governments sent it a list of studies or actions they wished to undertake with Community aid, and some of these, listed below, have been financed from 1971 onward.

a) Improvement of work structures and methods in organizations or enterprises participating in the development of the foreign trade of the AASM

After a study financed from EDF sources, the Commission decided to help the Government of the Ivory Coast to set up at Abidjan an Ivory Foreign Trade Centre.

This Centre has the particular task of organizing, stimulating and carrying out, in agreement with the administrations concerned and in association with the private sector, sales promotion of Ivory Coast products in foreign markets. Its activities will be extended outside the country through the creation of six branches.

The Community will, for an initial three-year period, be responsible for supplying four marketing specialists for Ivory Coast export products and three technical advisers for the branches in Italy, Germany and the Benelux countries.

b) Programme of AASM participation in commercial fairs and exhibitions of an international character.

The aim of this action, which had begun in practice before Yaoundé Convention II came into force, is to enhance the penetration of foreign markets by AASM products.

During 1971 the Commission's services had organized 98 participations by Associated States in 18 trade occasions, 13 of which were held in European countries (Germany, Belgium, France, Italy, Spain and Sweden) and five in African countries (Zaire, Algeria, Ghana, Morocco and Tanzania).

As in the past, the Community took over the task of building, arranging and decorating the AASM stands. It also organized the advertising of the products on the stands and took the initiatives for several meetings of experts (see e) below).

The Associated States which took part recorded 1,593 trade contacts with potential customers. In addition, the advertising moves undertaken among consumers favourably impressed many buyers.

An analysis of the results recorded in 1971 confirmed the rising interest of importers and the public in Europe in the products of the AASM, which warrants the continuation of this marketing aid, of which the total cost in 1971 was about 830,000 u.a.

c) Training for experts in foreign trade and promotion

With a view to further improvement in AASM participation in international trade shows, the services of the Commission organized a seminar for professional training for stand managers of the AASM and those responsible for preparations for fairs in Africa and Madagascar. There were 32 participants from 15 Associated States.

d) Market study and enquiries

A study was compiled and published in 1971 on trade promotion for AASM products in the markets of the Community Member States.

The same year saw the completion of the first stage of a study on the market for granulated and powdered tapioca and for manioc flour among the Community Member States. This study is combined with a trade promotion operation to inform European traders and industrialists of the food values and trade characteristics of these products.

These two studies were financed from credits under the second EDF.

- e) Improving information in the Community and the Associated States with a view to developing trade.

When Associated States took part in international trade shows during 1971, as shown under b) above, the Commission's services organized meetings between European trade experts and Africans responsible for promoting sales of the products exported by their countries.

The impression was gained that these direct contacts between representatives of the productive sector in Africa and European importers and processors are probably the best way of discovering what the real difficulties are in marketing and of finding practical solutions for them.

For this reason it was decided to continue this experiment in 1972, while attempting to improve it, in particular by a fuller and more active participation on the part of the African productive sector.

## 1.2 The Economic Infrastructure

It was in this sector that the largest Community aid was given in 1971: it benefited by nearly 52 % of the commitments. Of the 131 million u.a. committed in this sector, 90 million went into road infrastructure projects, 21 million into port developments, and 12 million into the Trans-Cameroon rail project alone.

The size of the credits committed in this sector in 1971 should, however, be considered from different points of view; although in fact that size confirms the interest which the Community has always shown in improving the economic infrastructure of the Associated States, on which depends the effectiveness of most other development activities, it must nevertheless be pointed out that nearly one-third of the credits granted concern supplements of financing for finishing projects already being carried out. The commitments agreed to under this heading by the Commission in 1971 reached a total of 39.5 million u.a., made up as follows:

- 0.6 million u.a. for the Kinkala-Boko road in Congo,
- 1.4 million u.a. for the Ouagadougou-Po-frontier road in Ghana (Upper Volta),
- 1.3 million u.a. for the Niamey-Zinder road (PK 495-608) in Niger,
- 2.4 million u.a. for the Fort-Lamy-Guelendeng road in Chad,
- 12.0 million u.a. for the Trans-Cameroon railway,
- 3.5 million u.a. for the airport at Bamako in Mali,
- 15.8 million u.a. for the port of Owendo in Gabon, and
- 2.5 million u.a. for a project for "two radio relay networks and two telephone exchanges" in Somalia.

To this basic explanation of the complementary financings should be added the fact that the cost of economic infrastructure projects is generally much higher than that of other interventions, particularly in the productive sector.

In new operations the commitments decided on in 1971 represent a total amount of some 91 million u.a.

Half of the new projects approved in the field of transport and communication infrastructure are concerned mainly with improving regional links or the opening up of a region within the country concerned. That is the case, for

instance, in the Bamenda-Bafoussam road in Cameroon, the Dosso-Madaoua road in Niger and the Ziguinchor-Kolda road in Senegal, and also in the Gabon project for radio-relay links between the Moanda-Franceville area and the centres of Libreville and Pointe-Noire. The remaining half of the projects are aimed rather at improving intra-African links and supply and export routes to other continents, for example the modernisation works on Trunk road No. 1 in Burundi, certain sections of the main road Oagadougou-Lomé (Upper Volta and Togo) and the wharf at Nouakchott, and the extension of the port of Brazzaville, Congo.

#### 1.2.1 Roads and bridges

The majority of the road projects approved in 1971 concerned countries in central Africa.

The Commission decided on financing of nearly 8 million u.a. for Burundi, for the repair and asphaltting of RN 1 from Bujumbura to the Rwanda frontier.

Internationally this road is one section of the great trunk road linking Rwanda and Burundi with other countries, northward to the port of Mombasa and southward to that of Dar-es-Salaam. In Rwanda, the northern part of this trunk road is being built with financing from the AID; the modernization of the rest is the subject of EDF-financed studies.

Internally, RN 1 is the busiest trunk road in the country, serving heavily populated areas in which the Community has financed several tea-growing projects (see 1.1.1, p. 8 above). It also serves for the export of a large coffee production and for getting food and market-gardening products to the capital.

Two financing decisions taken in 1971 concern Rwanda. The first is for the building of a new bridge over the river Nyabarongo on the Gitarama-Ruhengeri road where it passes the Gatumba mines. Here the traffic is very often interrupted in the rainy season, hindering the mining operations there, which produce a third of the cassiterite in Rwanda, as well as the carriage of agricultural products and various other goods. The project is also intended to make the link between Gitarama, a large regional distribution centre, and Ruhengeri, that is, between the centre and north of Rwanda, a permanent one.

The second financing decision concerns the preparation of dossiers for carrying out development, drainage and asphaltting works on the road-section Kigali-Gitarama-Butare - Burundi frontier. This section runs through a very densely populated area (40 % of the country's total population) with great agricultural and trade activity (the coffee-growing and peasant grouping Mayaga region).

The Commission took an important decision in 1971 on financing for Zaire, amounting to nearly 16 million u.a. It concerns the construction of an asphalted road in the Bandundu province, 143 km in length, linking the town of Kenge with Masi-Manimba and going beyond the latter by 30 km. It is the first part of the Kenge-Kikwit link, itself an extension towards Kwilu of the road which opens up the country from Kinshasa to Kenge, already financed from the EDF. The ultimate objective, which this project serves in part, is to establish a link over a permanent, fast road between Kinshasa in the west and Kivu and Katanga in the east of the country.

The road-section Kenge to Masi-Manimba is to serve for the essential opening up of the agricultural region of the Kwilu, very densely populated (about 960,000 inhabitants) and mainly concerned on the one hand with food production, largely for the regional urban centres and the capital about 500 km away, and on the other with producing palm-oil, palm-trees, coffee, tobacco, and fibres for the processing industries in Kinshasa or for export.

For Cameroon the Commission approved the development and asphaltting of the Bamenda-Bafoussan road at a cost of 7 million u.a. This project forms part of the five-year plan for Cameroon (1971-75), which gives priority to developing inter-regional links to strengthen the economic and political cohesion of the Federation.

The present earth road between Bamenda and Bafoussan, linking the northern districts of west Cameroon with the main trunk roads in east Cameroon, and thence with the main economic and administrative centres of the country, is difficult to use for several months of the year.

The development of this trunk road will allow greater traffic in goods and passengers and should have important secondary effects in view of the large potentialities of the region served, with its population of about 700,000 and its large marketed production of coffee and food.

In the Congo the Commission decided on financing for 4 modern bridges over the Ngoko, Kouyou and Lekory rivers. When completed, these will facilitate the movement of the agricultural products of the region, particularly of palm-oil and palm-trees, to the development of which the Community has contributed by creating 2,500 ha of selected palm-groves and the restoration of the oil-mills at Etoumbi and Kunda.

In West Africa there will be financing for the development and asphaltting of three sections (179 km), and a study of improvements for another section of the Ouagadougou-Lomé trunk road, affecting Upper Volta and Togo.

This project is part of a series of actions in West Africa for improving the existing communications system and increasing the trade of all kinds between the Sahelian states (Mali, Upper Volta and Niger) on the one hand, and between them and the coast on the other. With this in mind the Community has already financed considerable road investments in Mali, Upper Volta, Niger and Togo, and contributed to improvements in the Abidjan-Ouagadougou railway.

For Niger the Commission decided in 1971 on two financings to a total of 24 million u.a. for asphaltting the road-section Dosso-Madaoua, building 17 bridges, and a study of the Tchadaoua-Takieta and the Zinder-Mirriah sections of the main trunk road Niamey-Zinder-Gouré.

Since 1962 the Commission has been financing the progressive modernization of this trunk road, which runs east-west through the country, traversing its most populous and fertile parts. North-south links between this road and Dahomey and Nigeria for the movement of both exports and imports, have also been carried out with Community financing. The total of EDF participation in the development of this road network has now reached 43 million u.a., including the supplementary financing mentioned above (p. 24) for carrying out the section PK 495-608 of the Niamey-Zinder road.

For Senegal the Commission approved the development and asphaltting of the Ziguincher-Kolda road (184.5 km) linking the lower and middle Casamance via the south of the river.

The Community has already financed many road investments in this region. Since 1960 about 13.5 million u.s. have been devoted to the asphaltting of 124 km and the building in earth of 454 km (including most of the present road) and to 4 bridges. The priority given by the Senegal Government to this region is explained by its importance in the country's economy, since it supplies nearly three-quarters of Senegal's rice production and a large proportion of other important agricultural products: groundnuts, cotton, sorghum and millets.

The Malagasy Republic got EDF financing of more than 9 million u.s. in 1971 for carrying out the second phase of the development of the road joining Vohémar and Sambava, two ports on the Indian Ocean coast. The first phase was given Community financing in 1961. The new project concerns the development of the last sections (about 99 km altogether) and the asphaltting of the whole length of the road.

The area served by the Vohémar-Sambava road has about 350,000 inhabitants, dependent mainly on agriculture for their livelihood. The Community has financed operations there to a total of over 25 million u.s., notably the construction of the Andapa-Sambava road for getting the agricultural production of the Andapa Basin away; the hydro-electric development of that basin (see 1.1.3 above); and the establishment of 1,000 ha of palm groves near Sambava.

Finally, in East Africa a financing decision was taken in 1971 to develop and asphalt a 15-km branch road in Somalia, linking Giamama and Arara, the latter being linked by an asphalt road to Chisimaio. This will allow the agricultural products of the Giamama district to be moved out faster and at all seasons, chiefly to the port of Chisimaio. This region has already benefited by Community actions in support of banana-growing and stock raising. In addition a project is now being studied for developing the growing of grapefruit (see 1.1.1 above).



### 1.2.2 Ports and waterways

Two new actions have been taken here.

#### 1. The extension of the port of Brazzaville in Congo

Thanks to Community financing, the river port of Brazzaville can be given supplementary infrastructure to enable it to meet present and foreseeable increases in traffic. They are a lengthening of the wharf by 250 m, and investments connected with the building of sheds and depots, and the supply of 4 cranes.

The port of Brazzaville, at the lowest point of the river navigation of the Congo-Oubangui-Sangha Basin, is an important link in the transequatorial lines of communication, taking nearly 99 % of the traffic of the Central African Republic, 60 % of Chad's traffic, and nearly all the Congolese traffic to and from the seaport of Pointe-Noire. The timber exports from south-east Cameroon also use this route. The Community has already financed numerous projects for modernizing the transequatorial route - the construction of river-ports in the Congo Basin, the supply of a fleet of transports and timber-trucks, the strengthening of the permanent way from Dolisie to Mont-Belo, the construction of 2 wharfage-points and the purchase of a dredger at the port of Pointe-Noire, costing altogether over 10 million u.a. The purchase of a tug of 1,800 HP from EDF resources was decided on in 1971.

#### 2. Additional development of the Nouakchott wharf in Mauritania.

The wharf at Nouakchott was built, and then extended, out of EDF resources, totalling 5.2 million u.a. The new financing of 360,000 u.a., decided on in 1971, will enable new protection to be built for the quay, ensuring safe and speedy direct berthing. The project also provides for permanent installations for supplying and distributing electric power within the shipping area.

1.2.3 Telecommunications

There is a new decision by the Commission to report in this field. It concerns a loan on special conditions, amounting to 765,000 u.a. to finance the installation of a telephone and telegraphic communication link by radio relay networks between Mouila, Moanda and Franceville in Gabon. The project comprises the supply of complete equipment for the three stations, to provide reliable and fast connections by telephone and telegraphic links between the mining region (manganese and uranium) of Moanda-Franceville, which is growing rapidly, and Libreville and the port of Pointe-Noire.

