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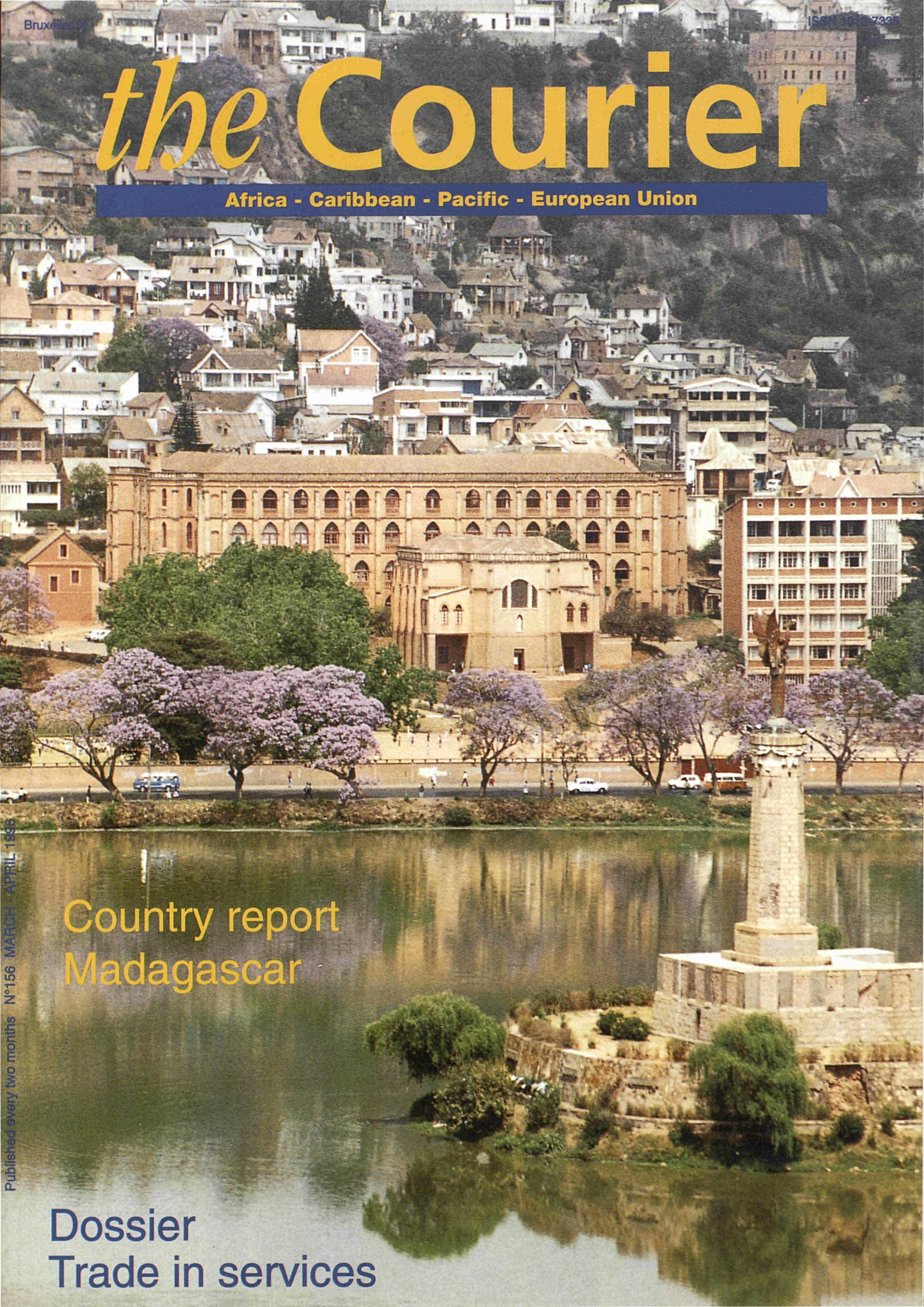

Published every two months N°156 MARCH - APRIL 1996

Country report
Madagascar

Dossier
Trade in services

COUNTRY REPORT

MADAGASCAR

Madagascar is an enigmatic place whose history prior to the nineteenth century is shrouded in mystery. At the same time, it is a rich 'data base' of an earlier era with its unique flora and fauna, and range of 'living' fossils from the coelacanths to the lemurs. The people are also a unique ethnic mix of Asian and African, the two cultures having come into contact centuries ago. In colonial times, resistance to European encroachment was spearheaded by a young Queen. As a result, colonisation came late and the philosophy and spirituality of the country was preserved.

In the 1970s, this large island state off the South-East coast of Africa was one of the first nations to embark on the 'Third World' revolution, with all the hopes and excesses that that entailed. Madagascar still suffers the burden of crushing poverty — but its potential is enormous. It has abundant mineral and fish resources, and could be a tourist 'paradise' (Noisy Be, off the north coast, is one of the most beautiful islands in the world). We feature this captivating ACP country — which grows ylang-ylang, cinnamon and vanilla — but also cultivates its legends and love stories!

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DOSSIER

Trade in services

Talk about trade in services and the likelihood is you will draw a blank with anyone not well versed in macro-economics. Yet services are increasingly important to the global economy. The term covers anything from tourism to architecture and the sector accounts for a substantial share of world trade. Developing countries in general, and ACP states in particular, tend to lag behind in this crucial area.

The issue has moved much higher up the agenda now that multilateral trade liberalisation in the services sector has begun. It is widely acknowledged that the General Agreement on Trade in Services (GATS), signed by 125 nations in Marrakesh in 1994, is just a first step, and talks aimed at opening the markets further are planned. Some commentators see this trend as offering new opportunities for developing countries. Others fear that they are now in a race against time, with the risk that they may lose out in the ever-more competitive globalised markets.

The contributors to our dossier look at these issues, examining the potential for building up service industries in the ACP nations, and considering the obstacles that have to be overcome.

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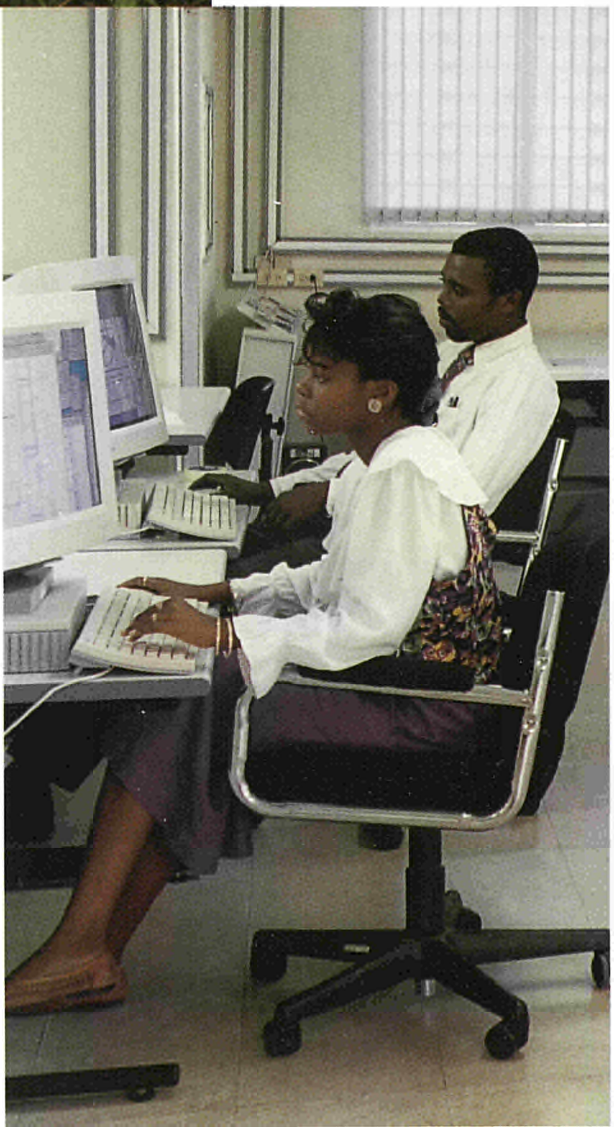

Corrigendum

Attentive 'Courier' readers will have noticed that the spine of the last issue contains the phrase 'REVISED LONE IV'. It should, of course, read 'LOME'. Our apologies for this unfortunate error which was not spotted during proof-reading.

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Antananarivo, capital of Madagascar.
Deprived, dirty... and beautiful!

The ACP-EU Courier

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MEETING POINT

Dr Jane Goodall
Champion of our 'cousins', the chimpanzees

When Jane Goodall was first given the opportunity to observe the chimpanzees in Tanzania's Gombe National Park in 1960, she could hardly have predicted where it would all lead. At the age of 26, she still retained her childhood dream of 'studying animals in Africa and writing about them', but she had no academic training beyond secondary school. Thirty-six years later, she has become world-famous as the authority on chimpanzee behaviour — and as their greatest champion.

After her initial research studies at Gombe, Jane Goodall went to Cambridge University in the UK, where she gained a doctorate in ethnology (the study of behaviour). This was something of an achievement in itself: she was only the eighth person to be admitted for doctoral studies at this famous seat of learning without an undergraduate qualification. Since then, she has divided her time between research in the field (mainly at Gombe) and teaching. There is a strong campaigning element in her work which involves more than simply learning about how chimpanzees live. Through the various 'Jane Goodall Institutes' (JGIs) that have been set up in Africa, the USA and the UK, she also works tirelessly for conservation measures to protect this increasingly threatened species. Above all, Jane Goodall places her faith in education. Nowadays she travels widely in Africa, Europe and North America, speaking to groups of young people about the chimpanzees, and explaining why action is needed to protect them.

The Courier was fortunate to have the opportunity of interviewing Dr Goodall when she visited Brussels recently. And it did not take us long to discover that her passion for her work remains undimmed. We began by asking her about the challenges facing the chimpanzee in the modern world.

— In Africa, which is the only place where they live, it is pretty grim. They are endangered in almost all the countries where they still survive. They are actually in 21 countries, but the total number is thought to be less than 250 000. That is a rough estimate based on the extent of the forests, and the figure could be less. The reason for their decline is partly the habitat destruction, which is horrendous in some countries of course. It is also increasingly because of the bushmeat trade, and this is a nightmare. Whereas in the old days, hunters just shot meat for themselves and their families, now they are doing it commercially. This is made easier by the fact that the logging company roads now go deep into the forests. Hunters themselves actually say that they sometimes they have to go for two or three days before they find an animal. There aren't very many left.

■ *So people actually shoot chimpanzees for food?*

— Yes, they shoot everything. What they do is to cut up the animals that they shoot, dry the meat and truck it into the towns. They're not just shooting for local consumption. There is a cultural prefrence for bush meat right across Central Africa and in parts of West Africa. So hunting and habitat destruction are the greatest threats to the remaining wildlife.

On top of that, for some animals such as chimps, there is the live animal trade, with the hunters being paid by dealers. They shoot the mothers in order to capture and sell the babies. We estimate that about ten chimps die for every one that reaches its final destination alive and well. This is because mothers creep away and die in the forest, or because infants are killed or badly wounded when the mother is shot. They also die of trauma and more commonly, of malnutrition and dehydration on the journey.

■ *Can you tell us about the set-up of the Jane Goodall Institute, and what you are seeking to achieve?*

— The Institute originated in the United States in 1976 and an office was opened in the UK in 1989. We also have NGOs in four African countries — JGI Tanzania, JGI Congo, JGI Uganda and JGI Burundi. I am afraid the Burundi one barely exists now because we have more or less had to pull out from there.

The mission of the Institute is wildlife research, conservation and education. The main research takes place in Gombe National Park in Tanzania, where I began in 1960. It is a very tiny park — just 30 square miles. It has three separate communities of chimps each of about 50 individuals — making a total of

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about 150. They are now totally surrounded by cultivation. In other words, they are cut off from any tiny remnant populations found outside the park — and these are very few now. These animals are genetically isolated and their long-term future is extremely bleak because of inbreeding. You only need a couple of epidemics to sweep through and the population will crash. And it is worth pointing out that they are susceptible to all our human diseases. But the good thing is that, within the park, there is no poaching and no habitat destruction. Part of the reason for this is that we employ Tanzanians from the surrounding villages to help with the research. They make detailed reports on the chimps from dawn till dusk using 8mm video cameras. They talk about their work to family and friends. I think the most important thing is that they care about the chimps as individuals. So there is no danger of poaching. And of course, we are helping to boost the local economy just by being there. We have a research team and a few European and American students — though never more than five at a time — and we employ 26 Tanzanians. And Tanzania is proud that we are there.

I would add that that the isolated situation of these 150 chimps, is something that we see repeated right across Africa. Only in Gabon, Cameroun, Congo and Zaire do you get really significant populations of more than 5000. Just about everywhere else there are just these sad little remaining fragments.

Isn't there a danger that, even in the four countries with reasonable chimpanzee populations, the pressure on their forests will grow for economic reasons?

— It is happening all the time. The forests are being chipped away as we speak. So it becomes very important to try and create some areas, in addition to those that already exist, where the chimps can be protected. But it is not an easy task.

What is your response to local people who say 'why shouldn't we go and cut down our forest'?

— Conservation can never work unless you involve the local people. If tourism can be established, then that is fine, because then local people can benefit by acting as guides, building guest houses, looking after tourists and selling things. In areas where you are unlikely to attract tourists it is more difficult. If people are told they can't go and cut down firewood or hunt, then what are they to do? Part of the answer lies in agroforestry programmes like the one we have with the the EC. It involves planting fruit trees so that the local people can sell the crops. If you can't attract tourist dollars, then you must be able to offer something concrete instead, in return for leaving the forests alone. It is very tough but you must try. In the meantime, the people have to live.

