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INFORMATION MEMO

Extension of the Scialambot-Genale-Goluen road in Somalia

On March 9, 1965 the EEC Commission decided to finance, through the new European Development Fund, an economic infrastructure project in Somalia, the EDF Committee having at its sixth meeting expressed a favourable opinion on the project.

The asphalted road from Afgoi to Scialambot, which was financed through the first EDF at a cost of 3.640.000 u.a.⁽¹⁾, will be extended as far as Goluen. This entails building three sections of road totalling 37.2 kilometres, which will cross the Genale farmlands and make it possible to transport produce to the ports of Merca and Mogadishu throughout the year.

The Genale farmlands are about 70 kilometres south-west of Mogadishu and cover 11.000 ha. which irrigation makes it possible to cultivate intensively. The area contains 42.000 inhabitants and there are over 300 holdings organized into a syndicate for growing bananas as well as a considerable number of small agricultural co-operatives and individual holdings. Agricultural output is estimated at some 106.000 tons, worth 9 million u.a. It includes bananas, grapefruit, maize, oilseed and cotton. The principal crop is bananas, 500.000 tons of which are exported.

With the abolition of the Italian banana-purchasing monopoly from 1 January 1965, Somalia's banana producers have lost the guaranteed outlets and prices they enjoyed on the Italian market. That is why on 25 June 1964 the EEC Commission adopted a directive aimed at giving banana production, a vital asset to the country, every chance of becoming increasingly competitive.

The projected stretches of road, costing 11.207.000 Somalos or about 1.569.000 u.a., contribute to this aim, since they will reduce the share of transport in total production costs by 25%.

At present 170 vehicles a day use the routes to and from the Genale agricultural area. In future these routes will be serviceable in all seasons thanks to the construction of 20 km. of asphalted road and two stretches of unmetalled but permanent road totalling 17.2 kilometres.

(1) 1 u.a. = \$1.00.