It supplements a project already carried out at a cost of 1.7 million u.a. from EDF credits, which has enabled a link by radio relay networks to be installed between Congo and Gabon.

### 1.3 SOCIAL DEVELOPMENTS

Aid for social developments covers the sectors of training, health, domestic water supplies and housing. All this requires both investment and moves in technical cooperation.

During 1971, credits committed in the field of social development made up nearly 13 % of all commitments. The financing decisions reached concerned in fact mainly education and training, which attracted 8.6 % of all commitments.

#### 1.3.1 Education and training

The great majority of aids decided on in 1971 concerned trade and technical training. Aid from the Community is thus establishing a close dovetailing between training activities and the other economic and social development which it finances, and it fits into the general guidelines given by the Association Council, which stress the need for key staff and trade training.

This branch of training has attracted new investments: several technical training colleges in Cameroon, the national nursing college in Niger, and three specific projects for technical cooperation in Rwanda, Dahomey and Madagascar, concerned particularly with the training of rural staffing experts. The development of trade and technical training is also what the instructors on missions this year will be concerned with, and also what the scholarships and training grants provided are to serve.

The other branches of education and training covered by the aids decided on in 1971 are training for foremen, for which a large investment was provided in Burundi; general secondary education, the concern of the Vogt College in Cameroon, which will be enlarged; and finally two specific new projects for training men and women to stimulate rural activities, one in Niger and the other in Mali, the aim of which is to make the people more able to take over their own development and thus to put more life into efforts made in this direction by the national authorities with foreign support and assistance.

Community aid in the training sector takes five forms:

1. investments in the educational infrastructure;
2. specific projects for trade training;
3. the provision of instructors appropriate to the training;
4. scholarships; and
5. training for officials and short courses.

1. The educational infrastructure

In this field five actions with Community aid in 1971 can be pointed to. The first concerns the building and equipping of the Ecole Normale Supérieure du Burundi. It is designed to take 200 pupils, of whom 150 will be boarders, and will train 40 certificated teachers for the lower classes in secondary schooling per annum. These will be able gradually to replace foreign teachers and meet the need for more teachers in secondary education.

Another project approved by the Commission in 1971 provides for building two new technical colleges in Cameroon, one at Bertoua, the other at Buea, and the extension of three establishments at Garoua, Bafoussam and Yaoundé. The college for technical commercial education in Bertoua is intended for the training of 135 students at a time, while that at Buea will take 315 boarders. The extension of the college of technical, industrial and commercial education at Garoua will raise its capacity from 136 to 356 students, and that of the Bafoussam college from 142 to 250 students. The Yaoundé college for commercial technical training for girls will be enlarged by the addition of a section for "secrétariat de direction" which will be able to take 85 pupils.

Still in Cameroon, the Commission decided on an extension of the Vogt de M'Volye college by the building of schoolrooms and boarding accommodation to bring its capacity from 450 up to 560 pupils (including 390 boarders).

It was also decided to finance an extension of the National Nursing College at Niamey to bring its numbers from 100 up to 155. To improve qualifications the duration of the training, which was two years for State nurses, will be extended by one year. When this is complete the number of Niger nurses, now 600, will rise by 1980 to about 1000, representing one nurse per 4,000 inhabitants.

Finally, the Commission decided to provide the Institut Supérieur d'Architecture at Kinshasa and the section for Humanités artistiques annexed to it with the necessary premises to enable them to take 350 students. The Government of Zaire aims to produce about 10 certificated architects a year to meet the needs of the country in national architects, which may be estimated at a mean of 200.

## 2. Specific projects for trade training

Five specific projects for trade training, consisting mainly of technical aid and teaching means, were decided on in 1971, all intended to back up the efforts made by the Community in the field of the development of production. They concern in part the training, in Dahomey, of 160 staffing experts, 80 demonstrators and 120 voluntary demonstrators in market gardening, horticultural production, family economy and nutrition, who will be expected to spread their knowledge among the Ouémé populations, which are mostly rural. The aim is to improve the nutritional standards of these people, whose average incomes are poor.

The Commission also decided to continue for three years and to expand the campaign for women's domestic education, which has been carried on for nearly two years in the five districts in the most densely populated belt in Niger. The six expatriate women advisers will go on training key staff and teaching the female population about the problems of the elementary techniques of production, marketing and family budgeting. Considerable attention will be given to education in health and nutrition.

In the Malagasy Republic the Commission finally decided on financing a programme of training for 100 managers and managerial staff for cooperatives and similar organizations, to ensure economical and effective running.

In Mali, the Community will finance a family centre for rural demonstrators at Koni, and will provide for the expansion of a similar centre already established at Tominian, which has been operating successfully for three years. This project will give an idea of how far this experiment might be extended, in particular to all the seasonal schools (training centres for young peasants), financed from EDF

resources in this region at a cost of 5.6 million u.a. The Koni centre will train 24 teams of young farmer-instructors who will then go back to their villages and serve as practical demonstrators there.

In Rwanda the Commission will provide for farming and trade training, for 3 years, of 90 young peasants to enable them better to fit in to their surroundings. Like many other countries, Rwanda faces the problem of very many checks and dropouts in primary education and at the beginning of the secondary schooling. To combat the social imbalances caused by this situation, the Rwanda Government has re-established a programme of practical supplementary training. The project financed by the Community will fit into this programme as an experimental effort, to be carried out at the Centre Rural Agricole et de Formation Artisanale, built at Gitarama with French bilateral aid. The programme can then be perfected and extended to other centres to be set up in the Mayaga, an area where the Community provides aid (see 1.1.2 above).

3. The provision of instructors appropriate to the training

In 1971 the Community decided to send out 9 instructors for 2 years to teach in the following institutions: the Ecole Nationale d'Agriculture at Tové (Togo), Université du Bénin (common to Togo and Dahomey), Centre Internationale de Formation Statistique at Yaoundé (Cameroon) built with EDF resources, and the Centre Régionale de l'Enseignement et de l'Apprentissage Maritime and Ecole de Statistique, both at Abidjan (Ivory Coast).

The object of this aid is to enable the Governments of these countries to overcome the difficulties they meet with in recruiting specialist instructors in certain technical fields. It is limited to particular cases, either to back up other forms of aid from the Community in training matters, or to promote regional cooperation in this field.

4. Scholarships

The programme of scholarships financed by the Community during the school year 1970/71 comprised full-time and part-time scholarships and grants for correspondence.

a) Full-time training grants

During the 1970/71 school year 2,172 scholarships were awarded to students from the AASM. The total number of scholarship holders was about the same as in 1969/70.

For the first time the number of scholarships awarded for studies in Africa was greater than for Europe (see Table 3).

	<u>Europe</u>		<u>Africa</u>		<u>Israel</u>	
	number	%	number	%	number	%
1969/70	1,156	51.8	1,024	45.9	51	2.3
1970/71	1,041	47.9	1,097	50.5	34	1.6

This direction of development agrees with the provisions of Protocol 6 of the Yaoundé Convention to the effect that training should be carried out as far as possible in the AASM.

The proportion of scholarship-holders devoting themselves to technical studies (see Table 4) showed a clear rise on the preceding year, from 34.8 % to 38.2 %, and similarly in the agricultural field, in which the proportion rose from 24.7 % to 28.8 %.

b) Local part-time courses

The number of tradesmen and heads of small enterprises following part-time courses in the AASM fell slightly in 1970/71. The total was 503, distributed as follows:

107 in Cameroon  
167 in Congo  
150 in Zaire  
30 in Gabon, and  
49 in Madagascar.

c) Scholarships for training by correspondence courses

(see Table 6)

For the school year 1970/71 the Commission granted 518 applications for training by correspondence courses, which brought the number of scholarship holders to 1,811, including the 1,293 from previous years still pursuing their studies.

The breakdown by field of studies is as follows:

Economics	:	902	or	49.8 %
Agriculture	:	411	or	22.7 %
Technical	:	498	or	27.5 %

By level of training it was:

Vocational	:	502	or	27.7 %
Intermediate	:	1,099	or	60.7 %
Higher	:	210	or	11.6 %

Results

At 31 December 1971, of the 1,811 scholarship holders 1,181 had ended their training year successfully, and of these 334 had completed their training. 630 students with clearly inadequate results lost their scholarships.



5. Training for officials and short courses

Six students were admitted to short courses in a European administration in 1971, for periods of 3 or 6 months, distributed as follows: Cameroon 1, Zaire 2, Polynesia 1, Rwanda 1 and Chad 1.

In addition, twelve officials attended training courses in the Commission: 2 from Burundi, 1 each from Cameroon, Congo, Dahomey and Gabon, 2 from Madagascar, and 1 each from Niger, Rwanda, Togo and Upper Volta.

All of these occupy responsible or authoritative positions in their national administrations.

1.3.2 Health

In this sector the Commission granted in 1971 non-refundable subsidies for the continuation of two projects begun earlier. One concerns the completion of a programme for the supply of health needs and the construction of 16 rural dispensaries in Niger; the other continuation during 1972 and 1973 of a campaign against the onchocercosis vector in certain parts of Upper Volta, Ivory Coast and Mali. The Governments of the countries concerned will contribute almost as much to the cost as the Community will.

It is worth pointing out that many of the specifically training programmes (child care, nutrition, etc.,) already mentioned, and also the domestic water-supply projects (cf. 1.3.3 below) have a considerable prophylactic effect and thus directly help to improve public health in the Associated States in which they are carried out.

1.3.3 Water supplies, municipal administration, housing

The four new interventions approved by the Commission in 1971 in this social sector concern water supplies - one in villages, the other three in towns. They are as follows:

In the supply of water to villages the financing provided by the EDF will cover the first slice of a programme calling for the construction of 262 wells provided for by the Government of Togo under the second economic and social plan, and intended to provide

water supplies for the villages most in need, spread over the whole of the territory and containing about 150,000 inhabitants. The introduction of the wells was decided on after studies by aid from France and the United Nations Special Fund.

The approved projects for urban water supplies concern the towns Cotonou, Bobo-Dioulasso and Bamako. In Dahomey the project is aimed at modernizing and extending the water-supply system in Cotonou. These developments will enable the town's needs as to quality and quantity to be met up to 1985, when the population will have risen to about 245,000.

The project to be financed in Upper Volta concerns the execution of the delivery part of the programme for extending the water-supply system of Bobo-Dioulasso. The installations provided for under the scheme will enable the water-supply needs to be met up to 1995. The town's population will be able to increase its consumption of water, which has been static since 1966, and several industrial enterprises which it is planned to install in the town can now settle in.

Finally, the town of Bamako, in Mali, has been feeling a great imbalance between water requirements and the means of production and storage, in consequence of the development it has seen, particularly during the last two decades. To remedy the situation, the Mali Government has drawn up, on the basis of a long-term guidance plan, an urgent programme, of which the first part, financed from EDF resources (2.4 million u.a.) will be carried out at once. The second slice of this urgent programme, approved in 1971, comprises an increase in the storage capacity and in the high-pressure equipment.

When these two complementary projects have been completed they will enable the water-supply requirements of the population of Bamako, which is growing at the rate of 3 % per annum, to be

#### 1.4 EMERGENCY AIDS

Recourse to "emergency aids" in 1971 was called for by an exceptionally severe drought and a grave cholera epidemic. Such aid was extended to five States at a total cost of 14 million u.s.

Actions for stemming the cholera epidemic concerned Chad and Niger.

In Chad, the number of cases rose to over 5,000 and deaths to over 2,000.

The Community also helped the Government of Niger in its fight against the epidemic, which caused the deaths of over 2,000 people. The areas affected hold about 2 million people.

The help given to Niger, Senegal, Somalia and Upper Volta was to enable them to remedy the disastrous consequences of the exceptionally severe drought suffered in 1970/71 over nearly the whole of their territories. It took the following forms:

In Upper Volta, the EDF aid covered the cost of transporting, allocating and distributing the food assistance given in kind by the Community, together with the execution of a programme for saving livestock and restoring the agricultural economy. These operations had the benefit of considerable food aid sent by the United States of America and the World Food Programme (WFP), together with the supply of sheds by bilateral German aid.

In Niger considerable losses were reported in stock-breeding, and epizootics were declared in certain areas. To prevent any worsening of the situation, the Community financed health protection activities.

In agriculture the drought brought about a reduction in food and groundnut production, varying between 10 and 70 % according to the area and crop concerned.

The Community financed the reconstitution of the stocks of groundnut seed (7,300 t), which had been eaten by the people.

In Somalia the drought, through the considerable reduction in the production of food which it caused, resulted in the under-nourishment and malnutrition of about 1.5 million people, finally bringing deadly epidemics. There were also heavy losses in cattle.

The Community supplied food aid in the form of 8,000 t of maize. EDF-financed emergency aid took over the distribution of this aid within the country, as well as providing food and shelter, organisation and administration of refugee camps and the purchase of medicaments for the stricken people. The People's Republic of China and the USSR contributed to the rescue work to the extent of 406,000 and 280,000 u.a. respectively.

Finally, emergency aid granted by the Commission to Senegal was used to give producers, at the beginning of the agricultural campaign 1971/72, a seed-sowing premium intended on the one hand to alleviate the consequences of the considerable reduction in the groundnut harvest of 1970 and on the other to promote diversification of production, particularly towards sorghum and millet.