Conservation can never work unless you involve the local people

You mentioned Tanzania being very supportive. How sympathetic are other governments to the idea of protecting the forests and wildlife?

— I think they are supportive only if they see some benefit coming back for themselves. And other than the possibility of some kind of tourism, to bring in foreign exchange, it is difficult to pinpoint any other direct economic benefits. Of course, chimpanzees are very popular in the western world, and it might be possible to attract some support from outside to help the governments concerned and the local people, but it is still very difficult. What we are doing is working very hard on conservation education, aimed at making people proud of what they have.

Are governments more willing nowadays to enact legislation to protect the forests?

— Passing legislation doesn't necessarily help very much. I have been to so many places where there is legislation — there is a national park boundary set up — but nobody pays the slightest attention. That is what is happening in Ghana. There is park in the south-west which is gradually being nibbled away by people cutting down the trees for toothbrushes. They are not actually killing the chimps but the forests are disappearing, so it comes down to the same thing.

You mentioned earlier the activities of logging companies. Is realistic to suggest that you can control what they are doing?

— I think there are some environmentally-conscious companies that will listen. I have recently heard about a company in Gabon that has agreed to do sustainable cutting. All logging is pretty bad but at least it is better than clear-cutting.

This involves only felling mature trees?

— Yes, but it is harder to do. Again it will be demand from the outside world that eventually determines how many companies will do sustainable logging.

Overall, what you are saying sounds rather pessimistic. Do you believe chimpanzees have a future?

— I am actually an optimistic person. There are always signs of hope. As I said, there are logging companies prepared to work in a sustainable way. As for the live animal trade, we can work on that from outside. We need to persuade third countries not to buy live chimpanzees. If there is no market, as has been shown with ivory, then the trade will come to an end.

The meat trade is a bit more problematic. All one can say here is that you have to work on conservation education and try to change cultural preferences. We have a programme for children called 'Roots and Shoots' which operates in about 30 countries around


The Jane Goodall Institute, UK

Jane Goodall 'in the field' at Gombe National Park

the world. In fact I am devoting most of my energy nowadays to this. It began in Tanzania and we are trying to develop it in other African countries. The programme involves 'hands-on' projects which are concerned with making the world around us a better place — whether we are talking about the environment for animals or for people. And it has really taken off in Tanzania — without any money! The children are fascinated by the subject.

■ *Talking of money, what is the source of the Institute's funding, and how many people do you employ?*

— Money from my lecture tours and from books all goes to the Institute, and of course we get donations. We also have the EC-funded project that I mentioned in Tanzania. That involves reforestation and conservation along the lake shore around the Gombe National Park. As for employment, in Africa as a whole, we have about 80 local staff and seven expatriate workers.

■ *Turning now to the central aspect of your research, namely chimpanzee behaviour, could you tell us a little more about this?*

— The research began in 1960. At the time, nothing was known about the behaviour of wild chimps. In fact, they are our closest living relatives, with a lifespan of between 50 and 60 years. They differ from us genetically — that is, in the structure of their DNA — by only just over 1%.

Much more fascinating is the research we have undertaken for 35 years observing one community of about 50 individuals and learning their relationships with each other, their communication patterns and their way of life. What we have found is that they have many behaviour patterns which are uncannily like ours. For example: there are long-term supportive bonds between mothers and their offspring. The child is also dependent on the mother for a long time — five or six years. We think that is important because they have a lot to learn. This is easier when you are young and your mind is flexible — and when there aren't any pressures because your mother is still essentially looking after you. There are also identifiable bonds between siblings although not between non-related males and females. The father doesn't play a role as such in the family — I am not sure he does in some human families either! The males basically act in a paternal way to all infants in their own group and they patrol the boundaries.

■ *Are there strong rivalries between groups*

— Yes. They are very aggressively territorial and will kill. We have even observed something a bit like warfare where the males of one community systematically annihilated a smaller community over four years. It was a group that split away in fact, so it was more like a civil war.

The anatomy of the chimp brain is more like ours than that of any other living creature. In the wild you can see that they make and use tools. This used to be considered as the thing which differentiated us from all the rest of the animal kingdom. They also have very sophisticated social intelligence — they manipulate each other and form alliances. Some of the males are quite political. There is tremendous competition among them to get to the top ranking position. Each of the seven incumbents that we have observed over the past 35 years has got there in a different way. Of those only one succeeded through brute strength and size. Two others did it by being aggressive but there were two who made it to the top by using their intelligence. In a way, it was a kind of bluff involving the formation of alliances and skilful manoeuvring.

Chimps in captivity can learn the same sign language that deaf people use. They can learn as many as 300 signs and can use them in new situations. They clearly know what they mean.

■ *You have being doing this work for a very long time. Do you anticipate ever retiring?*

— How can I, especially now the 'Roots and Shoots' programme is growing. There are so many schools that want me to go and give talks. That is what I came here to Brussels for. I have just spoken to more than a thousand children at the International School and the European School.

■ *I suppose you could say that you are out to capture the hearts and minds of children. What techniques do you use?*

— The chimpanzees can take me to any classroom in the world. You can capture the attention of rural Tanzania and inner-city Los Angeles with them. We have a great many programmes but I will just mention two examples. We are working with local people in the primary and secondary schools all around the Gombe National Park. And at the other end of the scale, as it were, we have pilot programmes with the Los Angeles Police Department. Wherever we go, the chimps are our ambassadors. ■

Interview by Simon Horner

ACP

Focus on fish

The world's fishing community is often overlooked in discussions about food production and food security, so it was particularly encouraging when 95 states issued a declaration on the sustainable contribution of fisheries to food security in the world at the FAO conference held in Kyoto, Japan in December 1995. Less encouraging was the Conference's conclusion that the world's fish resources are being overexploited and that catches have been declining since 1992.

Fishing is important to the economies of many ACP countries, notably in West Africa. In the three articles which follow, we look at some of the key issues facing the sector with a particular emphasis on the EU's activities in the context of its relations with developing countries.

A vital food source in West Africa

by Anthony Acheampong*

Food security is defined as 'access by all people at all times to enough food for an active, healthy life'. As such it covers not only the quantity of food available, but also its quality, in terms of adequate nutritional value. The definition also covers both sides of the food equation at the household level, namely food availability and the purchasing power needed to have access to it.

As a source of high quality protein, fish are vitally important in feeding the world's growing population — particularly in the developing countries. Fish supplies about 20% of animal protein globally and as much as 64% in some West African diets. Most of this is caught by artisanal fishermen and women. The table illustrates the importance of fish in the diet of many West Africans.

A nutritious and healthy food

Protein-energy malnutrition is one of the most direct manifestations of household food insecurity and is a leading cause of infant mortality in West Africa. Diseases associated with nutrient deficiencies threaten the lives and futures of the most vulnerable sections of the population. In Ghana, for example, a study by UNICEF published in 1990 revealed that more than 15% of the country's children die before their fifth birthday.

Fish can be an important element in the diet of malnourished children. They are a good quality source of easily digestible animal protein, with nutritional qualities which are comparable with, if not superior to, meat and dairy products. In the first place, they tend to be high in protein, amino-acids and polyunsaturated fats. They are also an excellent source of minerals (calcium, phosphorus and iron), vitamins (A, B1, B2 and D) and important trace elements. Because of their high lysine content (an essential amino-acid), fish are a particularly important complement in the West African diet, which tends to include large amounts of carbohydrates.

Artisanal fishermen in Ghana
Supplying fresh fish for both export and local consumption

* Trainee working in the fisheries sector, Development Directorate General of the European Commission

They can also play a role in combating diseases such as xerophtalmia, which results from Vitamin A deficiency and causes permanent blindness, and in the fight against nutritional anaemia and endemic goitre caused, respectively, by a lack of dietary iron and iodine. Current research also points to the positive effects of highly unsaturated fatty acids (HUFA) in reducing cardiac ailments.

Finally, as a flavouring, fish can make monotonous food more palatable. They can thus help to improve consumption patterns and bring about better nutrition overall. When processed, preserved and cooked properly, they retain most of their high nutrient content although this can be lost with poor handling and storage.

account for more than 75% of the protein intake of the people. Clearly, the importance of artisanal fishing to nutrition cannot be underestimated. The artisanal sector in the region supplies fresh fish for both export and local consumption as well as smoked, dried and salted fish for the local and regional markets.

Drying, smoking and salting generates considerable demand for services ranging from the transport of straw and salt to the distribution of the finished product. Equally the expansion and modernisation of the pirogue fleet has resulted in significant demand for boat building and repairs, the supply and servicing of motors and the manufacture of ice. This creates backward and forward linkages to the local economy, with artisanal fishing villages becoming thriving centres of local economic activity.

Fish supply for 16 West African countries (1990)

Country	Total catch (thousand tonnes)	Annual consumption per capita (kg)	% of total protein consumption	% of animal protein consumption
Benin	45	9.7	5.0	27.8
Burkina Faso	18	2.0	0.9	8.0
Cameroon	150	12.6	6.5	28.7
Cape Verde	4	10.6	4.5	23.7
Côte d'Ivoire	166	13.8	8.4	36.1
Gambia	18	20.4	10.9	46.3
Ghana	408	27.1	21.1	63.9
Guinea	127	5.3	4.3	8.3
Liberia	33	12.9	9.5	47.8
Mali	66	7.2	3.4	13.6
Mauritania	22	10.6	4.7	10.6
Niger	4	0.5	0.3	2.1
Nigeria	909	8.4	5.1	35.3
Senegal	184	25.1	12.2	42.4
Sierra Leone	50	12.1	9.8	56.5
Togo	51	39.4	8.2	45.3

Source: E. Seki and A. Bonzon, 1993. Selected aspects of African Fisheries: A Continental Overview.

An important source of income

In terms of its contribution to nutrition and food security in West Africa, the artisanal sector supplies the vast bulk of fish consumed locally. Senegal has a *per capita* consumption of more than 25kg *per annum*, which exceeds that of the USA (17kg). In all but one of the country's provinces, fish

In a context of ever-decreasing levels of formal sector employment, the sector also generates considerable employment not just in the fishing itself but also in all the related activities referred to above. Senegal, for example, has some 50 000 people directly engaged in fishing and a further 200 000 working in processing, distribution and provision of services. And the expansion of employment in artisanal fisheries is no longer restricted to people from traditional fishing communities. Increasingly it provides jobs for arable farmers displaced by desert encroachment or demographic pressures. The overwheming majority of people employed in the processing and marketing of the artisanal fish catch are women.

The sector is also now making a growing contribution to foreign exchange earnings. The modernisation of the pirogue fleet has enabled it to supply a growing volume of fresh fish to export-oriented industrial companies.

Food security programmes

Decision makers in West Africa have been seeking to formulate and implement policies and programmes to enhance food security. In most of these programmes, there is a particular commitment to enhance the nutritional aspects. Ghana, for example, aims to provide all its citizens with access to an adequate and nutritionally-balanced diet at an affordable price.

The strategy involves increasing crop and animal protein production and improving marketing in order to increase the availability of food. Studies, however, have shown that in West Africa, the more vocal urban dwellers usually benefit more from government measures than their rural counterparts.

At both national and local levels, the management of food security policies requires inter-ministerial and inter-sectoral coordination mechanisms to resolve potential institutional conflicts and differences in approaches and priorities.

In the present environment of structural adjustment, involving institutional reforms and an emerging new role for government, new pressures are being placed on the management capacity of these institutions.

Structural adjustment, the changing role of government, the involvement of civil society, and issues of sustainable food production and income generation are all central policy issues. None of these can be dealt with adequately by individual countries.

Food security in West Africa is increasingly recognised as a regional issue that needs cooperation and coordination among countries to be effective.

Communication among policy makers, and between them and members of civil society and the private sector, can be a problem.

The apparent gap in understanding between researchers and policy makers hampers the adoption of policies based on the best available data and expertise. This may help to explain why the fisheries sector has not featured prominently in the food security programmes of West African countries.

Despite the difficulties facing the sector, the fisherfolk of West Africa have demonstrated that they can make a vital contribution to food security in their region. Further recognition of their productive and social role, and well targeted support for their efforts could go a long way in strengthening their role. A.A.

Fisheries research for sustainability

by Cornelia Nauen*

About five years ago, Amy Diabang and a few of her friends from a women's fish processing group in Casamance, southern Senegal, invited me for dinner in the home of their coordinator. At the end of a long day's work, the women had prepared a traditional meal and, of course, lots of deliciously fresh local fish. They were tired, but they wanted to discuss a project they intended to set up to improve the range of their businesses. They had practically all started with small loans to buy knives, buckets, headpans and the other utensils of their trade. They had also received some training through a joint project involving the French government, an NGO and the EDF, aimed at revitalising artisanal fishing in Casamance. Now, the women were planning to buy a lorry to break the transport monopoly of the established truckers. Using the limited transport available was putting a prohibitively costly price tag on their goods and preventing them from expanding their trade beyond Casamance.

At the time, I admired their courage and sympathised with their bold plan, but wondered whether it might not exceed their management capacity and leave them in debt. I am glad to say they ended up proving me wrong. Their business may not have developed quite as envisaged but they did do reasonably well and achieved a lot in the intervening period. And they had to weather a number of storms in the process : first a currency devaluation, followed by fierce competition from international factory buyers of fish. The women also challenged what they saw as unjustified local taxes and succeeded in strengthening their organisation. Amy and the many women and men working in fisheries merit our respect and deserve much more attention than has been given them in the past.