This Community aid came at a fortunate time: it helped considerably in restoring the confidence of the peasants, which had been strengthened already by the Senegal Government's own action in wiping out debts which had accumulated for the supply of seed, materials and equipment for crop-growing. As a result the groundnut production rose in one year from 583,000 to about 918,000 t, without entailing the slightest reduction in that of millet and sorghum.

This recovery in agricultural production served as a real spur to the whole of the Senegal economy, and confirmed the Government in its wish to apply the necessary structural reforms in the groundnut economy.

### 1.5 PUBLICITY MOVES

Certain EDF-financed moves are aimed at ensuring better publicity among the responsible people in the Associated States on the subject of the functioning of the Association: they consist in the organization of symposia and the regular publication of the "Courrier de l'Association".

#### Symposia organized in Europe

From January to December 1971, thirteen symposia in Europe enabled contact to be made with 446 participants, among whom there were 54 people from states not belonging to the Association. The symposia were nearly all held in Brussels and from November 1971 were restricted to scholarship holders of the European Community.

#### Symposia organized in the Associated States

During 1971, symposia were held in Chad, the Central African Republic and Congo. These informative meetings were held with the help of the authorities in these States and of resident deputy supervisors from the EDF before various audiences: parliamentarians, high officials, representatives of industrial and commercial circles, students and holders of ECC scholarships.

## CHAPTER 2 - THE IMPLEMENTATION OF COMMUNITY AID

### 2.1 - PREPARATIONS FOR IMPLEMENTATION

In 1970 it was found possible to make broad preparations for implementing the aid, by applying the interim measures decided on by the Association Council. This preparatory work was continued in 1971 in a very close cooperation between the competent authorities of the Community and the AASM, as regards both the definition of a priority programme for financing and the stage of putting the projects into practice. A joint consideration of requests for financing was also carried on during 1971 by the Commission's services and those of the Bank in the normal way.

This section describes how the cooperation achieved took practical form within the Association.

#### 2.1.1 Review of the preparatory measures taken before Yaoundé Convention II came into force

The application, from 1 June to 31 December 1970, of the interim measures decided on by the Association Council enabled the Commission to prepare and investigate the operations to be proposed for financing by the third EDF.

These interim measures provided that the EDF services might proceed without a break to the examination of the projects already submitted by the AASM according to the methods of management of the aids laid down in Yaoundé Convention II and the new Internal Financial Agreement. Nineteen projects thus examined, involving a total of about 35 million u.a., were submitted to the EDF Committee. These measures enabled the commitment of credits under the third EDF to begin very quickly and the delay which had intervened in the ratification of the new Convention to be made up as far as possible. The commitments came in fact in 1971 to more than 230 million u.a., while an equivalent distribution over the period of Yaoundé Convention II would correspond to about 225 million u.a. per annum.

The examination of these projects was preceded by programming missions in each Associated State, whereby a provisional programme for using the third EDF on the basis of proposals by the national authorities could be drawn up.

2.1.2 Cooperation between Community authorities and the competent AASM authorities

From the start a close collaboration was established between the Community services and the responsible authorities of the Associated States, both at the stage of decisions on the programme for the third EDF and at that of preparing the various projects provided for.

1. Several programming missions were also carried out in the Associated States, notably in Chad, Burundi and Zaire. Other missions on the spot enabled high officials of the Commission and the Bank to have many contacts with the Presidents and responsible people in governments and to discuss with them the general guidelines for Community aid during the coming years. This was the case with Burundi, Cameroon, the Central African Republic, Chad, Dahomey, Gabon, Ivory Coast, Malagasy Republic, Mali, Senegal, Somalia, Togo, Upper Volta and Zaire.
2. In addition, several high-level delegations from various States of the AASM came to Brussels and Luxembourg to meet officials of the Commission and the Bank for discussions on projects provided for mainly during programming missions. These exchanges of views also developed during numerous missions carried out in the AASM by agents of the EDF and Bank services.
3. As part of the joint effort in programming Community aid, many sectoral or regional studies were decided on in 1971 with EDF credits, to enable several Associated States to draw up specific development programmes. For example, in rural production the EDF financed among other things studies in Mali and Mauritania on drawing up a rice-growing programme; in Dahomey and Upper Volta, studies on devising a programme for help to stockbreeding; in Cameroon a study on the exploitation of a sparsely-inhabited area in the north-west; and at the request of the Senegal Government the EDF financed nine studies on the most important sectors of the Senegalese economy: agriculture, stockbreeding, mining, tourism, transport and training.

4. Finally, many technical aid missions were sent to work alongside most of the Governments of the Associated States to help them in drawing up the dossiers for submitting projects for which financing is sought from Community aid. Certain missions, sent in 1970 or earlier, were extended to 1971. At the end of the year under review there were altogether 25 experts at the disposal of eight Associated States for carrying out tasks involved in preparing projects.



## 2.2 - NEW DECISIONS

Non-refundable aids or gifts from EDP resources made up 88.3 % of the commitments decided on in 1971 towards AASM. Refundable EDF-financed aids represented 2.8 % of the same total, and ordinary loans from European Investment Bank resources made up 8.9 %

This broad division is substantially similar to that provided for by art. 18 of the Convention: 81.5 % - 8.7 % - 9.8 %. Although the proportion of refundable aid from EDF resources is smaller than the average provided for, this is due to the fact that the procedure for examining these aids is usually more complex and that the nature of financially sound projects itself often makes their preparation longer and more difficult.

The new commitments entered into in 1971 are examined below from the point of view of the adaptation of financing methods to the various sectors of social and economic activity of the Associated States. The sectoral analysis used is identical with that in chapter 1, and its main elements are mentioned in art. 19 paragraph 1 of Yaoundé Convention II.

Subsidies made up 58 % of all Community aids granted in 1971 for developing production. Methods of financing are most diverse in this sector: 41 % are refundable aids, and of these 7 % are EDF loans on special conditions and 34 % ordinary EIB loans; the remaining 1 % is covered by interest payments on these latter loans.

For financing economic infrastructure projects the methods of financing were also varied, though much less so than those for production: 97 % of new aids in this sector were subsidies; the rest was made up of loans on special conditions and a repayment of interest on a previous loan from EIB resources.

The other sectors received only non-refundable aids (see Table 1, p. 46).

Community financial aids take various practical forms of intervention: investments, technical cooperation linked with these investments, general technical cooperation, emergency aids (cf. art.20 of the Convention and arts. 1,

Table 1

Breakdown of sums committed in 1971 by financing method and sector of activity

(in thousands of u.a.)

	Developing production	Marketing promotion	Economic infrastruct.	Social development	Emergency aids	Miscel- laneous	Total
<u>Non-refundable EDF aids</u>							
a. subsidiaries	38,552.3	3,270.0	126,271.4	32,767.3	13,654.3	6,943.1	221,458.4
b. interest repayment	749.7		1,526.2				2,275.9
<u>Refundable EDF aids</u>							
loans on special conditions	4,248.0	-	2,808.0	-	-	-	7,056.0
<u>EIB ordinary loans (a)</u>	22,540.0	-	-	-	-	-	22,540.0
	66,090.0	3,270.0	130,605.6	32,767.3	13,654.3	6,943.1	253,330.3

Breakdown of sums committed in 1971 by financing method and type of intervention

(in thousands of u.a.)

	Aids to production (remainder from 2nd. EDF)	Invest- ments & linked tech. co- operation	Emergency aids	General technical coopera- tion	Management costs	Total	
						amount	%
<u>Non-refundable EDF aids</u>							
a. subsidiaries	4,857.9	186,129.1	13,654.3	11,078.3	5,738.8	221,458.4	87.4
b. interest repayments		2,275.9				2,275.9	0.9
<u>Refundable EDF aids</u>							
loans on special conditions	-	7,056.0	-	-	-	7,056.0	2.8
<u>EIB ordinary loans (a)</u>	-	22,540.0	-	-	-	22,540.0	8.9
	4,857.9	218,001.0	13,654.3	11,078.3	5,738.8	253,330.3	100.0

(a) Loan contracts signed in 1971

2 and 3 of Protocol 6). Technical cooperation and emergency aid are always financed by gifts, as prescribed by art. 5, para. 2 of Protocol 6; the same applies to remainders of production aids under Yaoundé Convention I. Investments, on the other hand, may be financed by various methods provided for under the Convention, according to the discounted profitability of each project and the debt-bearing capacity of the country concerned. We review below each of the financing methods to show how it was applied to projects approved during the past year.

#### 2.2.1 Non-refundable aids from EDF resources

The greatest number of Community aid interventions are in this form: nearly 224 million u.a. in 1971, of which 6.9 million u.a. came from remainders from the second Fund. They comprise, on the one hand, subsidies which directly finance projects and programmes, and on the other, interest repayments on ordinary loans from the EIB.

##### a) Subsidies

##### Breakdown by sector

Of the aids financed by subsidies in 1971, 57 % were taken by the economic infrastructure sector, 18.9 % by the development of production and market promotion, 14.8 % by social development and the rest by emergency and miscellaneous aids.

##### Types of intervention

1. Investments combined with technical cooperation.

Subsidies used for this type of intervention rose to 184 million u.a., 2.6 million u.a. of which were remainders of credits under the 2nd EDF.

"Investments" here is meant in the broad sense covered by art. 1 of Protocol 6, and therefore they include the developments in rural economy which may cover such diverse actions as providing key staff, plant, supplies, and applied research. Thus some of

these projects include a proportion of technical aid. This combined technical cooperation included in the projects undertaken in 1971 amounted to 14.4 million u.a., or 8.3 % of the cost of the investments. This figure is for the technical preparation of projects up to a figure of 2.1 million u.a. The combined technical cooperation involved in the execution of the projects amounts to 10.3 million u.a.; it involves on the one hand 10.3 million u.a. for the temporary supply of technicians and the consumer goods necessary for their activities, and on the other hand 4.4 million u.a. for the supervision of the work on behalf of the local authorities responsible for carrying out the work. Finally, technical cooperative actions which were both preparatory and concomitant were also financed as parts of certain projects, to a total of 2 million u.a.

If we add to these figures the specific activities in combined technical cooperation, decided on separately for preparing investment projects, the part played by combined technical cooperation in 1971 involved 11.4 % of net investments.

It should be pointed out that even if these acts of combined technical cooperation concern investments financed by refundable aids, they are always covered by subsidies.

## 2. Aids to production

These aids included 3.5 million u.a. remaining from the resources of the 2nd EDF. They were used by applying dispositions contained in Yaoundé Convention I, which stipulated in particular that "any remainder (from aids to production) would be applied for use in other forms of aid". They were used for short-term financing for improving productivity, envisaged in chapter 1 of Protocol 5 of Yaoundé Convention II. Four projects were approved in this way for the benefit of Senegal (2 million u.a.), Madagascar (1 million u.a.), Niger (0.4 million u.a.) and the CAR (0.1 million u.a.).

The financings agreed on included in different States the production and distribution of selected seed, subsidies to producers for such production needs as fertilizers, insecticides, agricultural equipment, and so on.

### 3. Emergency aids

The object of these aids is "to meet particular and exceptional difficulties which create an emergency situation having grave effects on the economic potential of the Associated States and due either to a fall in world prices or to disasters such as famines, floods, etc." (art. 20 of the Convention).

These aids are financed "by a reserve fund constituted by drawings from the non-refundable aids" amounting to 65 million u.a., but which can be raised to 80 million u.a. by the Association Council in case of need. The maximum was fixed at 20 million for the first year of application of the Convention.

Applications submitted in 1971 were based only on natural disasters, not to meet any falls in prices (cf. chapter I, section 4, p. 39). The commitments undertaken by the Community to meet these amount to nearly 14 million u.a., or 17.5 % of the maximum total grant for the duration of the Convention.

The reserve fund will be made up to cover the 14 million already used.

### 4. General technical cooperation

General technical cooperation activities financed in 1971 amounted to 14.4 million u.a. They concerned the programme of scholarships and training courses (7.9 million)<sup>(1)</sup>, specific projects for training and further training (2.7 million u.a.), market promotion activities (3.3 million u.a.)<sup>(2)</sup> and general studies (0.5 million u.a.).

### 5. Administrative costs

These costs, which cover deputy and technical supervision in Africa, amounted to 4.9 million u.a., or 3 % of all payments made in 1971. They do not include other administrative costs of the EDF, which are included in Brussels. These are not regarded as part of the non-refundable aids, but are assumed by the Commission budget.

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(1) Although this programme concerns both the AASM and the PTOM, it is not analysed as between these two groups of countries, and that is why it is put down entirely to the sum provided for in art. 10a, first sub-section, of the Convention.

(2) These activities can be split up into 2.6 million u.a. for participation by the AASM in international fairs and 0.7 million u.a. for training technical experts in foreign trade and

b) Payments of interest

Five demands for payments of interest, drawn up by the European Investment Bank for loans which it grants from its own resources, required a decision by the Commission in 1971. The amounts of these payments, fixed at the date of the signing of the loan contract by the Bank, or exceptionally at a date fixed by agreement between the Commission services and the Bank, are all chargeable to the non-refundable aids under the 3rd EDF, and total 1.86 million u.a. Four of these payments were made at a rate contractually fixed by provisions of Yaoundé Convention II, and the fifth, which concerned an infrastructure project, in accordance with the rate established case by case. One of these payments at a contractual rate concerns the first loan the Bank has granted through a development finance organization.

In addition, on 1 March 1971 the Commission paid to the EIB, out of the resources of the 3rd EDF, the amount fixed (414,000 u.a.) of interest payment at 3 % decided on 18 April 1969 with regard to the Bank's ordinary loan agreed on 3 November 1969 with the Gabon Republic for financing the Basse-Obiga-river Wagny road.

The 2.27 million u.a. granted so far as interest payments represent 1.1 % of all non-refundable aids approved in 1971. The payments concern the following projects:

Table 2

	Loan conditions for borrower		Payment financed from EDF		
	amount (000 u.a.)	rate of int. paid	amount (000 u.a.)	contr. rate	rate fixed case by case
<u>Cameroon</u> : extension of a spinning and weaving factory at Garoua (a)	2,330.0	4.5	240.7	3	
<u>Upper Volta</u> : creation of a flour-mill at Banfera (a)	450.0	5.5	79.3	3	
<u>Senegal</u> : building the Hôtel de l'Union at Dakar	1,400.0	5.5	286.6	3	
<u>Zaire</u> : loan to SOFIDE (Société financière de Développement)	1,600.0	6.5	143.1	2	
<u>Gabon</u> : Forestry service road Basse Obiga-Wagny	2,330.0	4.5	414.2		3
<u>Ivory Coast</u> : development of access to port of Abidjan	4,680.0	4	1,112.-		4.5

(a) payment on a loan concluded by the Bank in 1970

**2.2.2 Refundable aids from EDF resources**

Art. 10 para. 1 of the Convention provides for the possibility of financing from the EDF, as part of the refundable aids, either loans on special conditions or contributions to risk capital. Only the first of these forms of financing was committed in 1971, and to only a limited extent.

The loans on special conditions granted in 1971 offered favourable conditions in their duration, the grace periods and rates of interest:

Table 3

	amount in 000 u.a.	rate	duration	deferred
<u>Loans on special conditions for non-industrial projects</u>				
<u>Congo</u> : Extension of the port of Brazzaville (superstructures) and purchase of tug in port of Pointe Noire	2,052	1 %	17	2
<u>Gabon</u> : Construction of radio relay system Mouila-Moanda-Franceville	756	3 %	15	3
<u>Loans on special conditions for industrial projects</u>				
<u>Dahomey</u> : Building a palm-oil plant at Agonvy	3,276	1 %	40	10
<u>Senegal</u> : Building a ginning plant at Velingara	972	3 %	20	5
	<u>7,056</u>			

As is shown by Table 2 at the beginning of this section and by Table 3 above, 60 % of these loans concern the development of production, in the field of processing industries for local agricultural products; and 40 % the economic infrastructure. Special loans granted in 1971 for developing production represent 6.4 % of the aids given in this sector, and those for developing the economic infrastructure 2.1 %.

During the first year of implementation of Yaoundé Convention II, no application was made for the new method of financing provided for in it, namely a contribution to the formation of risk capital.

Nor was any request made for advances from the Stabilisation Fund during the year under review.

a) Loans on special conditions for non-industrial projects

Two loans on special conditions, decided on by the Commission in 1971, will finance projects for improving transport and communications. Together they involve 2.8 million u.a. In both cases the exploitation of the investments will produce direct money receipts; one is port installations for Congo and the other telecommunications installations for Gabon.

For the extension of the port of Brazzaville the Commission granted two different financings in 1971: a special loan of 1,080,000 u.a. for new superstructures (cf. Chapter 1, 1.2.2) and a non-refundable subsidy of 2,056,000 u.a. for infrastructure elements. It is in fact only the first part of this operation which will bring in receipts which can be clearly isolated and measured.

The durations of these two loans on special terms are almost the same: 17 and 15 years respectively, with fairly short grace periods of 2 and 3 years. These periods were fixed in view of the normal economic life of the investments to be financed, and of the period necessary for them to show their full effects in terms of financial profitability.

The borrower in each of the two special loans decided on in 1971 for non-industrial projects is the public body which will directly operate the investments, namely the Agence Transcongolaise des Communications and the Office gabonais des Postes et Télécommunications. Each loan enjoys the joint security of the State concerned.

b) Loans on special conditions for industrial projects

Among the industrial projects which seemed suitable for financing by loans on special conditions and were examined by the Bank and the Commission jointly, in conformity with art. 10 of the internal Agreement on financing and administering Community aids, two were



decided on during 1971 for financing by the Community, to the total equivalent of 4.25 million u.a. The administration of these loans will be carried out by the Bank.

Descriptions of these projects and an evaluation of their economic value for the countries concerned appear in Chapter 1, 1.1.2 of this report.

The loan to Dahomey concerns the agricultural and food industries sector and the loan to Senegal the textiles sector.

The loans were concluded with the Republic of Senegal and the Republic of Dahomey; but in the latter case the amount of the loan is to be passed on to SONADER.

To meet the very low loan-bearing capacity of this State, the loan to the Republic of Dahomey was granted for a term of 40 years, with a grace period of 10 years and interest at 1 % per annum. The State will pass the amount of it on to SONADER on different conditions, fixed in relation to the expected profitability of the enterprise: a 25-year term, grace period 6 years and interest at 3 %. The balances available from the differences between these sets of conditions will be compulsorily devoted to constituting a reserve fund, which is also to be used for extending the oil-plant at Agony; the utilization of this fund will be subject to the prior agreement of the Commission and the Bank.

The loan to the Republic of Senegal was granted for a term of 20 years, with a 5-year grace period and interest at 3 %.

### 2.2.3 Ordinary loans from European Investment Bank resources

In view of the fact that the means of financing provided for the current period of the Association comprise 81.5 % subsidies, 8.7 % loans on special conditions from EDF resources and 9.8 % ordinary loans from the Bank out of its own resources, it will be clear that the latter will be applied for preference to projects with sufficient financial profitability to assure the servicing of the interest and redemption of the loan without difficulty. This means, in fact, most frequently industrial projects in the broad sense, including power, mines and tourism, and perhaps

infrastructure projects with good profitability, and placed in countries whose economic and financial situation enables such a method of financing to be envisaged.

It would, moreover, be unreasonable to finance a project by a loan to any state if the servicing of the loan, added to the other commitments of that state, appeared incompatible with its loan-bearing capacity from three aspects: long-term equilibrium in the balance of payments, the position in public finances, and the outlook for growth and savings.

The aim assigned to interventions by the Bank in the Associated States is of general interest, for the same reason as that of the various methods of financial and technical cooperation provided for by the Convention. Thus the Bank is not content merely to check the financial profitability of the schemes submitted to it, but also looks into their economic advantages. Wherever it is possible, the projects for which financing is sought must be integral parts of a development plan and be of prime importance.

The consideration of the acceptability of the projects, and the granting of loans to the countries and territories and to enterprises belonging to them are subject to the methods, conditions and procedures laid down in the Bank's statutes. The Bank applies to loans which it grants from its own resources the same conditions as in the States Members of the Community.

In 1971 the Bank gave assistance in financing 4 projects in Cameroon, Senegal and Zaire, to the value of 22.54 million u.a. altogether, or a quarter of the maximum fixed for possible Bank interventions in the AASM under Yaoundé Convention II.

Table 4

	amount in 000 u.a.	duration	rate of int. paid	allowance of int.
<u>Cameroon</u> : Energie Electrique du Cameroun: Hydro-electric project	3.50	12	8.50 %	-
<u>Senegal</u> : building an international- class hotel at Dakar	1.44	15	5.50 %	3 %
<u>Zaire</u> : extension of mining installations of the GECAMINES	16.00	8	8.50 %	-
<u>Zaire</u> : SOFIME for the expansion of a synthetic textiles plant	1.60	9	6.50 %	2 %
	<u>22.54</u>			

A description of these projects, with an evaluation of their economic value to the recipient country, will be found in Chapter 1, 1.1.2 of this report.

Main characteristics

As Table 4 shows, the loans granted by the Bank in 1971 under Yaoundé Convention II all concern different sectors: power in Cameroon, tourism in Senegal and mines and the textile industry in Zaire.

The recipients of loans agreed by the Bank in 1971 are all enterprises operating with industrial and commercial methods of management. Three of the loans were granted direct to the ultimate beneficiary and - for the first time - one through a national body for financing and development.

Two of the Bank's loans in the AASM in 1971 were at the rate of interest normally applied by the Bank to all its loans on the signature of the contracts, namely at present 8.5 % per annum. These were the loans to the GECAMINES in Zaire and to ENELCAM in Cameroon. By virtue of the interest rebates granted from EDF resources and contractually fixed at 2 % and 3 % respectively for the whole term, the loans to SOFIDE in Zaire and the Société Propriétaire de l'Hôtel de l'Union in Senegal get effective rates of interest of 6.5 % and 5.5 % per annum respectively.

The durations of the loans were fixed in relation to the economic and financial character of each project.

Each of the four loan agreements signed in 1971 enjoys the joint security of the State on whose territory the project is to be carried out, while the loan for the Hôtel de l'Union has the additional joint security of a Senegal bank.

The 4 projects financed by the Bank in 1971 are all being carried out. During 1971 the Bank sent a number of inspection missions for the projects financed under Yaoundé Convention I.

Of the 22.54 million u.a. committed by the Bank for the 4 loans agreed to in 1971, disbursements had reached 2.458 million u.a. by the end of the year, or nearly 11 %; and none of these loans has yet been fully taken up.

## 2.3 COORDINATION OF COMMUNITY AND OTHER AID

Coordination between Community and other, bilateral and multilateral aids continued and even grew in 1971, partly by regular exchanges of information about financings envisaged or decided and partly by meetings for coordination. This resulted, as in the past, in a continued dovetailing between Community aid interventions and those financed by other sources of aid. We discuss below some of the practical results achieved, but first let us mention the methods applied in this field.

### 2.3.1 Methods of coordination with other sources of aid

#### a) with bilateral aids

Exchanges of information between the services of the Commission and of the Bank and the bilateral aid organizations - especially the States Members of the Community - continued regularly during 1971.

Meetings for information and coordination were held notably with French, German, Belgian, Italian, Netherlands, American and Canadian aid organizations.

Alongside these general meetings, technical meetings were arranged with the various sources of aid, to clarify particular problems related to actions in progress or contemplated in the AASM.

#### b) with multilateral aid

There was intense coordination in 1971 between the services of the EDF and the EIB on the one hand and those of IBRD on the other. In addition to two meetings for coordination, numerous contacts were made at the services level because of the extension and diversification of activities by the World Bank among the Associated African States and Malagasy, and apart from the exchanges of information which continued in 1971, a coordination meeting was held with UNICEF.

c) within advisory groups

The EDF and the EIB took part in meetings of two advisory groups held in 1971 under the auspices of the IBRD. The advisory group for the Zaire Republic discussed what public savings and foreign help were available for financing the investment programme in the country, particularly in the transport and agriculture sectors, which are the most urgent.

Discussions in the advisory group on international agronomic research concerned the prospects in that research and worked out what contributions were needed to assure its financing. The Commission took part in this group for the first time, as an observer.

2.3.2 Coordination of actions taken

A close coordination has been deliberately achieved between interventions financed by Community aid and those financed by the other main sources of aid to the AASM - so much so, that in some cases there is joint financing for certain large projects. For the projects listed below, on which the Commission reached financing decisions in 1971, operational coordination has been established with other aids. These projects were:

- a) the trans-Cameroon railway. The amount of financing for this projects was so large that bilateral aids had to be called in from America, France and the Cameroon State, in addition to help from the 1st, 2nd and 3rd EDF;
- b) the Kenge-Kikwit road in Zaire. The investments financed from the EDF now finish at Kikwit, and a continuation of this trunk road to Luluabourg and Mbujimayi is the subject of economic and technical studies financed from bilateral American aid;
- c) the construction of a palm-oil plant at Agony. This project, financed by a loan on special conditions, forms part of a programme which also includes three areas of selected palm-groves of about 17,000 ha, established in the Hinvi region with financing from bilateral French aid and from the IBRD, and in the Houin-Agame and Agony regions with EDF financing.

- d) the Ouagadougou-Lomé road. The Community has been joined, in the work of carrying out this project for an inter-State highway (cf. 1.2.1 above) by bilateral French and German aids. So far, the Lomé - Lama Kara section has been financed by French and Community aids; the Loma Kara - Kandé section has been studied with financing from the FAC; for the next sections, between Kandé and Koupéla, studies are proceeding with financing from German bilateral aid and the EDF; and the modernization of the Koupéla - Ouagadougou section is being carried out with subsidies from the 2nd and 3rd EDF;
- e) an extension of the Bobo-Dioulasso water-supply. The EDF is paying for piping the water to the area, while bilateral German aid is providing a loan for developing the first part of the distribution network and the building of a hydroelectric power-station;
- f) rural development in the ORD (Organisme régional de développement) in Yatenga (Upper Volta). Under the regional development policy in Upper Volta, the EDF has for some years been giving special support to the ORDs in Yatenga and Banfora. The FAC intervened in 1971 in support of the development programmes of three other ORDs, while IBRD is contemplating doing the same for further regions. Thus there is here a geographic allocation of aids in a case where it is specially applicable;
- g) development of the cotton production in Mali. Financing for this programme, which has been going on for 10 years, is also split up geographically between the FAC and the EDF, in the Sikasso, Ségou and Bamako regions;
- h) continuation of the women's domestic education activities in Niger. UNICEF is contributing to the funds for the programme which includes this EDF project;
- i) village water-supplies programme in Togo. This project is based on the preliminary studies financed by French bilateral aid and UNDP; and
- j) emergency aid to Upper Volta to combat the severe drought. Other participants in this action were bilateral American aid and the World Food Programme.