Small-scale operations dominate most of the fisheries in sub-Saharan Africa. Despite the fact that outsiders often brand them as 'backward', they are responsible for about 70% of Africa's total production of fish and other aquatic organisms. With little support, and often in a difficult infrastructural and institutional environment, they nevertheless succeed, demonstrating their vigour and adaptability to fast-changing conditions. For the fisherfolk, it is a competitive environment with no social security other than the family and community of which they are a part. So fishing is often complemented by other activities ranging from lifestock-raising to vegetable gardening and, of course, trading.

Why the emphasis on fisherfolk when the title of this article refers to fisheries research ? One of the reasons is that those involved in conventional monitoring and statistical systems, and even in research, have had problems getting to grips with the diversity and dynamics of the sector.

Most researchers find it difficult enough to get reliable data even on industrial fishing and to analyse from that the state of the stocks. Yet at a time when fisheries is moving into the mainstream in many developing countries, notably in northwest Africa, and the crisis of overfishing in many areas has finally hit the headlines, research is all the more needed. The sector has obviously been affected by the progressive internationalisation of trade and it is clear from a number of global studies that 'business as usual' - or even recourse to old remedies — is no longer an option.

* Principal Administrator in the unit responsible for fisheries issues, DG VIII (Development), European Commission.

Call for research initiative

It was against this background that the ACP-EU Joint Assembly adopted a wide ranging resolution on fisheries in October 1993. It referred specifically to the need for a special effort in research and the Commission reacted positively to this recommendation. Although the resolution speaks of a 'joint research centre' (Art. 66), it was clear from the preceding discussions that the drafters favoured the idea of a 'laboratory without walls'.

Stress was placed on the need for a collaborative approach which would avoid duplication and permit economies of scale through better use of existing resources. The idea of an 'ACP-EU Fisheries Research Initiative' was born.

Although the process may seem slow at times, the Initiative is now gradually getting off the ground. Following the publication of the Resolution in the quarterly *EC Fisheries Cooperation Bulletin* and in the EC's *Official Journal*, the Commission held a number of technical consultations with senior European fisheries cooperation advisers. Their advice was sought on the establishment of a consensus 'platform' which could serve as a basis for wide-ranging discussions with ACP representatives. The understanding was that a new type of partnership was required to face the challenges and this drew a positive response from the ACP side.

Dialogue for a new partnership

A first dialogue meeting was held in Swakopmund, Namibia, on 5-8 July 1995, bringing together representatives from Southern and Eastern Africa, the Indian Ocean countries and Europe. This was held mostly in the form of workshops to allow all those taking part to express themselves freely. The 54 participants endorsed the Initiative and made a number of very useful recommendations for future progress. They came out strongly in support of the overall goal which is: *The sustainable use of fishery resources for the benefits of sector stake holders and the conservation of the aquatic resource systems supporting them*. The report of the meeting, including the core document and the invited review papers on major aquatic resource systems, has been published in a new series of technical reports designed to give visibility to the Initiative. The message that emerges is that the time of donor-driven projects in this area has passed. The partnership which the authorities are being invited to subscribe to involves scientific, financial and other efforts — and commitment — by all sides.

The Joint Assembly and various interested international partners are being kept informed as the Initiative unfolds. To ensure a constant flow of information to a wider public, a permanent feature on the Initiative has also been introduced into the *EC Fisheries Cooperation Bulletin*.

The main review papers commissioned

Large Marine Ecosystems (LME) — dealing principally with the northwest African up-welling system and the Gulf of Guinea.
International Inland Waters — covering areas such as Lake Chad and a number of major river systems
Floodplain Systems — of which the major examples are the inner delta of the Niger in Mali and the floodplains in southern Chad
Sustainable Aquaculture — which has made some progress in several countries recently, but has a mixed record elsewhere. This could be a growth area for the future
Integrated Coastal Area Management — an interdisciplinary area *par excellence* where fisheries are often a central structural element, but where mitigation of conflicts with other, often competing, interests is essential.

Dakar meeting

At the time of writing, preparations were in full swing for the second dialogue meeting to be held in Dakar in the last week of March. This was to bring together West and Central African representatives with the EU senior fisheries cooperation advisers and the Commission. The successful formula used in the first dialogue meeting will largely be followed with each country being invited to send two senior planners representing fisheries development and fisheries and/or aquaculture research, respectively. Regional organisations with a strong fisheries mandate will also be invited to send a representative. The idea is that developers and researchers should jointly examine the issues and identify the priorities for research to help solve the most pressing problems.

It is recognised, of course, that even the existence of a very strong research base in each country would not, by itself, be enough. As in many other areas, one has to look at the interfaces of research. There needs to be an enabling environment 'up-stream' in which relevant research can be carried out to high standards. Meanwhile, 'down-stream' there must be a delivery mechanism so that research results get fed into the planning and decision-making process in a user-friendly way. It is also clear that research cannot be carried out for long periods in isolation. Some researchers now even advocate participatory research, in which fisherfolk are active and recognised partners in the process and the results are shared with them as well as with public planners and decision-makers.

A number of review papers have been commissioned on the major aquatic resource systems in the West and Central African region (see box). These have been prepared by teams of people from different countries, thereby underlining the collaborative nature of the Initiative. They are currently being sent to delegates who will attend the Dakar meeting as background information, allowing them to take stock of the achievements so far and to focus on the future. It is worth noting that a few collaborative research efforts have already been initiated around the basic ideas launched by the Initiative. Some of these are being funded by the Commission's budget for north-south research cooperation.

Two more dialogue meetings are planned, one for the Pacific and Caribbean countries and one 'wrap up' meeting, where representatives from all regions can synthesise the various recommendations and condense them into one shared reference document about the Initiative.

From talk to practice

Recognising the crucial importance of information for sustainable fisheries management, and the associated need to create an enabling environment for research in ACP countries where the sector is socially and economically important, a new 'All-ACPs' project is currently being prepared for consideration by the EDF Committee. The plan is for *FishBase*, the worldwide electronic encyclopedia on all known finfish (some 25 000 species) to be made available, along with training and equipment, to all ACP countries. FishBase, funded largely by the Commission, has been developed by the International Centre for Living Aquatic Resources Management based in Manila, in collaboration with the FAO and numerous other partners.

Its expansion into a tool for documenting aquatic biodiversity and extending management advice, combined with investment in human and institutional resources in ACP countries, will be a practical step towards building the aforementioned enabling environment for fisheries research and management. Its institutional sustainability is sought through interaction and networking at national, regional and international levels and through strong collaborative links between individuals and institutions. Close relations with other components of the Initiative will be ensured with special emphasis on making use of electronic and other linkages between ACP institutions and between ACP and EU partners. The global information society must be truly open to ACP countries to ensure their competitiveness in the future.

A programme which has the potential to develop into something equally ambitious started modestly at a workshop in Dakar in 1993. Consultations in West Africa showed there was a need for a harmonised Fisheries Information and Analysis System (FIAS). This would enable people to access databases not yet linked together on various aspects of the sector thanks to the integration provided through a powerful analytical interface. This should allow for data to be analysed in ways that are currently not possible allowing comparisons to be made of different policy options available to decision makers in both the private and public sectors.

Because of the difficulties in finding a suitable institutional framework for collaboration between the institutions involved in fisheries in each country, progress towards implementation has been slow. Such institutions include fisheries departments, research bodies in ministries or universities, and agencies responsible for monitoring, control and surveillance, statistics, and fiscal questions. All have important roles to play in the planning and management of the sector. In the meantime, several countries have embarked on national efforts with a more limited scope in order to serve their immediate needs. Any FIAS work in West Africa should involve collaboration with these valuable efforts with a view to enhancing their usefulness further — drawing on the experience that has already been gained and sharing the relevant information with other countries.

A module of the FIAS has also been developed by the University of Warwick's *Ecosystem Analysis and Management Group* in collaboration with Asian partners. This programme, which is entitled SIMCOAST, allows for realistic simulations of various planning and policy options in complex situations involving the competitive use of coastal resources, both marine and land-based. Used properly, SIMCOAST demystifies some of the intricacies of integrated coastal area management and helps to streamline data requirements.

A long road ahead

At this stage, some readers might well ask whether the gap between the high-tech wizardry implied in the preceding description and Amy Diabang's problems 'at the grassroots' can successfully be bridged. In short, is all this talk about integrating databases and policy models or simulations of any practical use. A similar argument, we might recall, was advanced when personal computers appeared on the scene. Then it was suggested that researchers and others in developing countries should not be given such technology, because it would be 'unsustainable'.

Perhaps we should be wary of becoming too dependent on electronic gadgetry. But at the same time, we must recognise that proper analysis of information that is currently highly dispersed, and suitable access to the research results, are among the keys to the future sustainability of the fisheries sector. And returning to Amy and her colleagues in the artisanal fish processing business, we should acknowledge that they recognise the importance of market and other information for their businesses. That is why they already participate in the Regional Programme to Improve Post-harvest Utilisation of Artisanal Fish Catches (featured in issue 147 of The Courier, September-October 1994).

Information is obviously important, but so too are the mechanisms to make good use of it. We live in a complex and fast changing world and the need for investment in human and institutional resources is greater than ever. The ACP-EU Fisheries Research Initiative has an important role to play here. C.N.

ACP-EU fishing agreements: accord or discord?

'Keep to the spirit' appeal by Joint Fisheries Committee

by Sabr El Djamil Abada*

Are the fishing agreements concluded between a number of ACP countries and the European Union being respected? According to some ACP parliamentarians, both the spirit and the letter of these agreements are frequently violated. Specifically, they say that catch conditions are not always complied with. As for the 'spirit' of the accords, namely their development cooperation objectives, the deputies take the view that little trace can be found in practice of the preliminary declarations made in the preambles to the agreements.

A report submitted by the Mauritanian parliamentarian, *Sid Ahmed Ould Habott*, to his colleagues on the recently formed Joint Fisheries Monitoring Committee, raises a number of issues of concern. This Committee was set up following the recommendation contained in a resolution of the most recent Joint Assembly held in Brussels on 4-7 October 1995. The move was a tangible response to the deeply felt unease of a number of ACP parliamentarians who are anxious to highlight, if not perhaps the flagrant violation of the accords, 'at least their quasi-fraudulent interpretation on the part of fishermen spurred on solely by the lure of profit'. These are the actual words used by a member of parliament from Mauritius. The signs are that ACP countries and others (such as Morocco, for example) are increasingly reluctant to grant fishing rights without the guarantee of substantial benefits for their economies. There is even the temptation in some quarters to terminate the accords if they are not given a major overhaul, particularly in terms of the protection of fish stocks and effects on the development of the people concerned.

In defence of the European Union, some officials refer discreetly to the fact that the agreements which are the subject of criticism were concluded in response to the concerns of the authorities in the countries in question. Their particular interest, at the time the accords were made, was in receiving direct financial compensation from the European Union in return for access rights to their fishing grounds. When asked about this matter, more than a year ago, one Commission official in Brussels involved in the fisheries sector was even more outspoken. 'It isn't fair to lecture us about the situation today. It simply reflects what was agreed at the time the accords were entered into'.

But the fact remains that a number of ACP parliamentarians, confident that they are representing the wishes of their electors, have come out against what they see as the inadequacy of the fishing agreements given the actual situation and needs of their countries and citizens. They would like to see the accords renegotiated, consolidated and even made globally applicable within the framework of development cooperation. They view such an approach as being in the best interests, not only of their own countries, but also of a proper development policy. They point out that it is in the context of such a policy that Europe is generally viewed by the people of the ACP countries.

To give a broad summary of the situation, Mr Ould Habott's report contains more than twenty points of criticism. These pertain to the management of fish stocks, the gathering of information and statistics on the impact of fishing activities, the shortcomings of research and information activities available to ACP countries which are signatories to the accords, inadequate monitoring of catch conditions, poor use of finance and technical-assistance programmes, and violation of both domestic and international legislation in the fisheries field. If the law were being applied in the strict sense, any one of these breaches should have resulted in court proceedings against the offending state. But this appears not to be part of the philosophy underpinning the EU's relationships with countries from the South. These are still viewed, at least in theory, as 'partnerships', and hence, as something more like 'gentlemen's agreements'.

Given the scale and seriousness of the problems that have been identified, a number of ACP politicians and, it must be said, some of their European counterparts, are now questioning the economic, social and ecological feasibility of the agreements. The Europeans, of course, are also anxious to defend Community fishermen. Without denouncing the accords in so many words, members of the Monitoring Committee are calling for a complete re-evaluation. One key concern is that they should take proper account of the ecological constraints. This is something that cannot be avoided given that the environmental balance is so fragile. There is also a desire to ensure that the agreements have a genuine, positive and quantifiable impact on the economies of the countries in question. The latter objective applies particularly to local fishermen, whose activities are largely non-industrial, and to the local communities who only take enough from the sea to satisfy their basic food requirements.

Made up of twelve members (including the Vice-President of the European Parliament, Mrs *Nicole Péry*), the Committee is presided over by Mr Ould Habott on behalf of the ACP countries, Mr *Morris*, on behalf of the EP, and a representative from the Commission. It was created against the particularly tense background of the de-

* TV Journalist in Brussels.

nunciation of the fishing agreement between Morocco and the European Union. The renegotiation of this agreement is likely to be difficult and it will inevitably have consequences for the future form of agreements made with the ACP countries. It is worth recalling here that Mauritania also took action, having imposed a moratorium on catches. The purpose of this was to provide a 'biological rest', allowing time for the renewal of those fish species most under threat.