## 2.4 EXECUTION OF AIDS FINANCED FROM EDF RESOURCES

The execution of projects can be considered at the various stages: the invitation to tender, the placing of contracts and finally the payments. To show the rate of execution, we consider below the data and figures which interpret these three stages, as well as the various kinds of problem met with in the execution of certain projects and the measures taken to improve and accelerate the passage from one stage to another.

### 2.4.1 Conclusion of deals and contracts

#### Invitations to tender

During 1971, sixty invitations to tender were issued internationally, involving about 105 million u.a. While the number of these invitations to tender was almost the same as in 1970 but less than that for 1969 (when there were 88), the amount involved was much higher than in the two previous years, for which the figures were 42 and 65 million respectively.

This increase in the number of invitations to tender is explained by the implementation of very large projects, some of which were approved in 1971 but had already been prepared between Yaoundé Conventions I and II.

Of the 60 invitations to tender, 35 concerned the execution of work at a total cost of 97.0 million u.a., and the other 35 concerned supplies estimated at 7 million u.a. The successes achieved during the preceding year in standardizing texts for supplies were largely confirmed in 1971: of 25 invitations to tender in this category, 24 conformed to the standard texts drawn up by the Commission.

For the execution of several projects the Commission, on the recommendation of the EDF Committee, applied new provisions in accordance with art. 49, section 2, para. e) of the Financial Regulations of the third EDF, in order to speed up the execution of the work and to promote participation by enterprises belonging to the beneficiary country or to another Associated State in the same region. This accelerated procedure was put into action for the invitations to tender relating to the building of:

- a) various premises, particularly sheds, offices and fish-processing installations for the development of river fisheries in Mali;
- b) two agricultural training centres in the same country; and
- c) a barrage for rice-growing at Sologo, in Ivory Coast.

#### The new standard set of specifications

There was also an important new improvement in 1971 in the procedure for invitations to tender: a standard set of specifications applicable to all contracts financed by the EDF. This is the outcome of efforts made by the Commission for some years to facilitate a wide response, by enterprises in all the countries concerned, to invitations to tender.

The standard specifications were adopted by the Association Council at its twelfth session, on 30 November 1971, after long negotiations between the Community and all the Associated States. It is to come into effect on 31 March 1972, after being embodied in the meantime in the legislation of every Associated State. It will apply not only to contracts financed from the third EDF, but also to those still to be concluded under the second or even the first EDF.

The new standard specifications bring improvement and unification, without any upheavals, to the regulations in force in the Associated States on public contracts; they contain provisions on conditions and procedures for concluding contracts, and also general rules for carrying out the contracts concluded. This will result in fairer conditions for competition between enterprises. It will also promote the submission of tenders at better-calculated prices by tenderers not well aware of the diversity of local regulations and therefore tempted to overestimate their risks.

#### Deals, specifications and contracts concluded

The total of deals, specifications and concluded contracts in 1971 for the execution of three Funds reached 110 million u.a., showing a slight fall compared with the previous years (145 million in 1965 and 151 million in 1970)<sup>(1)</sup>. This shows that the rate of execution of the

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(1) Figures given in this chapter cover EDF-financed projects not only for the AASM, but also for the PTOM/DOM.



second EDF is passing into its declining phase, whereas the execution of the third EDF is only beginning.

At the end of the year under review, the grand total of transactions, contracts and specifications approved represented 95 % of all the credits available in the first Fund, 82.6 % of the second, and 40 % of the third.

The speed of final commitments under the second Fund appears to be distinctly greater than under the first. In fact their separate developments are fairly close parallels, taking into account the difference of one year between them, as the table below shows:

	<u>Final commitments</u> (in percentage of total amounts available)	
	<u>First EDF</u>	<u>second EDF</u>
first year (31.12.1958)	0.9	(31.12.1965) 6.6
second year	2.3	12.5
third year	11.5	20.6
fourth year	22.4	35.5
fifth year	40.2	54.2
sixth year	59.4	73.3
seventh year	71.5	(31.12.1971) 82.6
eighth year (31.12.1965)	83.1	

The Commission is aware, however, of the weakness represented by the still over-long time taken for the completion of certain projects. It continues to make every effort to obviate such delays, wherever it has adequate means of doing so.

2.4.2 Speeding the implementation of projects

The Commission's experience of over ten years leads to the conviction that within the provisions of the Association Convention only a close cooperation between the Commission and the Governments of the AASM enables reefs to be avoided and aid to be implemented effectively. It does not, however, always prevent difficulties from arising in the carrying out of the work, particularly in consequence of a badly-directed choice of a tenderer.

Cooperation between the Commission's services and national administrations

There must be close collaboration here if the responsibilities of the national administrations in overseeing the work and those of the Commission in managing the Fund are to be reconciled successfully. This is particularly the case in agricultural development projects, which necessarily cover several years and must be capable of adaptation to meet changes in local conditions, especially the psycho-sociological reactions of peasants and the actual results of growing experiments.

Putting rural development and large civil engineering tasks into practice generally requires, in addition to the interventions by the Commission and the beneficiary State, operations by some organization for carrying out the actual work or by a firm of consultant engineers, whose role, although legally subordinate to the State services, is often supremely important for the effective conduct of the project. Fruitful collaboration between these three partners is not always easy because in addition to differences of ideas there may be difficulties of communication, both physical - that is, distance - and linguistic.

Whenever obstacles have been met - they have, it is true, been exceptions - achieving such collaboration, they have always resulted in great delays, the effects of which must not be underestimated, whether they consist in extra expenses which they entail in execution, the consequent economic losses for the Associated States, or a deterioration in the psychological atmosphere between the partners in the financial and technical collaboration.

The role of the resident deputy supervisors

Under the policy of decentralization which it has operated for some years, the Commission has enacted a number of provisions for shortening in practice the time taken for execution: the role and functions conferred upon the resident deputy supervisor in drawing up the dossiers for invitations to tender and approving the selection of the successful tenderer are in fact calculated to speed up these stages of the procedure.

The Commission called a meeting of all the resident deputy supervisors in Brussels in April 1971. The conclusions reached by this meeting all centred round two themes: the improvement and simplification of procedures; and the strengthening of the powers of the deputy supervisors. In particular they concerned the following practical measures:

1. the deputy supervisors should be empowered to propose to the Commission what the percentage should be for contractual supplementary amounts for any changes in details; and to authorize these changes directly within that percentage;
2. the deputy supervisors should be entitled to give direct approval of an annual estimate in an agricultural project so long as that estimate only reproduces, without much change, the data in the financing agreement;
3. the pivotal function which the deputy supervisor must play in drawing up and approving the dossiers for invitations to tender;
4. contracts for technical assistance should be standardized; and
5. the deputy supervisors should be empowered to give direct authorization for changes in positioning in projects where there are multiple units being carried out under their control.

The choice of successful tenderers

The Financial Regulations of the Fund lay down that the tender selected must be "economically the most advantageous, having regard especially to the qualifications and guarantees submitted by the tenderers, the nature and conditions of execution, the prices for services, the cost of their use and their technical value" (art. 49 para 3). It is doubtless difficult to achieve a proper balance between these many and diverse criteria in every case: the price argument has sometimes won the case for the lower quotation whereas the tender concerned has not always been shown to be the most satisfactory in execution. This has resulted for some projects in considerable delays in carrying out the work, or in defects which have later handicapped the use of the investment which has been financed.

The Commission will therefore continue to help the Associated States within its means in eliminating enterprises whose technical guarantees and apparent financial standing seem inadequate for a proper implementation of the services provided for.

### 2.4.3 Increases in payments

At the close of the financial year 1971 the percentage of payments in relation to commitments were

92 % for the first EDF compared with 90 % in 1970

70.5 % for the second EDF compared with 52 % in 1970

10 % for the third EDF.

However, the speed of execution of the projects, that is, the rate of payment, cannot validly rise unless for the three EDFs considered together.

The level of total payments from 1965 to 1969 was between 107 and 115 million u.a., but in 1970 it rose suddenly to 145 million u.a., that is, to 26 % above the figure for the preceding year. This rise continued and even increased in 1971. It was the result of four factors at once:

1. The speed-up in the announcements of invitations to tender from 1967 onward. In view of the time taken for submission of tenders, for considering them and for the conclusion and execution of contracts, the publication of invitations to tender does not affect the payments disbursed until a certain time has passed.

In practical terms it was not until 1970 and 1971 that the notable increase in the number of and amounts involved in the invitations to tender, which occurred in 1967 and 1968, actually affected the level of payments made.

2. The transitional period of 1969/70 was used for preparing for approval several projects to be financed from the third Fund, with the result that their putting into practical effect was quicker than for preceding Funds.

3. In addition, the Convention includes a category of new operations, interest rebates, which by their nature must be disbursed quickly after the financial decision.

4. Finally, some of the new commitments decided on in 1971 are intended, as indicated in Chapter 1, to cover excess costs which have arisen in the implementation of previously approved projects. Such expenditure is obviously effected more quickly than what is involved in new projects. Incidentally, the services of the Commission have given detailed consideration to the reasons for such excesses which have arisen in recent years in carrying out EDF projects,

such excesses.

2.4.4 Excess costs, their causes and remedies

For the 2,935 contracts under the first and second EDFs for which the accounts have been made up, the net excess cost in relation to the nominal initial figure was found to be 38.4 million, or an average excess of 10 %. This figure is, however, correct only for the contracts which have already been completed, that is, those of which the execution generally began before the recent period. But the greatest excesses have appeared chiefly in the last two years. It is therefore probable that the margin of excess over the forecasts for all the projects financed from the EDF will be noticeably larger than the 10 % found in the projects for which the contracts have been completed and accounts made up.

The study carried out by the Commission's services has shown two main factors in the excesses:

1. Price-rises are responsible for 38 % of the total excess. The economic position - of which the estimates of costs are a reflection at any particular time - is developing so rapidly at present that delays at the different stages of the process of concluding and executing contracts often find expression in a modification of the economy of projects.

It is therefore important to shorten as far as possible the time-lags between the conception and executions of projects, which requires above all very close collaboration between the Commission's services and the EDF deputy supervisors on the one hand and the services of the Associated State Governments on the other, as well as between the latter and the research departments or consulting engineers (cf. 2.4.2 p. 62).

In addition, the contractor and the Commission should follow a strict policy on over-running contractual time-limits and the imposition of penalties for it on the winning tenderers.

2. Technical risks and quantity over-runs, which reflect the divergences discovered between the original estimates and actual conditions in which the work is done, are responsible for 62 % of the excess costs. Their causes are many and varied, and their financial effects may be small or large, even if indirect, and are therefore difficult to put into figures.

An analysis of projects which have exceeded estimates has, however, enabled a fairly clear view of the causes to be obtained and an informed idea of possible remedies to be reached. The main causes of the excesses are the following:

- a) Mistakes in designing or judgment in research departments. Changes in techniques which become necessary while a project is being carried out, because of mistakes in design made by the research department which carried out the study are quite unusual, but their effects on the cost of a project are almost always burdensome: the work is brought to a halt, the enterprise must be compensated, perhaps there is a denunciation of the contract and new consultation, new prices, extra work, and so on.

Incomplete or wrong estimates in studies for projects are less uncommon: cost and quantity estimates are most frequently too low or too high. These oversights turn into increased costs, sometimes in the tenders submitted, but always during the execution of the work.

The problem of the responsibility of the research department is of course a very tricky one, but the Commission has begun a study, in the light of facts or experiences of States Members or other international organizations, of the extent to which this responsibility can be questioned on the legal plane.

- b) The effects of competition. The effective application of equal conditions for competition for the execution of projects financed by the EDF has made it possible to interest an ever-growing number of enterprises and to obtain the best prices. However, the fall in prices has sometimes been excessive, and a reaction by the enterprises towards higher prices can be observed.

Moreover the cut-throat prices offered sometimes by enterprises already on the spot have resulted in certain enterprises seeking to recoup themselves on the quality of the work; others have made many claims and reservations to gain compensation in a general dispute at the end of the negotiations, where judgments are always tricky.

The Commission intends, indeed, to practise a policy of widening the competition by continuing, through appropriate means, to arouse and increase the interest of enterprises in projects financed by the EDF. These means include in particular increasing the size of the subjects put up for tenders and a more extensive coordination of the launching of work in time and space.

On the other hand it is on the watch to see that the amounts quoted in accepted tenders shall be realistic and compatible with a technically satisfactory quality in the work done.

3. In addition to price-rises and technical matters, the two main causes of excess costs, some of the latter are still due to monetary manipulations. The holders of work-contracts are entitled to receive a certain proportion of the amount of their quotation in their own national currency, and this transferable proportion enjoys a guaranteed exchange rate. But several financial manipulations have taken place in recent years and have given rise to speculations with this guarantee to the benefit of the entrepreneurs.

The Commission now endeavours to limit the transferable proportion of the money and its exchange guarantee to the sums necessary to cover reasonable expenses which the enterprise must really incur outside the country where the project is being carried out. Art. 37 of the Standard Specifications stipulates in this respect that the percentage transferable in foreign currency with an exchange rate guarantee must henceforth be justified by the tender.