The parties involved clearly have different and sometimes competing interests but what seems to be emerging is a view that the old style agreements should come to an end. Their only effect was to provide funds in return for fishing access with the money, at best, being swallowed up by the recipient state's budget. On the ACP side, more and more people are demanding access to markets and technologies in return for access to resources, with the proviso that the latter must be approached responsibly and be subject to scientific monitoring, governed by strict procedures and an international code.

For the Europeans, these demands should be seen in the context of the more far-reaching approach of EU development cooperation, particularly through better use of the instruments available under the Lomé Convention, and more specifically the National Indicative Programmes. What this amounts to is telling the ACP countries that they, too, are responsible for the content and the form of these accords.

In Mr Habott's view, 'it is the future that is important.' He stresses: 'We want these fishing agreements to be a development tool for our peoples, beginning with the implementation of a balanced and mutually profitable partnership but with absolute respect for the ecological balance which is of concern to everyone.' This, he says 'involves reasonable exploitation of resources to ensure that species are protected, the collection of reliable data on the impact of fishing activities, both in terms of the sea and economically speaking (food, employment, income for local fishermen), and the development of local catch capabilities and even industrial processing installations.'

He continues: 'The ACP countries must be able to manage this vital economic sector more efficiently. Among the provisions to be adopted, we would suggest more decisive regional cooperation in monitoring and research, through, for example, the creation of regional training centres and the setting-up of research and development programmes for conservation.'

'Nowadays, it is no longer possible to continue in the same direction as before. We must firstly ensure that the agreements we have signed are genuinely being complied with. To that end, as parliamentarians and therefore representatives of our electors, transparency must be paramount. For example ships' logs must be kept correctly, and scientific monitors must be able to board ships'.

'Globally speaking, the adapted agreements must take account of non-industrial fishing and ancillary activities, which are vital to populations as a whole and to village communities.' He lays particular stress on 'economic activities carried on by women who play a central role in our countries.'

Mr Habott concludes: 'At a purely commercial level, we are actively seeking partnerships to promote development within our countries. These could be created with the support of the Centre for the Development of Industry (CDI) and/or the Technical Centre for Agricultural and Rural Cooperation (CTA), as well as with assistance from the European Investment Bank. We have capabilities in this field and we intend to put them to good use. We also support worldwide efforts, based on international agreements, to regulate the management of fish stocks and conserve the marine environment.'

Although it is clear that the mere establishment of a Monitoring Committee cannot meet all the challenges which the ACP countries and, above all, their populations, are faced with, to entrust management of fish stocks only to European fishermen (together with the Russians, Japanese and Koreans) is suicidal both economically and ecologically speaking. Assuming that the Committee can increase awareness among the general public in both Europe and the ACP countries, and amongst political leaders, then the initiative deserves to be welcomed. S.E.D.A.

Nouakchott, Mauritania
'Globally speaking, the adapted agreements must take account of non-industrial fishing and ancillary activities'

Annual meeting of the ACP/EU economic and social partners

The agri-food chain in the ACP countries

Representatives of the ACP/EU economic and social interest groups held their annual meeting in Brussels on 6-8 December. They focused on ways of increasing and improving food production in ACP countries, and there was widespread agreement that something needs to be done to strengthen the food chain system; from the time the food is produced on the farm to the point at which it is consumed.

The general consensus was that farmers in the developing countries did not have a level playing field, and were therefore unable to compete with their developed country counterparts. They lacked the modern technology which would help them become efficient food producers, and did not receive state subsidies. In developed countries, it was noted, agriculture makes a relatively small contribution to the overall economy but productivity levels are very high. In ACP countries, the reverse is the case.

The meeting heard how the problem of food production was particularly acute in Africa. In the past two and a half decades, the total amount of food produced on the continent has increased but it has failed to match population growth. The result has been a long-term decline in *per capita* food output. Dependence on imports is high and increasing. And this growth in imports obviously cannot be associated with positive economic developments — too much of the continent is suffering from chronic poverty and associated food shortages. Indeed, much of the increase is accounted for by food aid supplied by donors to help tackle emergencies.

Threat from dumping

Dumping was seen by a number of speakers as a widespread problem. It was suggested that farmers in developing countries were not able to become price competitive because of restrictions placed on them by the IMF through the various structural adjustment programmes (SAPs). *Peter King* of the Jamaican Agricultural Society spearheaded a resolution on dumping which was subsequently included in the final declaration adopted by the meeting. In this text, the participants recognised 'that the practice of dumping constitutes a grave threat to ACP efforts to improve agricultural production, marketing and the efficiency of the agri-food chain by bankrupting enterprises and causing job losses.' They went on to recommend the establishment of a data bank of dumping incidents, arranged by product and by ACP State, so that an analysis could be made of dumping trends. The resolution also recommended the creation of a pool of experts that ACP States could consult to assemble evidence on the existence of dumping. The aim here would be to gather sufficient information to allow action to be instituted in accordance with the provisions of the World Trade Organisation, as well as to help in capacity-building.

Mention was also made of the need for developing countries to create a solid infrastructure if they are to sustain a progressive food production system. It was recognised that governments had a role to play in this area in providing suitable roads to transport goods on time, a steady supply of electricity and reliable access to water. These are seen as critical aspects which need to be put in place in order to improve production.

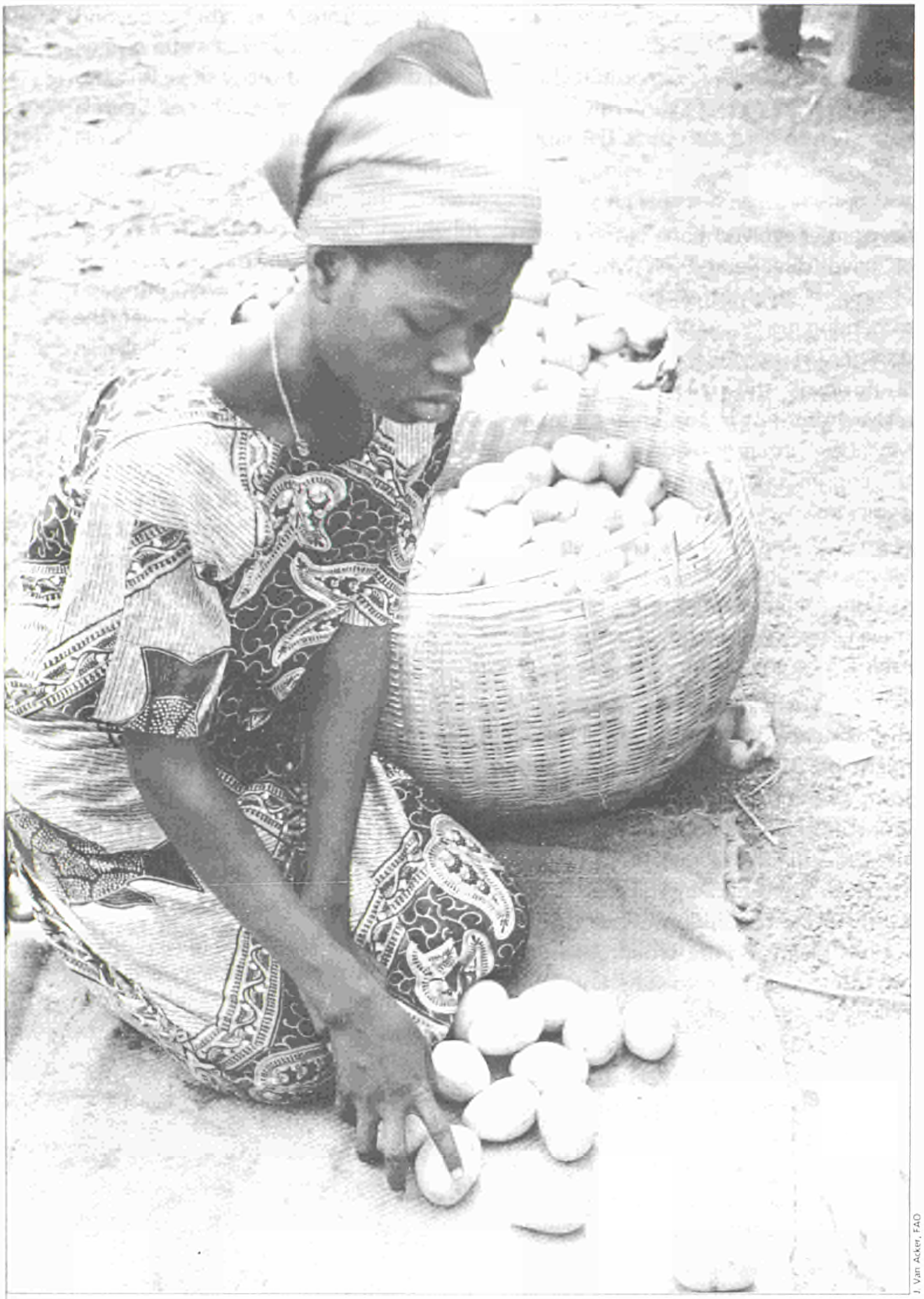
The farmer is obviously a key participant in the food chain. Representatives expressed the view that not enough attention was being paid to peasant farmers in particular. In the first instance, they cultivate crops and rear animals for their own subsistence needs and they then sell their surpluses. The meeting agreed that action was needed to help these producers address the many problems they face. It was also important for their opinions and recommendations to be sought before programmes were initiated. The bottom line is that if they receive help, they will be in a better position to help others.

Another problem raised was the fact that ACP countries often did not benefit from the food produced by their commercial and plantation farmers, which is sent for export after processing. The result was that local people did not have access to what was being grown locally. The situation was neatly sum-

Participants at the Social Partners meeting

There was a general consensus that developing country farmers did not have a level playing field

Press Service, Economic and Social Committee



J. Van Acker, FAO

marised by the Rapporteur, Mr Kabuga : 'They are consuming what they do not produce and producing what they do not consume.'

Selling the surplus at a market in Togo
It is important for the opinions and recommendations of farmers to be sought before programmes are implemented

Unease over food aid

A number of representatives expressed unease about the present food aid system. It was pointed out that such aid tends only to be given in times of emergency, when the problem has reached a critical stage. It does nothing to prevent the crisis from arising in the first place. It was generally agreed that food aid should take a more 'developmental' form, with a view to ensuring food security and developing the agricultural sector. In reply to this point, a Commission representative acknowledged that food aid operations were far from perfect and a lot still had to be done.

Turning to the role of the private sector, speakers stressed that this should not be taken for granted, and should be looked at more closely. Historically, farmers' cooperatives and associations have played a leading role in championing and protecting producer interests. In many ACP countries these bodies were initially state-sponsored because peasant farmers lacked the means to articulate their concerns. Most of the cooperatives have now been dismantled, due to the implementation of SAPs. A Danish representative pointed out that in his own country, cooperatives played a key role in improving food production, assisting farmers in areas were they faced difficulties. He recommended that ACP delegates should seriously consider reinforcing the role of cooperatives in their respective countries.

Decentralised cooperation

Decentralised cooperation was another issue to come under scrutiny at the meeting in the context of the overall theme of food production. Five new articles on this subject (251a-251e) have been added to the Fourth Lomé Convention as a result of the mid-term review process, and on the first day, a Commission representative explained the objectives that lay behind the new approach.

This form of cooperation is viewed as a further step towards enhancing the involvement of those who are directly affected by development programmes. The idea is to establish direct links with local representative bodies and to stimulate their capacity to design and implement development initiatives. A key element is the direct participation of the population groups concerned. These include local authorities and representatives of local interests such as non-governmental organisations, trade unions and cooperatives. All are seen as having a role to play in the advancement of food production in their regions.

The Courier

COUNTRY REPORT

MADAGASCAR

A history of the unknown

Madagascar could be described as a country with a strange history, a land of unanswered questions. If you ask a Malagasy about his country's history, or if you refer to scholarly texts, and come away buzzing with questions, then perhaps you may begin to understand just how strange this land is. Only scant records remain of events in the country before the 19th century although, going further back, there is one reference by a classical Greek author to an island which could well be this largest member of the Mascarene group. Scientists are also convinced that, millions of years ago, the break up of the single 'continent' of Gondwana resulted in the formation of Madagascar alongside the major continents that are familiar to us today. This may be a simple fact of geography, but there are few places where geography has been so important in shaping history.

Madagascar's history can be read more in people's faces than in written works. If one were to rely only on the fragments of text which have survived, one would be left with more questions than answers about the origins of the island's inhabitants. No one disputes that they are the result of interbreeding between Asians and Africans, but very little is known about when and how this happened. Was it in ancient times, for example, or more recently? There are as many different faces as there are Malagasies, and each has its own story of racial blending. In a single face, one may see traces of Indonesia or Malaysia, Africa, India and China.

Isolated from the rest of the global landmass millions of years ago, Madagascar today has its own unique flora and fauna — living species which have either evolved along different lines or have disappeared elsewhere. The island's relatively small size may have something to do with this. The 1938 discovery in its waters, of that veritable 'living fossil', the coelacanth, increased research interest in this area. Closer to Man, the lemur provides another intriguing insight into the history of the origin of species. It is not in fact the missing link between ape and Man, as is often thought, but a third line of evolution. In the 18th century, European travellers often spoke of Lemuria when referring to the country.