## 2.5. USE MADE OF INVESTMENTS FINANCED FROM EDF

During 1971 the Commission continued to study the conditions in which the investments are used which have been financed by Community aid during the period covered by the first two Funds. In the preceding Report to the Association Council, attention was concentrated on the conditions of utilization of completed projects in the education and training sectors, in order to draw any lessons from them which might contribute to improving aid activities in this important sector. This year no sector has been chosen in particular, and the analysis, in the light of information sent in by deputy supervisors or collected during short on-the-spot missions, is naturally mainly directed towards the investments carried out in roadworks infrastructure, water-engineering and the field of health.

### 2.5.1 Road infrastructure

Road projects which have been considered from the point of view of their utilization during 1971 are chiefly those concerning the construction of surfaced roads in the countries of the Sahelian zone (Upper Volta, Mali, Niger, Chad, and Somalia) and the reinforcement of a part of the Cotonou - Porto Novo road in Dahomey.

The results of this enquiry confirm the view that large savings have been achieved in vehicle running-costs as a result of the transformation of an earth road of mediocre quality to a modern surfaced road. The savings, in respect of the projects considered, were some 20 - 30 % for light vehicles and 35 - 40 % for goods vehicles.

As has already been pointed out in preceding reports on the use made of aids, it seems that the savings on transport costs are only very rarely given effect at the level of public tariffs: except in the case of Mali, where a substantial drop in public tariffs for passengers and goods after the modernization of the Ségou-Bla-San road, the rates remain unchanged after the investment has been completed.



However, as this tariff-stability often lasts for several years, the rates paid by users of the transport services in fact fall steadily in step with the fall in money values. In such a system it is generally the people with the largest incomes (owners of private vehicles), the transport enterprises and those who have the advantage of an integrated transport system who get the main direct advantages from the investment.

On most of the roads whose utilization has been studied, the daily traffic density is near, and most frequently exceeds the rate of 100 vehicles a day. On the Afgoi-Scialambot road it reached 500 a day in 1971. But on the road linking Bobo-Dioulasso with the Mali frontier via Faramana it was no more than 47 vehicles a day; however, it should be noted that the number of vehicles using it was multiplied by 2.4 between 1962 and 1970.

In general the increase in traffic on roads financed with Community aid seems to be fast - at the rate of nearly 12 % on the road from Bobo-Dioulasso to the Mali frontier, of between 12.5 and 17.5 % on the Ségou-Bla-San sections in Mali, of 18 % between Afgoi and Scialambot in Somalia; and on certain sections of the trunk road Niamey-Zinder much greater increases were recorded between 1965 and 1969: 157 % between Niamey and Dosso, and 363 % between Gidan Roumji and Maradi. But these exceptional results are explained to some extent by the fact that part of the foreign traffic of Niger, especially that concerned with the Maradi area, had to be diverted towards Dahomey and the port of Cotonou because of events in Nigeria.

In one case the increase in traffic appears more moderate: 7 % per annum on the Fort Lamy - Massaguet road.

While the modernization of a road brings about almost instantaneously an increase in the movements of passengers, because of the improvements in comfort and sometimes in costs, the movements of goods are not usually affected unless corresponding investments are made in the zone of influence of the road. In fact, on the roads reviewed, the rate of increase in the tonnages carried per year has generally been between 3 and 5 %, that is below that of traffic as a whole.

If we leave aside the case of Niger, where traffic was disrupted by the diversion of the customary traffic route through Nigeria, it can be seen that only the Afgoi-Scialambot road in Somalia enjoyed any marked increase in heavy vehicular traffic (lorries and coaches). This was due to actions undertaken by the Somali Government to develop the region served by that road (the exploitation of 5,000 ha, man-power transfers and so on). Heavy traffic thus rose from 180 vehicles a day in 1967 to about 400 in 1971.

Apart from this particular example, the effects of road investments on production and marketing can only be felt gradually. It can, however, be said that the modernization of the Ségou-Bla-San road, while facilitating the marketing of the products of black pigs in the San region, will also greatly improve the conditions for sending out the rice-production, the development of which is provided for in the Mopti area (IBRD-financed) and Ségou (EDF-financed). The asphaltting of the Fort Lamy - Massaguet road in Chad has also brought about a drop in marketing costs of wood and charcoal, which has led to an expanded demand and finally to a rise in production.

As far as movements of people is concerned, the information collected does not allow conclusions to be drawn on the influence exercised by completed investments in roads on the size of the flight from the land. It is to be hoped, however, that they may further the consolidation of certain secondary urban centres such as San in Mali.

Most of the investments considered in 1971 being asphalted roads, the problems of maintenance have at least appeared to be smaller than with earth roads. It should, however, be pointed out that these continuing tasks have too often been dealt with only spasmodically, which has resulted in deteriorations of the surface and great erosion of the earth verges, which ultimately result in reductions in the service rendered by the investment and generally necessitate an earlier renewal of the asphalted surface. The earth road from Kaedi to Kiffa in Mauretania is probably a rare example in which a total back of maintenance, together with many technical faults, have reduced the economic effects of the investment to practically nothing.

The costs of renewal are heavy burdens, sometimes greater than the cost of an investment in other sectors, which cannot fail to create dilemmas in deciding where to put budget resources which are in any case limited. Because of the increasing burden of deferred maintenance costs in the State budgets, the work of maintenance has begun to be financed from foreign aid. It should be recalled here that at the meeting of the Association Council on 21-22 April 1971, the Community declared itself ready to supply aid for major or emergency repairs to infrastructure investments financed by the EDF in Associated States which have done all that lies within their powers yet still meet with particular difficulties here.

It would be worth while if these activities in maintenance could be arranged in overall programmes for the road infrastructure (construction and maintenance), to enable the expansion and modernization of the network to be carried on at the same time as its maintenance in good working order.

#### 2.5.2 Rural and domestic water-supplies

In this field a study was made of the utilization of the water-supply points created in Niger, Mauretania and Ivory Coast in 4 projects financed by the EDF.

From this study a perfectly favourable judgment was made on the value of these investments. Their implementation has contributed greatly, in all the areas thus supplied with wells, to the improvement in water-supplies which is one of the most vital problems for the well-being of the people and the exploitation of natural resources, particularly of flocks and herds.

The beneficial effects of these projects consist mainly in

- a) shorter distances for water-carrying;
- b) the abolition of night pumping especially in the Sahelian zone;
- c) improvement in the health of the population;
- d) better quantities and quality of flocks and herds; and
- e) finally opportunities to put certain arable lands, particularly in the southern part of Niger, to fuller use.

In designing the projects a distinction was made in the two projects carried out in Ivory Coast, between domestic and pastoral water-supplies. It is known that pastoral wells are in fact used mainly for water for the people, the drinking troughs serving only for washing the linen. It seems therefore that in future only wells intended chiefly for human beings should be bored in Ivory Coast; but on that understanding it would be wise to keep some of the characteristics of the pastoral wells, particularly the manholes and raised curbs which reduce the risks of pollution of the water.

In Mauretania and Niger, on the other hand, it seems that in view of the importance of stockbreeding in these Sahelian or semi-Sahelian countries the basic need is a good geographic distribution of the wells, allowing for rational use of the pasturage and the establishment of a well-ordered system of grazing exchange. To this end, cooperation between the various sources of finance is essential, because that is the only thing which will allow, through properly coordinated actions, a fair improvement of the unsatisfactory grazing and water situation in those countries. In Mauritania, such a coordination is still to be set up, but in Niger it seems to be well under way, thanks to OFEDS (Office des eaux et des ressources du sous-sol), which is drawing up the programme for new constructions and is itself boring a number of wells each year with the local people joining in the work.

The effective use of the wells depends on their potential output and the maintenance they have been given.

Generally speaking the output of the wells exceeds the needs of the people and animals living within their range. Their supply capacities are of course increased where there are mechanical means of drawing the water, provided the pumps can be kept in good working order, which is unfortunately not always the case. In Ivory Coast, for instance, where 43 wells were inspected in the northern region, 26 pumps were not working, which led to 16 wells being closed to prevent their becoming unusable; in the remaining 10 wells the water is drawn by hand. This example shows clearly that although the mechanical pumping equipment has certain advantages in supplying the people, it also imposes certain maintenance duties whose observance alone will permit the normal utilization of the investment.

The maintenance of the wells depends first on the size of the credits actually devoted to it. Where budget allocations for the regional services responsible for this maintenance are a single item it is generally observed that the available credits, already very limited, are used primarily for maintaining other investments in good running order, such as pipelines for town supplies. The maintenance of the wells suffers thereby, as well as that of the surface equipment, which often remains unused for long periods for lack of replacement parts. The solution which involves laying the burden of maintenance costs entirely on the users is impracticable because of the low incomes of the people concerned. However, it seems that an effective organization avoiding these drawbacks has been achieved in Niger, where the upkeep of the wells is entrusted to OFEDES, which makes a contract with each area for the upkeep of the wells in that area for an annual lump sum per well.

In general it seems that there could be much improvement in the conditions in which the wells are used in certain countries, by the inclusion of training programmes in future water-engineering projects financed by Community aid, particularly if these projects have to include the installation of a mechanical pumping system. In the latter case the technical specifications in the dossiers for tenders should be stiffened to obtain robust equipment and thus obviate any great recurring costs; and a good supply of spare parts should be provided for.

In spite of the difficulties we have just referred to it must be emphasized that running maintenance is in general very well provided for by the users; the wells are for the most part well guarded and protected from all pollution, and their surroundings regularly cleaned; the lubrication of the pumps is carried out in rather satisfactory conditions.

These last observations are an unquestionable proof of the interest shown by the people in these investments and without doubt the best illustration of their usefulness.

### 2.5.3 Health

The study of projects completed in this sector concerned, in 1971, the public health actions carried out with Community aid in Cameroon, Burundi and Togo, as well as the hospital at Fort Dauphin in Madagascar.

In Cameroon, the following public health installations were built and equipped with financing by the EDF and put into service between 1962 and 1971:

- eight hospitals;
- thirteen hospital extensions (including three separate wards);
- twenty-one bush dispensaries;
- a school for nurses and midwives at Bamenda;
- a central supply pharmacy at Victoria; and
- nineteen dwellings for doctors.

The total cost of these investments represents some 8 million u.a., or about 20 % of the aid granted to Cameroon from the resources of the first 2 Funds.

This effort has allowed the provision of 1,150 hospital beds out of the 13,200 now existing in the whole of the Federation outside the towns of Yaoundé and Douala. Its importance is particularly marked in eastern Cameroon, where, of the 1,100 beds now existing, about 490 have been installed with aid from the Community.

The EDF-financed bush dispensaries represent 170 beds - half the capacity of the dispensaries in the public sector and a third of the country's total.

All these health installations are occupied and in use, and they have obviously contributed decisively to improving the health services qualitatively and quantitatively, particularly in rural areas. However, the infrastructures established do not always exert their full effect because of the weaknesses of the medical staffing and the paucity of operating credits.

Although it is hoped that the existing establishments can be provided with adequate numbers of doctors in the next few years, the same does not apply to nursing staff. In fact the nursing colleges in the country have a very small capacity in relation to the needs to be met. Indeed, their capacities should be more than doubled if the present gap is to be closed without too much delay.

The inadequacy of the budget allocations is the second obstacle to a fully satisfactory use of these health installations; the increased credits included in the Government's budget estimates will without doubt be enough only to meet the extra costs which will arise out of the necessary increases in staffing.

Although these observations clearly show that the conditions in which these EDF-financed installations are used could still be improved, they do not in the least detract from the entirely favourable judgment that can be made of the quality and usefulness of the Community's aid to Cameroon in health matters.

In Madagascar the EDF has financed the building of a hospital with 96 beds at Fort-Dauphin, as well as its equipment, including notably a surgical block.

Because part of the old hospital premises have to be put to other uses, the theoretical hospital capacity at Fort-Dauphin has now been brought to the figure of 130 beds, for a town population of 13,300 and a prefecture total near 470,000.

The present conditions in which this hospital is used unfortunately show the consequence which may arise for the yield of an investment of this type through insufficient credits and a mode of introduction that is less than rational. In fact at present the hospital's functioning is handicapped by insufficient funds and the resulting impossibility of correct administration, as well as by competition from a nearby private hospital. The result is that patients who pay, who could improve the situation of the establishment built with EDF funds, avoid it to the advantage of the competing hospital, so that in the end only the indigent come to Fort-Dauphin for treatment, in conditions that leave much to be desired.

The activity of the hospital reflect this state of affairs: the number of days of hospital treatment, which was 24,000 in 1969, fell to 12,000 in 1970, corresponding to a rate of use of 25 %.

It is to be feared that the standard of utilization of this hospital unit will deteriorate still further, and that the cost of bringing it up to standard will increase every year, unless normal operating credits can be granted to it; and yet it is, from the technical point of view a genuine success.

In Burundi a study was made of the utilization of four public health installations financed by the EDF. From this study it is clear that the hospitals at Cibitoke and Rutuna give every satisfaction both in their functioning and in the upkeep of the buildings and equipment.

But at Kayanza and Ngozi certain difficulties are pointed out. At Kayanza, the lack of a water-supply is a major handicap for good functioning in the hospital, and the Commission is applying itself to remedying this lack. At Ngozi, the maternity service has been held up by defects in the systems supplying water and electricity. Supplementary work has been undertaken to put these things right.