The earliest texts, which tell of the existence of a 'happy island' which might be the Malagasy Republic, date from pre-Christian times and are the work of Greek and Roman writers, (Pliny the Elder and Ptolemy), who recount stories brought back by travellers. However, these descriptions and the locations given for the wondrous island are too vague for us to state unequivocally that they refer to Madagascar. Later, texts describing African islands under Indian control were a little more precise. The word 'Madagascar' is itself the result of uncertainty, stemming from a mix-up on the part of Marco Polo between this particular land and the Mogadishu Peninsula.

White pygmies: fact or fantasy?

The local belief is that the country had been populated since ancient times. More scholarly hypotheses suggest that it was inhabited, at the beginning of the Christian era by one or more races of pygmies. One of these, the Vazimba, are still the subject of local mythology. Some believe that they were white pygmies, others that they came from nearby Africa and still others that they were the result of early interbreeding between African populations and immigrants from Asia. What is beyond dispute is that pygmy skeletons have been discovered at many sites. It is also probable that fire, which has been a recurring feature in the island's internal conflicts, was used as a weapon between the ethnic groups who first inhabited the island. The remains of charred trees discovered in rivers are evidence of this. However, although scientific opinion is divided over the origins of the people, popular belief in the supernatural is imbued with stories about the Vazimba. From the cradle, Malagasies are told their story and they live in fear of inadvertently treading on Vazimba graves. These sly and vindictive spirits, it is said, would not hesitate to punish such impudence. There is also a belief that the vengeance of the Vazimba, who were wiped out by foreign conquerors, lies behind the country's ill-fortune. At the end of the 16th century, the descendants of these pygmies, after interbreeding, about which little is known, formed a number of relatively organised kingdoms, one of which managed to unite a sizeable part of the country.

A history which can be read in people's faces. Features reminiscent of Indonesia or Malaysia, Africa, India and China

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Uncertainty also surrounds the order of arrival of the various settlers who were to forge the Malagasy population. There was probably a component from the Malaysia/Indonesia region, an African element, and a Semite group. An Indian contingent is known to have arrived later. Each group initially installed itself in a well-defined area, but later, they expanded their territory, defeating the indigenous Vazimba people in the process. They then began to move closer to one another, waging war and mixing physically and culturally. When the first European travellers arrived at the beginning of the 16th century, they found a patchwork of kingdoms with completely interbred populations, although there were a number of nuances. Asiatic features tended to dominate among people living on the high plateaus while African features were more common in the coastal populations. The language was also unified by this time. Linguists can do little more than conjecture about this subject. Some say the language is a branch of Sanskrit, with strong similarities to the Indonesian tongue, but there are also important African linguistic influences and a considerable amount of Arabic vocabulary. The first transcription of the Malagasy language appears to have been a variant of Arabic script.

Four of the early kingdoms,including that of the Sakalava, are known to have been important. The Sakalava, who were by far the most powerful group, first occupied the coastal regions but with successive conquests they began to take over the higher altitudes inland. In their expansion, they held an important trump card in the form of firearms purchased from Arab slave traders. They also derived considerable revenue from their forays on to African soil in search of slaves. Slavery was a constant feature of Malagasy society until late in the 19th century.

A queen to confront France

The group that came to dominate over the last two centuries were the Merina, who were among those living on the high plateaus. These people tended to be equated with the country as a whole, although this was no more than a reflection of the colonists' view. Early European 'visitors' preferred to deal with this population, which they regarded as more 'civilised'. When the first immigrants from Europe arrived, the Merina kingdom (the 'Imerina') was at the height of its powers, having been unified at the end of the 18th century.

Around the same time, the coastal kingdoms were beginning to fall apart. According to anecdotal evidence, *Maurice-Auguste Comte,* a French slave trader who lived on a minute scrap of land on the east coast, was the first to proclaim himself emperor of the island. His tenure, if it can be described as such, did not last long, and he was killed shortly afterwards by his own compatriots. By around 1810, the Merina administration extended over half the country and a new king, Radama I, had just ascended the throne. 17 years later, just before his death, he was in a position to declare : 'I have fulfilled my father's wishes. My kingdom's only border is the sea'. To achieve this goal he used every means available to him : war, diplomacy and even love. Unable, for example, to conquer a Sakalava kingdom, he married the princess next in line to the Sakalava throne.

He was succeeded by one of his wives (Queen Ranavalona I) who was to gain a place in the annals of Malagasy history by confronting the Europeans. The latter had taken increasingly to pillaging the island, using missionaries as a Trojan horse. The queen dared to extend Malagasy laws, applying them to European residents. In so doing, she incurred the wrath of France which sent its navy to bombard one of the island's small coastal kingdoms. After several attacks, and three years of harassment, France secured the surrender of its king. This signalled the start of colonisation, and the first Malagasy war against the European powers in 1832. The confrontation dragged on for a long time without a decisive outcome. In 1845, for example, the Malagasy army defeated a coalition of French and British forces. Queen Ranavalona became the symbol of the struggle against the 'Vazaha' (the foreigners). Her methods were severe and the Malagasy Christians, whom she regarded as a fifth column, bore the brunt. By way of atonement, her son who succeeded her, and who is reputed to have been a low-calibre monarch with a *penchant* for orgies, gave the Europeans the run of his country. This move prompted the government-employee class, who were not of noble blood but were increasingly rich and powerful, to rise in revolt. The king was assassinated in 1863. This *coup d'état* proved to be much more than a simple palace affair. It firmly established the caste of high-ranking government employees as masters of the country. From that time on, they would hold the reins of power, operating behind figurehead monarchs.

Having failed to conquer the country, France tried a policy of 'divide and rule', playing on ancient clan and group rivalries. Subsequently, it decided to mount a full-scale attack. Although France initially demanded sovereignty over the entire territory, it ended by claiming only a protectorate on Malagasy soil. This was reflected in the 1885 treaty which gave it only limited authority — the right to appoint the country's representatives in international affairs and the right of French citizens, if not to acquire property, then at least to rent it for an unlimited term. French forces were also allowed to occupy the Bay of Diego Suarez in the north of the country. France used this bridgehead to fulfil its wider ambitions a decade later. In 1895, an expeditionary force of 12 000 men — the first of many — disembarked in the bay. Under the command of General Galliéni, these forces rapidly went on to occupy Madagascar and the Prime Minister was sent into exile. This time, both the monarchy and the administration had been defeated. A popular uprising ensued, not only against the occupying forces of France, but also against the symbols of the two power centres which the rebels believed had lost the war through not having respected ancestral precepts. General Galliéni's repression was merciless. Not even the Queen was spared being exiled to Réunion and later to Algiers. The country had been pacified.

It was to take more than two decades before popular demands, initially in the modest form of pressure for cultural rights, began to be heard again. This coincided with the ending of the First World War, which had seen Malagasy soldiers being used as cannon fodder. Nationalist feeling grew further following the first democratic elections, the growth of of trade unionism at the end of the 1930s and, most notably, the occupation of the island by British forces towards the end of the Second World War. A popular revolt broke out in 1947, heralding the 21 month-long war of independence. Order was then restored although 100 000 Malagasies had died in the meantime.

Third-World revolution

Process towards self-determination was inexorable, however. In a process which some have dubbed 'balkanisation', France undertook a lengthy attempt to divide the country into self-governing provinces. In 1958 Madagascar became an 'autonomous republic' of the French community following a referendum which gave only a narrow victory to the 'yes' side. Two years later, it declared its full independence. The prized unity of those activists who had worked for independence proved to be short-lived, however. Even before independence, the movement was somewhat divided with competing groups advancing different sectional interests. Paradoxically perhaps, the country's first president, Philibert Tsiranana, came from the camp that was sceptical about independence. He was chosen by the Congress of the provincial assemblies and skilfully negotiated to maintain privileged links with France including, above all, an amnesty for opponents imprisoned in France. He was re-elected twice. His hard-line opposition to a popular uprising in 1972 hardened his opponents' determination and the army imposed a referendum which led to the resignation of the President barely months after his re-election. It was effectively a *'coup d'état* by referendum'.

General Ramanantsoa then took over as leader. He succeeded in putting an end to what the Malagasies termed the 'slavery accords', which gave France the right to two military bases. A central bank was then set up and the country left the franc zone. The Foreign Minister, at this time, who has come to be viewed as the man who brought *total* independence to Madagascar, was Didier Ratsiraka. He is recognised as a key figure in what was one of the most significant Third-World revolutions of the 1970s. A populist wind of reform swept through the country. Palace disputes lead to the resignation of General Ramanantsoa in 1975. His Interior Minister succeeded him but was assassinated within a week of assuming office. 200 people were tried for the crime, but none was convicted.

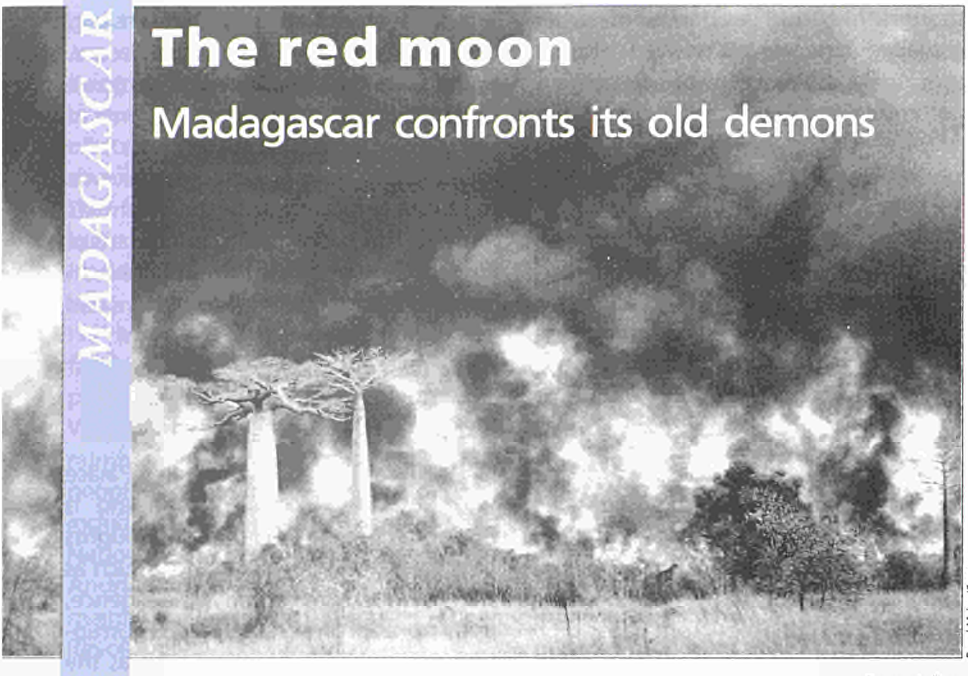
Commander Ratsiraka seized power in June 1975, and was nominated to lead a 'Higher Revolutionary Council'. He also staged a referendum which brought him popular backing (the Malagasy Republic has never yet voted 'no' in this type of consultation). Thus, the 'Second Republic' was proclaimed. Paradoxically, it was Ratsakira, the person who decreed that his country should be for the Malagasies alone, who began to borrow the vocabulary of the former colonial power during his time in office. Through his Higher Revolutionary Council, he succeeded in forming a federation of all the country's major parties with his own movement, AREMA, being the mainspring. This was a rather neat way of setting up a form of single-party regime. Years were to pass before the emergence of a true opposition. He won election after election, apparently democratically, the last one being in 1989. However, the tide began to turn against him and he increasingly resorted to stringent controls over the population, particularly in the major towns and cities.

An ongoing transition

A period of transition then began, heralding the end of the revolutionary era. Democratic reforms were introduced in 1990, with the legalising of all political parties, followed swiftly by economic liberalisation. The Third Republic was proclaimed and elections were held in February 1993 resulting in defeat for Commander Ratsiraka. The victor was Professor Albert Zafy who had, for some years, been consolidating his position as genuine opposition leader. The legislative elections which followed confirmed the new president's victory. Under the rules in force at that time, Parliament appointed the Prime Minister, in the shape of Francisque Ravony, who was regarded by the international institutions as the guarantor of economic liberalisation. A split soon emerged between the Prime Minister and the President, each of whom had an electoral mandate. The upshot of this was a further referendum, held last year, from which the President emerged triumphant, with the power to appoint the Prime Minister in future. However, the aftershocks of this conflict are still being felt. The new Prime Minister, Emmanuel Rakotovahiny, who was appointed in November 1995, had problems forming a government. The difficulties were exacerbated by the disaster of the Queen's Palace fire on 6 November — an event which appears to have upset Madagascar's political apple cart. Just two weeks after the appointment of the ministerial team, the government found itself undermined by three resignations from the cabinet. In addition, the new government could not credibly claim to be offering a 'fresh start'. Most of the key ministers in the previous administration had been reinstated. The Prime Minister himself acknowledged, in his interview with *The Courier*, that it was now incumbent on him to achieve concrete results within three months. But the signs are not encouraging. On the contrary, the government appears increasingly unstable and struggling with internal conflicts. Thus, for example, the agreement with the World Bank and the International Monetary Fund, which most of Madagascar's foreign partners appear to be waiting for, has been repeatedly put off with various delaying tactics. The Prime Minister's three months expired in February 1996 and his position now looks increasingly vulnerable. H.G.

The red moon

Madagascar confronts its old demons



Pascal Maître/Cosmos

Forest fire

The rosy halo encircling a red moon made the blood of the inhabitants of Antananarivo run cold on the evening of 7 November. They just stood looking at the sky and the charred remains of the Queen's Palace, the jewel of Malagasy culture, which had burned down the day before. The Palace of Manjakamiadana, and the surrounding estate of Anatirova, with its dominant position on one of the 12 hills which surround the lower part of the city, holds a particular significance for the people — the repository of their traditions and their 'holy of holies'. The situation could hardly have been worse.

The palace went up in flames, just as it was about to be classified as a World Heritage Site by UNESCO. Worse still, the sacred remains of the Imerina sovereigns had been touched by sacrilegious flames, not to mention the 'unworthy' hands of those who braved the fire to save the country's historical artefacts (including the sovereigns' corpses). Hundreds of youths took part in the rescue operation, including many homeless people, and at least four volunteers perished in the fire.

Those who assembled the next evening to view the scene — in a gathering that was something between a vigil and a 'society' event — could feel the bad omens. 'That red moon is still there', observed one participant. There was a palpable sense of foreboding. Was Tana, as the inhabitants of the capital affectionately term their city, about to suffer further disasters? Was the country on the brink of something far worse?

A lost heritage

It is said that on the morning of 6 November, the day the fire broke out, the Queen's Palace was surrounded by a halo — which could not just have come from the mist which often swirls around the city's hills, or from pollution. The gentle tears that marred the make-up of some of the women present, and the hoarse, husky voices of the men, demonstrated to the visitor, arriving 24 hours after the disaster, that this was a unique episode in the country's history. The foreign press likened it to the destruction of the Louvre, or Buckingham Palace. But these attempted analogies do not even come close. For the people of Tana and Madagascar, and particularly for the Merina population, the burning of the Palace was a far more profound event. For a civilisation built around the sanctity of death, it was as if the essence of culture itself had been consumed. This helps to explain why foreign residents of the city were unable to conceal their confusion.

The red moon which persisted long after the flames were extinguished may have been a portent. In the days that followed, the rumours that this was an arson attack would be confirmed. An act of sacrilege had been committed and the result was a resurgence of 'tribal' mistrust — an echo of ancient hatreds which the country thought now lay in the past. Suspicions began to grow among the different groups of the population, and politicians began to make accusations. Each implied that others could have profited from the crime. The red moon might also have been symbolic of the current state of the country : its state of penury, the failures of the authorities and the weaknesses of the political class which often becomes enmeshed in byzantine quarrelling.

Although the capital has more than a million inhabitants, there is no fire-fighting service worthy of the name capable of protecting the country's finest jewel. When the conflagration began, the little equipment available was already deployed tackling another fire. And parked cars hampered the firefighters' movements when they finally did arrive. Low water pressure, and the poor state of the hoses, made it impossible to use the little water that was available. This was despite reports by both domestic and foreign experts highlighting the vulnerability of palaces constructed mainly from wood, and calling for a fire station to be built nearby. These reports had also condemned the 'lax' attitude of the authorities in tolerating the existence of scrubland close to the site.

That very morning, just a few hundred metres away, the Finance Ministry had gone up in flames, although this event did not generate a great deal of emotion. The rumour, later confirmed, was that the fire had been started deliberately, the aim reportedly being to destroy tax information concerning a number of highly-placed people. Such events are not unprecedented in Madagascar. In 1976, the Prime Minister's palace was gutted in similar circumstances. This has still not been rebuilt. Ironically, the area around it, which has just been tidied up, will be used as an operational 'command post' and workshop for the reconstruction of the Queen's Palace and the royal estates. Just a stone's throw away is the City Palace, which also fell prey to arson in 1972.

The aftermath

A collection was organised on the night of the fire, during a spontaneous vigil around the remains of one of the sovereigns which had been hastily carried to a nearby sports field. But no one knows who was handling the funds and the money has not been seen since.

Two hundred suspects were arrested in subsequent weeks but it will be difficult to pinpoint those who were responsible. Throughout the evening of the fire, firefighters were unable to prevent the curious from walking all over the site. Looters blended in with rescuers. In the days that followed, newspapers carried an announcement, appealing to the people's conscience: '*Anyone in possession of items from the* Rova *collection are asked to return them to the National Library*'. In the ensuing period, the police were conspicuous only by their absence. By the time cordons were finally set up to bar entry to journalists and other spectators, any physical evidence that might have existed had almost certainly been trodden underfoot by the crowds.

Rumours attributing blame to one or other politician or group spread rapidly. There was a risk that these might spark off an ethnic confrontation. The capital is inhabited mainly by the Merina people and the burnt-out palace has long been regarded by some as the symbol of this group's domination. On the other hand, the President and Prime Minister originally come from the coast. Despite the risks, the authorities did not appear seized by any sense of urgency. They could, for example, have sought assistance from European experts to determine the actual cause of the fire, the number of places where it broke out and so on. But any suggestion of this was met with the reply: 'This is a Malagasy matter'. Nor did those levelling accusations seem in any hurry to find out whether the fire was actually arson.

A foreign diplomat summed it up: 'The European approach is probably to want to find out whether or not the fire was started deliberately. What is important here is its meaning.' He pointed out that at the trial which followed the death of President Ratsimandrave in 1975, dozens of accused and witnesses appeared in court over a three-month period. 'But there were no convictions. The important thing was the psychological drama of the trial itself. No one knows who assassinated Ratsimandrave. Indeed, no-one knows how the 1947 revolution began even though historical evidence of what actually happened exists.'

The ethnic question

In Madagascar, the only person who is unaware of whether he is speaking to a Betsileo noble, a Merina *hova* or a descendent of a slave, is the foreigner. No matter how much a product of mixed race someone is, he has his place in a community or an ethnic group, and often within a clan or even a caste. But one must take care. To all intents and purposes, these words are taboo, and they can only be used when speaking in historical terms. For those who are sensitive to such problems, geography comes to the rescue. The expressions, 'people from the high plateaus' and 'people from the coast' can be used although they conceal great complexity. A Malagasy journalist explained to us how under the Second Republic, at the time of Ratsiraka, 'a skilful regional balance was struck in which the word *ethnic* was not used'. In times of peace at least, the sense of unity of the Malagasy nation is very strong indeed. But after the Palace fire, the headlines in three of the capital's dailies were particularly revealing. They spoke of the 'jewel of the Merina culture', and denounced those responsible. There was no explicit reference to who these people were, but the implication that other communities were involved was difficult to escape. The following quotations illustrate this. *'The initial reaction of the population was to incriminate those who have long striven to humble Merina pride.' 'The fear was that there would be an impulsive reaction, with matters getting out of hand and vengeance being sought. In the end, this didn't happen because the inhabitants of Tana kept their cool.' 'Politicians call for calm but, in the streets, the mood is one of vengeance'.* In short, according to Pastor Richard Andriamanjato, President of the National Assembly, there were people who wanted 'to provoke tribal warfare.'

It is clear that the threats were there, under the surface, even if not carried out. The insistence on the wisdom of the inhabitants of Antananarivo carried the implication that the Merina people could have instigated a pogrom against other communities living in the capital — whose origin could be identified from their features. But to be fair, Malagasy restraint and wisdom must exist in good measure. While there was an outbreak of violence in 1977 in Mahajanga, the brunt of which was borne by the Comorans who were recent immigrants, such events have rarely occurred in the country's history. The *kabary* culture (the art of discourse) seems to have played an important part in exorcising demons and preventing bloodshed.

Catharsis

The fire at the Queen's Palace was obviously a great shock and it prompted people to turn their thoughts to more practical considerations such as the issue of administrative negligence, poor upkeep of infrastructures, corruption and unhappy practices such as the 'culture of fire'. The latter expression may seem somewhat 'over the top' but it reflects a sad reality in the country. Wherever one walks, one can see flames or smoke somewhere. On an island of almost 600 000 square kilometres, with a population of just 13 million, it comes as a surprise to discover that most of the forest has been burned down. This is generally done so that rice can be planted. The plot will be cultivated for two or three years before being abandoned. Another area of land will then be put to the torch. At least four hectares of forest are burnt for every hectare of rice planted.

Burning is also a way of demonstrating discontent — a form of 'suicidal' revolt which has always existed. The green island has become red (and black) but the authorities have never banned or regulated the growing of crops on patches of burnt land. Indeed, erudite studies published by foreign development organisations sometimes include this entrenched practice of setting fire to the land as a 'normal' parameter.

Since independence, there has only once been a major effort to improve public infrastructures. This was during the early years of the Ratsiraka government. Four universities were established to supplement the only one which then existed. Although decay set in towards the end of Ratsiraka's long term in office, the Malagasies still remember the time as a period of relative opulence. With the passage of the years, they have tended to forget his government's stranglehold on all aspects of life, and the disadvantages of living under dictatorship. It is no coincidence that, at the most recent local elections, the results of which sent a shockwave across the nation, many of the former dictator's close associates were returned as local government leaders. This is not to mention all those who switched allegiance and adopted his nationalist rhetoric. Such rhetoric is fashionable nowadays with many people opposing negotiations with the World Bank and the IMF. Among their number are some highly influential people in President Zafy's entourage, including, it is said, the aforementioned National Assembly President, Richard Andriamanjato, who is a former member of President Ratsiraka's Higher Revolutionary Council.

Administrative problems

Entrepreneur Walter Bordese is a man whose Italian accent can be cut with a knife and whose sincerity is clear. He has a passion for business dealings which mingles with a more generalised passion about life. He is clearly very fond of the countries of the South where he has worked and wants to make a success of his stake in Madagascar. When *The Courier* spoke to him, however, there was no escaping the sense of discouragement in his voice. Mr Bordese manages the abattoir in Mahajanga, one of the country's three main slaughterhouses. It was built some few years ago with EDF support.

Under the Lomé Beef Protocol, Madagascar is allowed to export some 7500 tonnes of beef annually to the EU on highly preferential terms. But the three abattoirs are not capable of meeting the quota. Indeed, in 1994, they barely achieved a third of this figure. The European Commission therefore reduced the quota by 2000 tonnes, with a promise that it would be restored once the country was able to fulfil its commitments.

This is the background against which Walter Bordese is operating —and he has an eventful life, which reflects what might politely be termed the dichotomous attitude of the administration. After going bankrupt, the abattoir was offered recently on a lease-management basis to a group of financiers whose main shareholder was a German consortium. TIVIAM (Malagasy Industrial Meat Processing), the company set up to manage the Mahajanga plant, decided to invest approximately ECU 1.7 million in upgrading the facility, enabling it to supply half the EU quota on its own. At full output, the abattoir will employ 200 people and bring almost half a million ECUs a month into the country. This has not prevented the authorities from issuing an expulsion order against Walter Bordese, allegedly to placate the former manager who is said to owe considerable sums to the state. He has been allowed to stay but the threat of expulsion still hangs like the sword of Damocles over foreign investors. Moreover, no legal proceedings have ever been taken against intermediaries who are believed to have diverted money intended for purchasing livestock on behalf of the TIVIAM. Despite this, Mr Bordese manages to be positive. 'This country abounds with opportunities and could be the Taiwan of Africa', he stresses.

A young entrepreneur in the capital whom we spoke to, and who studied business abroad, criticised the division which he said exists between entrepreneurs who benefited from Ratsiraka's protectionism and those of his own generation. According to him, there are two types of business; those which import (and do not have to worry unduly about customs control), and those which produce. The latter, he argues are exposed to unfair competition from the former. He also claims that similar companies receive different treatment. Some obtain exemptions and others do not, he says, and this happens on an apparently random basis. He goes on to cite other 'imbalances' such as variations in the price of electricity. This can apparently vary by as much as 100% between one part of the country and another. He concludes with a complaint that there have been no successful enquiries into corruption, despite the laudable intentions of successive governments.

The fiscal situation is not the only thing on trial. Justice in the more traditional sense is woefully inadequate. Faced with a high crime rate, the population often has recourse to 'self-help' remedies. Organised bands of criminals (the *Dahalos*), cattle rustlers and bandits are said not to remain in prison, returning to mock their victims,

The Courier

The charred walls of the Queen's Palace
Culture in ashes

sometimes the day after their arrest, having allegedly bought their liberty. The trend now is for them to be lynched upon capture, which does nothing to improve the image of justice.

It is difficult, however, to blame officials who receive very low salaries and are faced with ever-rising living costs. Many civil servants have a second job, a fact they do not conceal. The administration, perhaps understandably, tends to turn a blind eye to this. After 20 years of good and loyal service, a high-ranking executive will receive a salary of between 300 000 to 400 000 Malagasy francs a month.

This is much less than the income of a locally engaged secretary in a foreign embassy. It is barely sufficient to pay a modest rent, or put one's children (who are likely to be numerous) through school in a country where inadequacies in the state education system are forcing people to look elsewhere.

Two of the essential moral virtues in Madagascar are moderation and patience. There is a proverb which says, 'I can wait for God'. But when one hears the criticism being voiced throughout Malagasy society today, as the people await the changes promised by those in power, one wonders whether their reserves of patience may be running out.

H.G.

Profile

General information

Area : 587 000km²

Population : 13.7 million (1995 estimate)

Population density : 23.3 per kilometre²

Population growth rate : 3.19% (1990-95)

Capital : Antananarivo

Population of capital : 932 000 (1.55m for Greater Antananarivo)

Other main towns : Fianarantsoa (350 000), Toamasina (260 000), Antseranana (Diego Suarez) (250 000), Mahajanga (230 000), Antsirabe.