In Dahomey the three public health installations financed by the EDF are used in conditions which appear on the whole satisfactory. The secondary hospital at Parakou has been the mainstay of the health activities which have developed in the north of the country, where the population is now reckoned at over 500,000. It has become now the hospital for the department of Bergou, and also serves the departments of Atakora, which enables the transfer of the sick to Cotonou to be avoided. The capacity of this hospital, namely 222 beds, is not much more than half used (53 %), which is partly explained by the low rate of occupation of beds in the maternity wing, where many confinements are not followed by a stay in hospital. The level of activity of the hospital should in the normal way increase, and its upkeep, very inadequate up to now, should be much improved as a result of a convention signed at the end of 1971 between France and Dahomey, which provides for the development and restoration of the buildings and installations, and for the hospital to be taken over by French technical assistance.

The hospital group at Savalou, built with joint finance from the EDF and bilateral German aid, appears to be well administered and to function very satisfactorily. The maternity section created by the EDF is working to full capacity. Maintenance is assured by German aid.

At Lokossa, the maternity hospital built from EDF resources is also well maintained. Its functioning would be perfect were it not for the fact that for lack of a resident doctor at Lokossa, the operations theatre has so far been unused. This situation should soon be altered if, as is intended by the prefecture administration, a doctor's residence is quickly built there.



It should be pointed out that the effectiveness of these three projects in the public health infrastructure carried out in Dahomey has been considerably strengthened by the existence of the Cotonou college for nurses, also financed from first EDF resources.

Finally, in Togo, the three public health installations carried out with financing from Community aid were investigated in 1971.

The two maternity hospitals established at Anecho and Palime (where a hospital ward has also been built) are used satisfactorily, thanks in particular to good administration. The buildings, which seem designed perfectly for their purpose, are kept spotlessly clean and well-maintained thanks to a wise use of the credits available.

At Lomé, the EDF has financed the construction, within the boundaries of the Hôpital National de Tokoin, of a detached building for the maternity hospital (which will thereby grow from 60 to 148 beds), a surgical wing, and a school for nurses, which has become, since early 1972, the Ecole Nationale des Sciences Paramédicales. The manner of using the maternity hospital and the surgical wing is satisfactory on the whole, but it should be pointed out that the latter's functions are fitted into a hospital group with a capacity which is insufficient today: the hospital was designed for 500 beds, but 754 beds are installed there, and there are over 1,000 patients in the hospital.

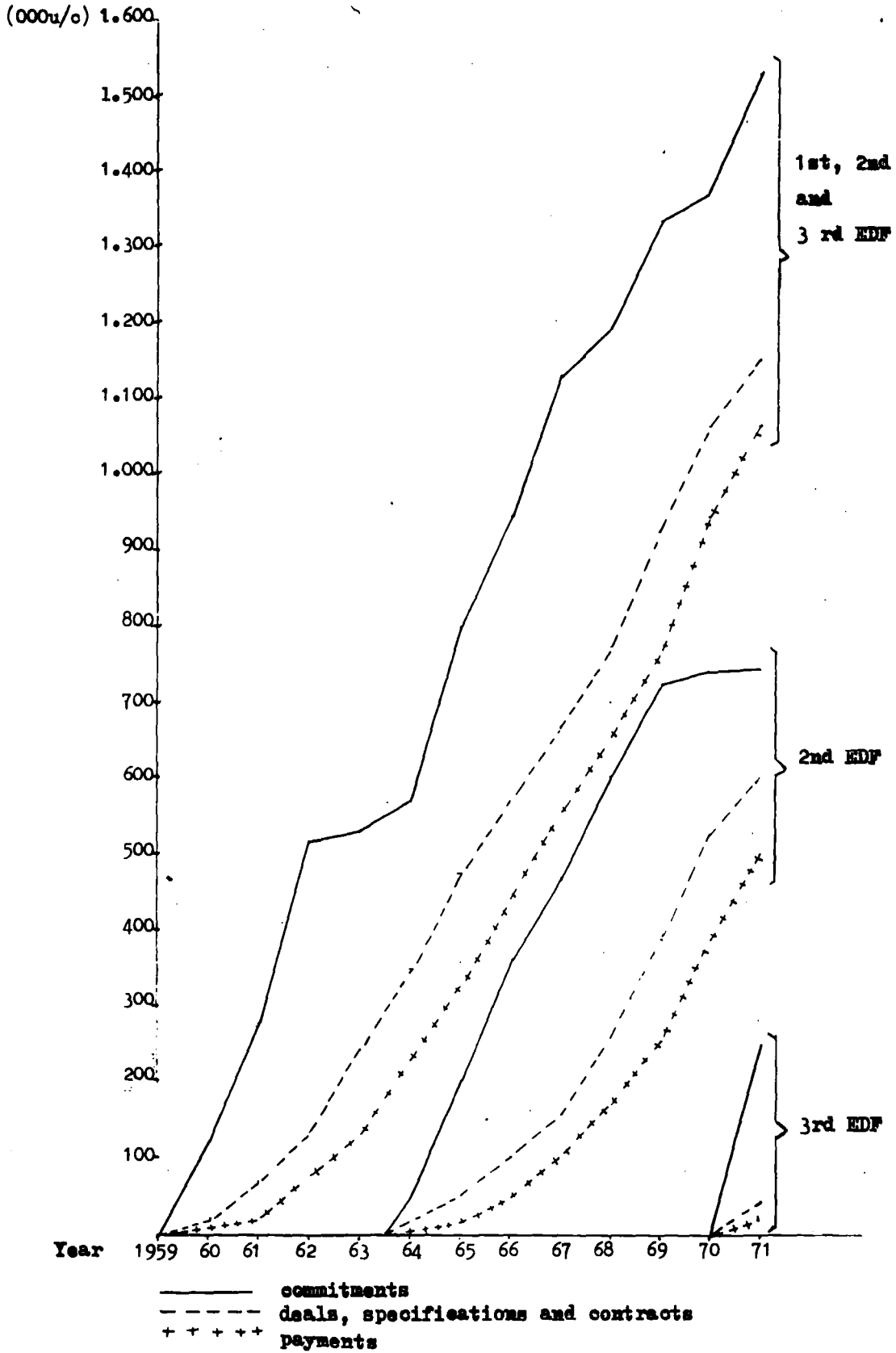
The Ecole Nationale des Sciences Paramédicales, which has 139 students, also has inadequate premises.

The design, the buildings financed by the EDF at Lomé can be considered successes, especially those of the Ecole Nationale des Sciences Paramédicales. Their maintenance is carried out on a very good footing.

In general, the EDF investments in the public health sector seem amply justified on the medical and social planes, except for the Fort-Dauphin hospital, which is a badly installed case. The design and execution of the buildings and the choice of equipment also meet requirements perfectly. The use made of the public health installations obviously depend partly on the operating credits, in which inadequacy has sometimes alarming effects, particularly on maintenance; and partly on problems of staffing, both of doctors and nurses.

Although in many cases a financial effort by the Associated States appears desirable to ensure the preservation and functioning of the investments, training activities also seem necessary, and the Commission is endeavouring to make provision for them in order to increase the effectiveness of the achievements financed in this field.

Evolution of commitments, contracts & payments out of 1st, 2nd & 3rd EDF  
(aggregate amounts)



**Table 1****Execution of aid financed under the third E.D.F.****and from E.I.B.'S own resources as of 31 December 1971**

'000 u.s.

	Commitments (net)	Contracts placed	Payments
<b>3rd EDF</b>			
<b>Grants</b>			
- Investments	176,135	16,681	10,771
- Related technical assistance	14,097	2,695	336
- Trade promotion	3,270	900	579
- Emergency aid	10,053	9,452	5,960
- General technical cooperation	10,932	5,101	2,593
- Administrative expenses	19	5	5
	214,506	34,834	20,244
- Interest subsidies	2,276	2,276	2,276
<b>TOTAL</b>	<b>216,782</b>	<b>37,110</b>	<b>22,520</b>
<b>Repayable aid</b>			
- Special loans	7,056	-	-
- Participation in risk capital	-	-	-
<b>TOTAL 3rd EDF</b>	<b>223,838</b>	<b>37,110</b>	<b>22,520</b>
<b>E.I.B.</b>			
E.I.B. loans	22,540		2,458
<b>GRAND TOTAL</b>	<b>246,378</b>	<b>37,110</b>	<b>24,978</b>

TABLE 2

DISTRIBUTION OF THE TOTAL INVESTMENT ALLOCATED TO  
DISTRIBUTION OF SERVICES AND CONSUMPTION

(in '000 u.s.)

	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	INDONESIA	TOTAL	TOTAL
1. Development of production	533.0	3,741.0	304.0	-	616.0	3,548.7	-	1,158.8	8,098.0	6,759.0	165.0	1,885.7	1,008.0	2,666.8	170.0	1,819.0	8,900.8	17,743.0	64,851.0	26.1
1. Industrial/sect.																				
10. General																			16,000.0	16,000.0
11. Extrac. ind.		814.0																	1,743.0	1,984.0
14. Manuf. ind.																				
15. Agric. & food ind.						3,353.7		144.2												4,493.9
16. Prod. of power ind.		3,500.0																		3,500.0
2. Tourism																				
1. Rural product.																				
30. General						30.0														30.0
31. Plantations	584.0								38.0											38.0
17. Agric. water development																				
33. Agriculture			904.0		582.0	30.0		40.6	5,641.0	4,533.0	165.0	68.5								6,437.1
35. Ploekbreeding					94.0			846.0	3,194.0											3,993.2
36. Fisheries						135.0		18.0		100.0										118.0
39. Agric. projects	9.0							110.0												110.0
17. Economic infrastructure	1,809.0	9,058.0	43.0	2,224.0	1,112.0	17,014.0	1,009.0	2,146.6	3,547.0	160.0	24,717.0	1,350.0	6,592.0	1,151.0	2,369.2	7,490.0	15,940.0	182,451.0	55.1	
4. Transp. & com.																				
40. General																				
41. Road development	909.0	7,058.0		2,116.0																
42. Railways		18,000.0																		
43. Ports and waterways			43.0	4,108.0	1,112.0	15,844.0				160.0										21,467.0
44. Airports						754.0														754.0
45. Telecommuni.																				
17. Social development	4,572.0	6,470.5	70.0	121.6	107.0	3,799.0	2,190.0	932.0	1,111.4	-	3,444.0	245.0	27.5	-	-	1,825.0	2,338.0	24,444.0	10.4	
1. Education and training																				
50. General																				
51. Vocational infrastructure	572.0	6,436.0	50.0					42.0		25.0										2,338.0
52. Special prof. teacher training																				
53. Instructors' course																				963.0
54. Scholarships																				
55. Courses																				
6. Public health																				
61. Infrastructure				21.6	55.0															
62. Health campaigns and cooperation			34.5		58.0															
7. Water, munic. admin., housing																				
71. Rural water supplies																				
72. Urban water supplies			20.0	80.0		2,827.0		2,053.0		1,059.4										1,825.0
73. Urban sanit.				20.0																
14. Marketing promotion					687.0															
81. Market struct.					687.0															
82. Fairs and exhibitions																				
83. Informations communists.																				
7. Emergency aids																				
71. Disaster																				
81. Disaster																				
71. Miscellaneous	252.2	346.4	431.2	104.1	393.1	176.1	144.5	430.6	504.5	424.0	182.0	268.6	246.2	337.7	158.3	352.8	141.6	336.3	5,432.7	2.3
01. Synopses																				
02. Programming & general	74.0			70.0				80.0	66.0	148.0										593.0
03. General survey										8.7										8.7
04. Inspection	178.5	366.4	431.2	234.1	393.1	176.1	144.5	350.6	436.5	267.3	182.0	268.6	141.2	337.7	158.3	311.8	141.6	336.3	4,831.0	
05. Administrative & financial costs																				
TOTAL	10,266.0	29,615.0	1,448.2	6,649.7	2,915.3	7,514.8	17,158.5	2,601.4	19,481.1	12,041.4	1,006.6	31,124.8	1,810.0	21,222.8	6,488.3	4,640.0	12,359.8	18,377.3	234,744.4	100.0
made up of :																				
EIP subsidy	10,266.0	26,115.9	1,448.2	4,997.7	2,915.3	4,238.8	16,402.5	2,603.4	19,481.1	12,041.4	1,006.6	31,124.8	1,810.0	20,810.8	6,488.3	4,640.0	12,359.8	18,377.3	205,148.6	87.4
EIP special loan							756.0												1,954.0	3.0
EIP ordinary loan		3,500.0												1,440.0				17,600.0	28,540.0	9.6
Not allocated																			11,434.0	
GRAND TOTAL																			246,378.4	



Table 4 - Net amount of commitments and sums made available in 1971,  
under the first Yaounde convention and cumulative figures  
from June 1964

## AASM + OVERALL OPERATIONS

'000 u.c.

Source	Type of aid	1 jan. - 31.12.1971(1)	1.6.1964- 31.12.1971
2nd EDF Grants	Investments	- 1,470	320,713
	. technical assistance	26	42,457
	. Aids to production	820	86,306
	. Aids to diversification	409	112,130
	. General technical cooperation	- 185	39,771
	. Emergency aid	- 28	2,551
	.	210	2,001
	Total grants	- 218	605,929
2nd EDF Special loans	. Investments	-	20,099
	. Aids to diversification	- 227	24,163
	Total special loans	- 227	44,262
2nd EDF Advances	. Advances to stabilization funds	(x)(-6,785)	(3,391)
2nd EDF	Grand total (2)	- 445	650,191
EIB	. Participation in the financing of investments	-	49,081
	GRAND TOTAL	- 445	699,272

(x) Repayment by Senegal, July 1971

(1) The negative figures result from unused amounts remaining from completed projects

(2) Advances to stabilization funds not included

**TABLE 5**

**Net commitments under the first Yaounde Convention,**  
**by countries**

Recapitulation 1 June 1964 - 31 december 1971

'000 u.s.