Main languages : Malgache (the official language), French.

National currency : Madagascar franc (1 ECU = FM 5119 in February 1996))

Politics

Political structure : Presidential system strengthened as a result of the referendum of 17 September 1995 which gave the President the right to nominate the Prime Minister. Previously, this was the responsibility of the Parliament.

President : Albert Zafy (since 14 February 1993)

Political parties : Numerous. The President's party is the *UNDD*. The presidential 'majority' ('mouvance présidentielle') contains a number of parties which are sometimes divided further into tendencies or factions. The largest of these is the *HVR* ('Rasalama Living Force') which has three factions. At the last municipal elections, some 15 groups presenting electoral lists claimed to be attached to the presidential majority.

The most powerful opposition comes from the 'G7' which brings together seven seperate groupings. The largest of these is the *Leader Fanilo*. Former President Ratsakira's old party, *AREMA*, was relatively successful in the recent local elections.

Number of National Assembly members : 137

(A Senate is foreseen under the Constitution and elections to this body are planned for the near future)

Economy

GDP : $2.8 billion (1992)

GNP : $3.1 billion

GNP per capita : $230

GNP growth rate : 0.5% (1980-91)

GNP growth rate per capita : —2.6% (1980-93)

Total exports : $441m (spices 27%, coffee 23%)

Balance of payments : — $326m (1993)

Total external debt : $4.4bn (1992) representing 142% of the GNP

Main trade partners : France, USA, Germany, Japan, Singapore

Inflation rate : 48% (1995)

Social indicators

Life expectancy at birth : 57 (1992)

Infant mortality (0-5 years) : 84 per 1000

Illiteracy rates : men — 22%, women — 27%

Enrolment in education : Primary — almost 100%, Secondary — 36%, Tertiary — 5%

Human Development Index rating : 0.432 (135th out of 174)

Sources

The Situation of Children in the World 1994, The State of the World 1995, UNDP Human Development Report 1995, The Economist's Economic Intelligence Unit (EIU), Madagascar Country Profile 1994. Madagascar Ministry of Economic Affairs and Planning.

President Albert Zafy's priorities

Security, economic recovery and good management

The Courier

The Courier met the President of Madagascar, Albert Zafy, at a difficult time in the country's history. Only a week before, the Rova (Queen's Palace) and the entire royal estate had gone up in flames. Not only was negligence on the part of the administration implied, but the fire — subsequently confirmed as arson — initially looked as if it might provoke ethnic conflict. Moreover, the government (formed with great difficulty only two weeks earlier, after the appointment of the Prime Minister) had seen the immediate resignation of three ministers. These problems took the shine off the President's success in the constitutional referendum on 17 September, which gave him the power to choose the Prime Minister. The country's situation is still deteriorating, and this is perhaps the most worrying aspect for the head of state. This was the subject he tackled first as he offered us his diagnosis of the main problems facing his country.

— The Malagasy Republic has all the resources it needs to emerge from its destitute state. An example I would give is our mineral resources, such as gold, which we have in abundance in the north of the country. The mines have been worked for a long time and have generated income. But since independence the workings have been in complete disarray, as have been the sales of this product. The same applies to sapphires and other precious stones. There is no production and no worthwhile sales; only illegal trading. The fishing industry is in a similar position. We are one of the richest countries in terms of this resource and it saddens me to see such a large proportion of our income being lost to illegal trading. Even people with proper licences sometimes resort to crime, and we have to prosecute them. In the case of produce such as coffee, vanilla, cloves and other commodities, we are not yet in a position to get things under control, particularly on the marketing side.

We also lack certain means, not so much in the area of human resources, but in capital goods and plant. This is exacerbated by the country's current inflationary climate, as is the case in all developing countries. Some 15 or 20 years ago, we had about 100 tractors in the Diego region. People were content and production was soaring. Nowadays, if you can count 20 or 30 tractors, that's a large number. People are no longer used to using tractors and they have abandoned their ploughs. Now they find that they must take them up again.

A third element which adds to our difficulties is the security situation and the crime rate. I am thinking here in particular of the *Dahalo* bandits who operate in the countryside. They have been killing people and have provoked a rural exodus from those areas that are most productive from the agricultural point of view. This phenomenon has grown in the last 15 or 16 years, to the extent that five Malagasy provinces are now affected, with only the province of Diego escaping.

■ *The way you describe the situation suggests, above all, a certain degree of political weakness. Do you think that the state is too weak? Also, the country has just had a referendum which has apparently strengthened your power. Does this mean that you have moved from the Third to the Fourth Republic in all but name?*

— It's too early to speak of a Fourth Republic. We are still operating under the Third Republic, but I should say that things have not turned out entirely as I might have wished. Before the referendum, it was the National Assembly that appointed the Prime Minister and the President had no authority over domestic policies. It is true that as a result of the vote, this power was given to the people and I believe, God willing, that I am now in a position to guide the government. But as you so rightly say, there has been a degree of political weakness in that certain courageous political actions that should have been taken in a number fields, have not been taken.

Let me just mention a couple of examples which everyone knows about, and which have drawn criticism from the IMF and the World Bank. They have said that one of the reasons for the state deficit is the problem of corruption within government. They have also pointed to the weakness of successive governments in failing to take the necessary measures to recover the losses or punish offenders. It is a bad Malagasy habit to appeal to tradition in saying 'These are our friends and relations'. Another factor is the mentality of those in positions of authority. Even if a law exists, it is not always applied.

■ *You have accused senior people of corruption, going so far as to mention the former Prime Minister by name. Is the state going to prosecute him?*

— I don't think we have reached that point yet. Investigations are currently proceeding but, in such cases, one has to be circumspect in the language we use and the things we say. However, we will certainly be taking measures against anyone committing serious crimes of this nature. They are partly responsible for the state of poverty in which our country now finds itself.

■ *You could have taken advantage of the aftermath of this national tragedy to reunite your country. But people are talking about a UNDD government, formed by your party.*

— I don't believe that it's fair to speak simply of a UNDD administration. There are only about six UNDD members, by which I mean actual members or people close to the party, in the government. If you look at it in terms of the number of newcomers holding office, the criticism is, perhaps, valid. In my opinion, however, it isn't necessarily the newcomers who get the job done. The Prime Minister originally intended to form his government only after the final results were in from the territorial elections, so that he could be more confident of the political will of the country. The idea was to leave the members of the former government to settle matters currently in hand. But it was risky to leave the government in the hands of our opponents for two or three months. You spoke earlier about political weakness. Well just before the old government resigned, some ministers leapt at the chance to empty the coffers as much as they could, by buying furniture.

Another point is that the new Prime Minister wanted to continue negotiations with the donors — the World Bank and the IMF — without a break. I believe that is one of the reasons why he chose people already well acquainted with the subject and who were therefore part of the former government. From what he has told me, I don't believe that what we have at present is the definitive government line-up. Once agreement has been reached with the World Bank and the IMF, the government may well be consolidated.

■ *As regards financial policies, isn't there the risk that subsidies for staple commodities and other types of intervention will obstruct agreement with the World Bank and the IMF? It is said that some of your closest associates, such as Mr Andriamanjato, the President of the National Assembly, is unenthusiastic about an agreement.*

— No, I don't see that as a problem. Nor do I think that the President of the Assembly or those close to him oppose negotiations with the Bretton Woods institutions. All he said was that the financing provided by our traditional sponsors would be insufficient, if we wanted to relaunch our economy fairly quickly, and that we also ought to be given the opportunity to approach some private sources of financing, as a back-up. The opposition took advantage of this, saying that the government favours parallel financing, which is different from the idea he put forward and which I, moreover, support.

In a country such as ours, liberalisation can lead to speculation if it is not regulated by healthy competition, as is the case in the developed countries. Private businesses which benefit from privatisation will not necessarily take account of the impact of this in the social sphere. You can see what a poor state the country is in, in areas like education and health. Look at the problems of our small farmers and the condition of our abattoirs. You know that we have lost part of our European beef quota because of, among other things, the lack of cattle vaccination. Progress has to be made in stages and each country needs a certain remedy, but there is no standard cure. As regards the financial system, I have just received a short IMF report on the interbank currency market. What they say ties in exactly with my line of thought. They are critical of speculation and the fact that the profits from exchange transactions do not come into the country but go outside.

■ *You have summarised your guiding principles as follows: security, economic recovery and good management. What do you plan to do during your mandate to achieve your goals?*

— Security is my top priority because it impedes investment, particularly on the part of those involved in agriculture and stock-breeding. In conjunction with regional leaders, we are going to set up systems for making the countryside more secure, involving supplementary police units in 'red' areas. We also plan to organise mobile detachments. These will be civilians, volunteers for the most part, trained by the local community. They will be armed and backed up by the forces of law and order. The people we are going to train include many volunteers who have retired from different branches of the police force and former soldiers who have time on their hands. Unfortunately, some of the latter are sometimes attracted to the *Dahalo* groups. These mobile detachments will also assist local communities in maintaining public infrastructures. We will use some military equipment for certain public works and prisoners will also be mobilised, to stop them vegetating in jail. They will also be called upon in urban areas. It is worth remembering that they did some really useful work in colonial times.

As regards economic rehabilitation, we will do no more than tie in with the recommendations of the World Bank and the IMF in respect of tax income and the fight against corruption. But what we say to our international partners is this. You recommended that we should open up our economy, so we did. You recommended VAT, so we applied it. But the results have not been what you were expecting. I have been told that it is up to us to apply the necessary measures. But if you take the case of VAT, we were told that the rate should be 25%. Togo introduced a rate of 7% for staple commodities and 18% for other produce. Why does Madagascar not have the same choice? ■

Interview by HG

A cool-headed Opposition

Guy Razanamasy, Mayor of Antananarivo

The new Mayor of Antananarivo and President of Iarivo Department (which includes the capital) is a pre-eminent figure in Madagascar politics. He is a former Prime Minister who held office during the transition, prior to the 1993 ***elections, and he has also held the mayoralty before. Of all the leaders of the divided opposition, he is currently regarded as someone capable of proposing a new political direction. He spoke to The Courier in early November, answering questions on the elections he had recently won, on key issues facing the newly-formed government and on the country's main problems. He chose his words carefully, but was nonetheless decisive and self-assured in expressing his viewpoint.***

'Out of the seven big towns and cities in the country, there are only one or two which could now be said to be within the president's sphere of influence. All the others have gone over to the opposition. Admittedly, part of that opposition has not come out clearly against the government. Some politicians are dashing around frantically, seeking ministerial office, whilst others are just waiting, disillusioned with the lack of competence which is now there for all to see.

'I used to be a Member of Parliament and I returned to the House two years ago. I had hoped that we would see a renewal of the political class and the emergence of younger people. However, the parties have taken the upper hand again and are in the process of stifling everything, giving no thought to the Republic's future. Why are people turning away from the ballot box? The answer is that there have been too many elections and a lot of disappointments. There is a surfeit of political parties. The electoral code was adopted when I was Prime Minister during the transition and my personal preference was for proportional representation with elimination of lists which did not reach a certain ceiling, but no one would listen.

'Why was it that two floors of the Finance Ministry went up in flames at ten in the morning on 6 November? Should this fire be linked to the one at the Queen's Palace? I was there when the fire started in the Palace, and what worries me from what I saw is the total absence of authority and of competent administrative reaction. Although I myself had no legal competence, I found myself compelled to give orders which were not carried out very well, given that the forces of law and order are well aware that I was only a Member of Parliament, not even Mayor of the city *(ed. note: Mr Razanamasy was Mayor-elect and had not yet taken up the post when we interviewed him in November).* Not surprisingly, there were tensions which began to be seen the following day, and a number of politicians have been trying to fan this movement. I am afraid that some of them are seeking to provoke a confrontation between certain inhabitants of Antananarivo and others who have come from the coastal regions: in short, a tribal war. I personally spent four days trying to defuse this criminal plan. I can quite understand your amazement that the government or the minister responsible did not think to request foreign expert assistance to determine the origin of the fire, and you are neither the first nor the only one to have those feelings. However, what happened must be seen in context. It occurred on a Monday and the new Prime Minister had only been installed the previous Friday evening, so there had not yet been time to appoint any leaders.

Contrary to what is often said, the Queen's Palace has not been the so-called symbol of Merina domination for a long time. With colonisation and then independence, Antananarivo became the Malagasy Republic's capital. If those sorcerer's apprentices knew any history, they would know that the kings and queens buried up there included many with blood links to princes from other regions in the country. A council of wise men came into being spontaneously to discuss the way in which the aftermath of this fire should be managed, and it included descendants of princes from the six Malagasy provinces, so the rebuilding will undoubtedly be an opportunity for the spirit of national solidarity to be made stronger; to be revived.

As for the problems of overpopulation and deterioration of infrastructures in the capital, it should be remembered that this is a city which was designed for a maximum of 400 000 inhabitants. The current population is in excess of 1 million, not counting the floating population. To relieve pressure on the city, we would first have to change the government's attitude and then modify the boundaries. It is probably true to say that successive governments have planned to solve the problem, but they always got cold feet. That's the very least one can say with regard to Antananarivo. And civic leaders were not always up to the job.

I am under no illusions. We have to look at the financial resource problem of Antananarivo in both the short and the long term. This is why I am turning to the European Union. It would benefit no one if it were to become a city after the style of Mexico City. There is a plan which could be implemented over the next four years and a second plan which should be put into action as quickly as possible, and which will have even more far-reaching effects.