<u>AASM</u>	<u>2nd EDF</u>		<u>EIB</u>	<u>TOTAL</u>
	Grants	Special loans	Ordinary loans	
Burundi	19,049	-	-	19,049
Cameroon	36,961	14,523	11,318	62,802
Central African Rep.	25,182	-	-	25,182
Congo	19,348	-	9,000	28,348
Ivory Coast	44,318	12,408	11,642	68,368
Dahomey	22,106	-	-	22,106
Gabon	17,730	2,500	3,241	23,471
Upper Volta	29,261	-	450	29,711
Madagascar	67,797	1,862	-	69,659
Mali	32,780	-	-	32,780
Mauritania	15,309	2,754	11,000	29,063
Niger	27,884	-	-	27,884
Rwanda	17,993	-	-	17,993
Senegal	57,478	-	2,430	59,908
Somalia	25,329	-	-	25,329
Chad	31,591	1,215	-	32,806
Togo	18,516	-	-	18,516
Zaire	62,474	9,000	-	71,474
. Sums not broken down by country(1)	34,823	-	-	34,823
<b>TOTAL</b>	<b>605,929</b>	<b>44,262</b>	<b>49,081</b>	<b>699,272</b>

(1) General surveys, scholarships, in-service training, symposia, general information, administrative and financial costs.



EXECUTION OF 2ND EDF AND EIB PROJECTS

TABLE 6

'000 u.a.

	At 31 December 1970			At 31 December 1971		
	Commitments (net)	Contracts placed	Payments	Commitments	Contracts placed	Payments
<b>GRANTS FOR :</b>						
Investments	322,183	265,672	158,233	320,713	267,918	222,011
Technical assistance related to investments and supervision	42,431	37,320	32,367	42,457	41,509	38,229
<b>Aids to production :</b>	85,486	74,269	62,271	86,306	78,083	74,008
Price support	27,302	26,761	25,492	25,143	24,648	24,022(2)
Structural improvement and Technical supervision	58,184	47,508	43,779	61,163	53,435	49,986
Aids to diversification	111,721	70,528	57,175	112,130	86,290	72,743
<b>General technical cooperation :</b>						
Experts, general surveys and trade promotion, general in- formation	12,095	10,272	7,939	11,945	10,572	9,572
Scholarships, symposia and In- service training	27,861	27,032	24,350	27,826	27,535	26,945
Emergency aid	2,579	2,530	2,277	2,551	2,551	2,466
Advances to stabilization funds	(10,176)		(7,234)(1)	(10,176)		(3,391)(1)
Financial and administrative costs	1,791	1,791	1,763	2,001	1,991	1,991
<b>TOTAL GRANTS</b>	<b>606,147</b>	<b>459,414</b>	<b>325,375</b>	<b>605,929</b>	<b>516,449</b>	<b>447,965</b>
<b>LOANS ON SPECIAL TERMS FOR :</b>						
Investments	20,099	20,099	6,384	20,099	20,099	15,437
Aids to diversification	24,390	24,162	5,583	24,163	24,163	9,693
<b>TOTAL LOANS ON SPECIAL TERMS</b>	<b>44,489</b>	<b>44,261</b>	<b>11,967</b>	<b>44,262</b>	<b>44,262</b>	<b>25,130</b>
<b>TOTAL from 2nd EDF</b>	<b>650,636</b>	<b>503,675</b>	<b>365,342</b>	<b>650,191</b>	<b>560,711</b>	<b>473,095</b>
<b>EIB LOANS</b>	<b>49,081</b>		<b>34,524</b>	<b>49,081</b>		<b>39,893</b>

(1) Balance outstanding

(2) Lower amount as compared to 1970 due to a repayment by Niger

Table 7 : Scholarship holders from the AASM 1970/71 by home country and country of study

Country of study Home country																							Total (by home country)				
	Belgium	Germany	France	Italy	Luxembourg	Netherlands	Burundi	Cameroon	Central African Republic	Congo - Brass	Zaire	Ivory Coast	Dahomey	Gabon	Upper Volta	Madagascar	Mali	Mauritania	Niger	Rwanda	Senegal	Senalia		Chad	Togo	Israel	
Burundi	54	53	-	17	-	-	47	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	175
Cameroon	3	14	47	4	-	-	-	101	-	-	-	1	-	-	-	-	-	-	-	-	-	2	-	-	-	-	172
Central African Rep.	3	2	2	-	-	-	-	3	41	-	-	3	-	-	-	-	2	-	-	-	-	-	-	-	-	1	57
Congo (Brazzaville)	6	4	6	2	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	25
Zaire	84	36	7	33	1	1	-	2	-	-	161	2	-	-	-	-	-	-	-	-	1	-	-	-	-	3	331
Ivory Coast	8	3	27	6	-	-	-	5	-	-	-	115	-	-	-	-	-	-	-	-	-	-	-	-	-	2	166
Dahomey	9	3	51	6	-	-	-	13	-	-	-	12	29	-	-	-	-	-	-	-	-	-	-	-	-	2	130
Gabon	8	-	2	1	-	-	-	12	-	-	-	-	-	17	-	-	-	-	-	-	-	-	-	-	-	-	40
Upper Volta	4	7	15	4	-	-	-	4	-	-	-	16	-	-	60	-	9	-	-	-	-	-	-	-	-	3	123
Madagascar	5	19	33	8	-	-	-	-	-	-	-	7	-	-	-	9	-	-	-	-	-	-	-	-	-	-	81
Mali	6	12	17	4	-	-	-	-	-	-	-	23	-	-	-	-	6	-	-	-	-	-	-	-	-	6	74
Mauritania	-	-	2	2	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	6
Niger	2	9	4	-	-	-	-	7	-	-	-	20	1	-	1	-	45	-	5	-	4	-	2	2	-	102	
Rwanda	28	49	-	30	-	-	-	2	-	-	-	2	-	-	-	-	-	-	-	59	-	-	-	-	4	174	
Senegal	9	1	15	2	-	-	-	-	-	-	-	9	-	-	-	-	-	-	-	-	81	-	-	-	-	-	117
Senalia	-	22	-	170	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	193
Chad	4	6	-	3	-	-	-	3	-	-	-	2	-	-	-	-	-	-	-	-	3	-	24	-	2	47	
Togo	9	7	21	8	-	-	-	15	-	-	-	17	-	-	-	-	2	-	-	-	14	-	-	60	6	159	
Total (by country of study)	242	247	249	300	1	2	47	173	41	-	161	229	30	17	61	9	66	-	5	59	111	-	26	62	34	2 172	
				1 041 or 47,9 %											1 097 or 50,5 %										34	2 172	

Table 8 : SCHOLARSHIP HOLDERS FROM THE AASM - 1970/1971  
BY HOME COUNTRY AND TYPE OF TRAINING

Home country	Economics	Agriculture	Technical	Occupations for women	Total
Burundi	63	17	91	4	175
Cameroon	75	29	47	21	172
Central African Republic	8	47	-	2	57
Congo (Brazzav.)	9	10	6	-	25
Zaire	67	77	182	5	331
Ivory Coast	30	48	46	42	166
Dahomey	30	49	40	11	130
Gabon	12	16	11	1	40
Upper Volta	17	10	27	69	123
Madagascar	30	16	31	4	81
Mali	25	40	9	-	74
Mauritania	2	2	2	-	6
Niger	16	36	44	6	102
Rwanda	14	104	55	1	174
Senegal	36	14	46	21	117
Somalia	48	29	116	-	193
Chad	8	6	32	1	47
Togo	21	78	44	16	159
Total	511	628	829	203	2,172
<u>Percentages</u>					
1970/1971	23.6	28.8	38.2	9.4	100.0

Table 9 : SCHOLARSHIPS HELD FOR TRAINING BY  
CORRESPONDENCE COURSES (1970/1971)

A.A.S.M.	Economics	Agriculture	Technical	Total
Burundi	19	4	20	43
Cameroon	127	81	92	300
Central African Republic	1	24	-	25
Congo-Brazzaville	30	-	30	60
Zaire	69	3	99	171
Ivory Coast	32	9	104	145
Dahomey	10	27	7	44
Gabon	6	55	5	66
Upper Volta	73	7	54	134
Madagascar	170	1	18	189
Mali	5	38	3	46
Mauritania	2	1	-	3
Niger	233	68	3	304
Rwanda	32	-	14	46
Senegal	37	38	34	109
Somalia	-	-	-	-
Chad	9	40	2	51
Togo	47	15	13	75
Total	902	411	498	1,811
Percentage	49.8 %	22.7 %	27.5 %	100.0 %

BREAKDOWN BY LEVEL

	Vocational	Intermediate	Higher	Total
	502	1,099	210	1,811
Percentage	27.7 %	60.7 %	11.6 %	100.0 %

Table 10 - Study and training scholarships granted for the academic year 1971/1972 by home country and country of study

Home country	Belgium	Germany	France	Italy	Netherlands	Burundi	Cameroon	Central Africa Republik	Zaire	Ivory Coast	Dahomey	Gabon	Upper Volta	Madagascar	Mali	Mauritania	Niger	Rwanda	Senegal	Chad	Togo	OCT	Aracco	Israel	TOTAL
Burundi	44	45	-	15	-	80	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	188
Cameroon	2	13	31	3	-	-	144	-	-	1	-	-	-	-	-	-	-	-	2	-	-	-	-	-	196
Central African Rep.	8	2	2	-	-	-	12	51	-	3	-	1	-	-	2	-	-	-	-	-	-	-	-	1	82
Congo Brazzaville	5	1	5	-	-	-	6	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21
Zaire	56	23	4	23	-	-	1	-	21	1	-	-	-	-	-	-	-	-	1	-	-	-	-	-	130
Ivory Coast	6	1	25	2	-	-	6	-	-	108	-	-	-	-	-	-	-	-	-	-	-	-	-	4	152
Dahomey	6	4	53	5	-	-	5	-	-	4	90	-	-	-	-	-	-	-	3	-	-	-	-	4	174
Gabon	10	-	-	-	-	-	6	-	-	-	-	15	-	-	-	-	-	-	-	-	-	-	-	1	32
Upper Volta	6	7	23	1	-	-	-	-	-	22	-	-	64	-	1	-	-	-	6	-	8	-	-	6	144
Madagascar	7	1	35	10	-	-	-	-	-	7	-	-	-	12	-	-	-	-	-	-	-	-	-	3	75
Mali	8	13	31	3	-	-	2	-	-	-	-	-	-	-	67	-	-	-	-	-	-	-	7	-	131
Mauritania	-	-	1	2	-	-	-	-	-	-	-	-	-	-	-	33	-	-	-	-	-	-	-	-	36
Niger	1	1	9	-	-	-	12	-	-	15	-	-	3	-	61	-	7	-	7	5	6	-	-	4	131
Rwanda	23	51	-	40	-	-	10	-	-	2	-	-	-	-	-	-	-	15	-	-	-	-	-	3	144
Senegal	10	11	24	16	-	-	-	-	-	12	-	-	-	-	-	-	-	-	60	-	-	-	-	-	133
Somalia	-	22	2	179	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	203
Chad	5	3	-	3	-	-	4	-	-	2	-	-	-	-	-	-	-	-	2	51	-	-	-	1	71
Togo	6	7	13	5	-	-	20	-	-	10	-	-	-	-	1	-	-	-	16	-	101	-	-	4	183
Netherlands Antilles	-	-	-	-	42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42
Surinam	-	-	-	-	44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44
OCT	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	4
Total	203	205	261	307	86	80	232	51	21	191	90	16	67	12	132	33	7	15	97	56	115	1	7	31	2,316
	1,062					1,223																	31	2,316	

Table 11

RESIDENT DEPUTY SUPERVISORS AND TECHNICAL SUPERVISORS  
FOR THE EXECUTION OF EDF - FINANCED PROJECTS IN THE AASM  
(situation at 31 December 1971)

Duty station / Country of origin	GERMANY	BELGIUM	FRANCE	ITALY	LUXEM-BOURG	NETHER-LANDS	TOTAL
BURUNDI	2	1	1				4
CAMEROON	2	1	4				7
CENTRAL AFRICAN REPUBLIC				2	5	1	8
CONGO	1		4				5
IVORY COAST	3		1			2	6
DAHOMY		2	1			1	4
GABON			2	1		1	4
UPPER VOLTA	1	1		5	1		8
MADAGASCAR (1)		6	5				11
MALI	3	1	2	1			7
MAURITANIA	1		2	2			5
NIGER	6		1				7
RWANDA	1	1				1	3
SENEGAL	1	2	2	1	1		7
SOMALIA			1	3			4
CHAD	3		2				5
TOGO		1	2				3
ZAIRE	1	3	2	3			9
	25	19	32	18	7	6	107

(1) The mission of inspection extends from the Comoro Archipelago and to the French territory of the Afars and the Issas

N.B. The table does not include the individual experts or research departments called upon for short missions either in Europe for checking supplies or in the Associated States for inspecting particular completed works.