But my budget is only 7 billion Malagasy francs, and, after wages have been paid, there is barely 20% left. What am I to do with only one and a half billion francs? There is an urgent need for better drinking-water supplies and primary schools. We should try to give our children good health, and the opportunity to enter primary school, so that they can learn to read and count. This is the minimum required for a decent working life.

Particular attention must be given to investors and, above all, to a particular category, namely those who are able to take on a large number of employees and who do not run businesses which pollute. We have serious environmental problems here. It is impossible to breathe the air in some places. The problem is that the average citizen doesn't actually grasp what all the talk and publicity about the environment actually means. They don't see it as providing a contribution to solving current pollution problems.

I am interested in Tana being twinned with European cities. This might make it possible, at the very least, to obtain equipment from partner cities. I brought the matter up at a meeting of the International Association of French-speaking Mayors, formerly presided over by Jacques Chirac and I intend to follow up my initial approaches. The urgent problems I face include the capability to fight fires and I hope to get some assistance from the EU in this area. Then there is the reconstruction of the Queen's Palace. The city will make a contribution but, according to the first estimates, it will cost us 60 billion Malagasy francs.

Interview by H.G.

An economy on the rocks

In the wake of continual skirmishing between the President of the Republic, Albert Zafy, and the Prime Minister appointed by Parliament, Francisque Ravony, which punctuated political life in the country throughout the last year, September's constitutional referendum (entitling the Head of State to appoint the head of government) was intended to strengthen the country's leadership.

1995 began with a budget war between the new Prime Minister and his Finance Minister, which did not augur well for the future. Two budgets were submitted to Parliament, but the President and legislature were unable to reach agreement. During that time, the conclusion of negotiations with the World Bank and the International Monetary Fund (IMF) was repeatedly postponed, although donors were waiting for the go-ahead to send funds to the Republic once again. The country was unable to wait any longer: all the newspapers spoke of famine, which was beginning to take hold in the South, and virtually all the economic and social indicators made depressing reading.

Agriculture is the most important sector of the economy, representing 41% of Gross Domestic Product and providing three quarters of all jobs. It is, however, built on fragile foundations. The Malagasy Republic is the world's principal exporter of vanilla, but the price of this commodity is declining, as a consequence, among other things, of the availability of artificial flavourings. Vanilla is a fragile crop and suffers greatly from the effects of tropical cyclones.

The real driving force behind the rural economy is rice, which covers 40% of cultivated land. This crop is essentially grown on areas of burnt land, however, and the result is considerable erosion. 80% of the country's forests have already disappeared, and the loss is continuing at a rate of 200 000 hectares per year.

In addition to vanilla and cloves, the Republic's other main exports are cotton and coffee. Coffee exports fell sharply in 1994 — by nearly 20% compared with 1993 — which was regarded as an average year. In addition, the quality of Malagasy coffee is becoming poorer all the time owing to the lack of investment and poor monitoring.

Stock-rearing has the potential to be a source of foreign exchange earnings, but this sector is very poorly managed. Although the country has 10.5 million cattle, 1.5 million pigs and two million sheep, it is unable to meet its quota under the Lomé IV Beef Protocol. This allows for seven and a half thousand tonnes of Malagasy meat to be exported to the European Union on highly preferential terms. This failure meant that for last year, the quota was cut by 2000 tonnes.

Successive devaluations of the Malagasy franc have also prevented farmers from looking after their livestock and from modernising their farms. Between the time the currency left the franc zone (in 1973), and 1982, the Malagasy franc was stable against the French franc. The slide began in 1983 with a depreciation of 15% and in the following year, the currency plunged by no less than 65%. The trend has continued ever since. In May 1994, the rate was FMG 330 : FF1. By September 1995, it had reached 920 : 1. The inflation rate has hovered consistently around 50% per annum.

The impact of this has been seen in bank interest rates which are in the region of 40%; enough to stifle many small and medium-sized businesses. In addition, those at the lower end of the income scale have been affected by economic liberalisation, one of whose effects has been a drop in the minimum monthly wage. Recently, this stood at just FMG 110 000, (less than FF 120). Unemployment is rife and private investment, at just 5% of GDP, is stagnant. Those companies that offer the best hope of creating jobs, namely the SMEs, are unable to take on staff and, with the state no longer recruiting, the average age of civil servants is now more than 50. The informal sector accounts for 70% of the economy. Public works, state education and health services are neglected and, according to the FAO, 85% of the population are short of food. 66% of the inhabitants are classified as living in poverty and only 31% of dwellings have lavatories. This helps to explain the resurgence of diseases, exemplified by the plague outbreak that occurred in Mahajanga last year.

The state is unable to meet its obligations for a number of reasons. In the first place, it has a crippling debt burden. The country's external debt, which stood at 560 million SDR (Special Drawing Rights) in 1994, reached 1.3 billion by the end of 1995. There is also a problem of corruption and embezzlement which has prompted many bilateral and multilateral donors to stop making payments. The revelation, for example, that the Central Bank was the victim of an international fraud resulting in the loss of almost four million dollars has hardly helped to instil confidence.

Moreover, the Bank of Madagascar does not appear to have any clear or coherent financial policy. It grants disguised subsidies and tax exemptions to food manufacturers, and to companies involved in agriculture and petroleum. It also gives export aid which appears difficult to justify. In 1994, these allocations amounted to FMG 200 billion, out of a meagre national budget of FMG 900 billion. It is not particularly surprising to learn that income from taxation is low as a proportion of GDP. Usually it is around 9% — in 1994 it was just 7.7%!

Sorting vanilla
Madagascar is the world's principal exporter of vanilla, but the price is declining sharply

Pascal Maitre; Cosmos

In 1995, World Bank and IMF officials visited the country on four separate occasions to examine the situation and discuss the financial crisis with the authorities. The outcome was an agreement on the structural and sectoral measures that should be taken to stabilise the currency. These included reforms in the public sector, privatisation of state enterprises, reorganisation of the banking sector, and liberalisation of air transport, the petroleum sector, telecommunications and the vanilla industry. The aim is to reduce the inflation rate, running at 48% in 1995, to 15%. On the fiscal side, the World Bank is recommending that state income be boosted by an increase in tax on petroleum products, while the VAT rate would be held at 25%.

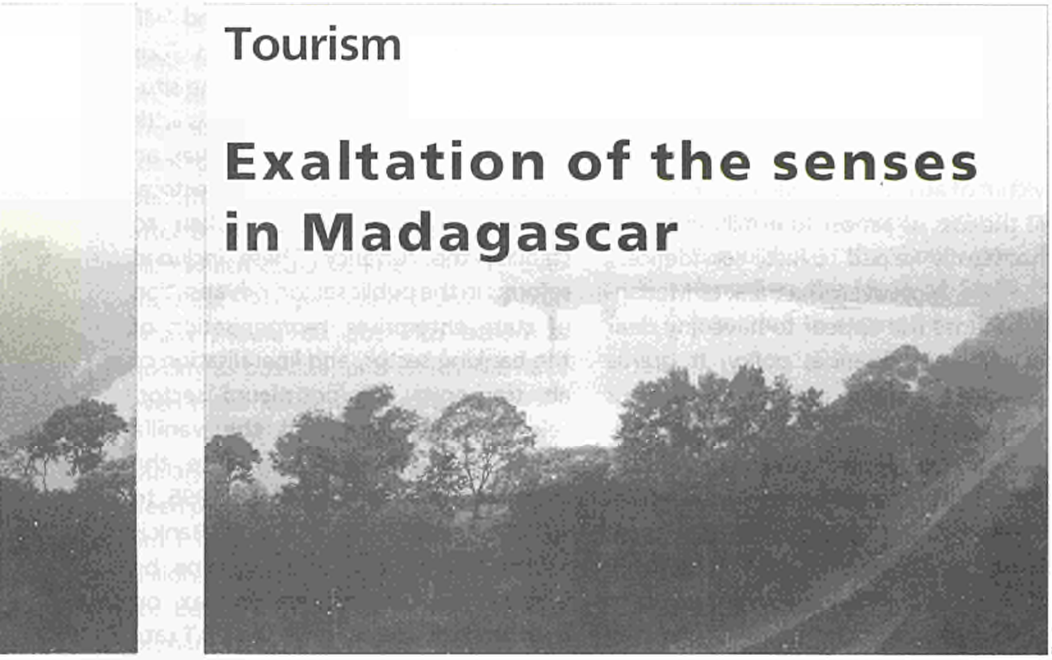
Against this gloomy background, one positive factor has been the recent development of the free zone. This has led to an increase in industrial added value of 10% per year over the last two years and has created ten thousand jobs.

The fact is that, despite the difficulties, Madagascar has considerable assets which could be exploited further. Agriculture falls short of realising its full potential, but fishing has made a good start, particularly in the sea-food sector. There are, for example, two large fish-farming businesses — one in the Mahajanga region and the other in the South — that have the capacity to boost exports substantially. Tourism is also on the increase. The number of visitors is still low, given the natural beauty and wealth of the country, but there has been a threefold increase over ten years, with 60 000 tourists choosing to holiday in Madagascar in 1995.

The greatest hope for the Malagasy Republic must lie in the people's growing awareness of the need to tackle the crisis. This awareness includes a recognition of the importance of democracy and transparency of government. There is hope for a better future although much work remains to be done. H.G.

Tourism

Exaltation of the senses in Madagascar



The Courier

Dawn over Antananarivo
A captivating and unique capital, with a subtle interplay between the city and the light

Antananarivo, beautiful and without artifice

Tana is beautiful, very beautiful. Some may find this statement difficult to understand, given the dust and traffic-related smog which creates an asphyxiating atmosphere during the daytime. The city does not have just have one area of shanty housing; in fact it appears to be one big shanty town. Annexes are built on to houses to cope, after a fashion, with the city's rising population. Poverty is at the very doors of all the luxury villas, and there are no rich districts. Unlike the major 'capitals of destitution', where the rich can always take refuge in 'reservations', here, as one expatriate resident puts it, one cannot shield oneself from the spectacle of misery. This is probably why so many foreign aid volunteers are often sharp and scornful when talking about the city, forgetting its essentials. The important point about Tana is that it is beautiful and original, unlike all the other showcase capitals in Africa and other Third-World countries which aspire to this condition.

There is, moreover, a light which bathes the city in glorious glowing colours. This is the light of dawn, seen before the polluting vehicles make their mark. The city comes to life as rickety carts drawn by hungry animals and dense crowds of pedestrians spill on to the streets. In this soft light, Antananarivo is unique and captivating, particularly if one has the opportunity to admire it from the lower town which is encircled by hills, as if by a pearl necklace. There is a small lake in the middle of the lower town, from the centre of which rises a monument. As in so many of France's former colonial capitals, this was erected to commemorate those who died in war, but it is more reminiscent of a sculpture in a grand English garden, rising like a huge candle from the middle of the lake. The sun, which has not yet taken on the shape of a perfect disc, casts its reflection over a hazy sky and lifts the mist from the lake — a genuine soft mist which contrasts with the polluted daytime fog which will appear later. The magnificent stage set is completed by the filmy curtain of the surrounding hills which, at this time of day, appear as watered silk. The effect is due to the pale violet clusters of jacaranda blossom. In this warm southern winter, the flowering jacarandas give the city the appearance of an enormous mixed bouquet, tinted with the russet of the roof tiles that rise in stages towards churches and palaces that appear in silhouette. Standing amongst them are the walls of the Queen's Palace offering a tragically grandiose shadow play. The interior of the building has been gutted by fire allowing a few timid rays of sun to filter through. This subtle interplay between the city, the light and the mist on the lake, gives the impression of incense rising from a huge altar — paying homage perhaps to the Queen's Palace.

Looking at the morning scene calls to mind some words by Racine: '*Beautiful, unadorned, attired only in a beauty just torn from sleep*'. And at dusk, the few small lamps illuminating the houses on the hills create an effect of shadow and light which is almost as seductive.

During the day, the contrast is striking. Overwhelmed by the harshness of the city — the pollution, noise and sights of misery and poverty — it is easy to overlook the essential beauty. Below the old Galliéni bridge, a boy of seven or eight years, in rags, feeds his little sister with a withered fruit. These two little souls, alone in the world, make one forget the pretty cottages and narrow streets of the higher town, the jacarandas, flower-decked balconies and charm of the colonial houses behind their peeling walls. The initial image may fade, but it is rekindled again at sunrise, or when one suddenly stumbles across a square which is reminiscent of a small Swiss town rebuilt under a tropical sky. This is when a curious sense of nostalgia sets in, a nostalgia for a city one has never known! Antananarivo must have been truly stunning 30 or 40 years ago!

The brashness of Diego

Even when one has been told that no two regions in this country are alike, a short trip inland throws up many surprises. For the traveller, the first surprise is the journey itself. In such a poor country, where public transport in the capital is so unreliable, one might expect to be flying in an overcrowded old crate of an aircraft and one is prepared to be patient. But the aircraft

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Air Madagascar ground stewardess
It comes as a surprise to discover that flights leave on schedule, even if other forms of public transport are unreliable

leaves exactly on time and the 'crate' turns out to be a Boeing in perfect condition. Given the stipulations of the World Bank, it is clear the airline is preparing for privatisation.

Antseranana, in the far north, is still known as Diego Suarez to the rest of the world, or just Diego to its inhabitants. It was the first concession made by Madagascar to France in the last century and the French influence can still be seen everywhere, from the street names which were never translated into Malagasy, to the decor of the cafés. This was one of the most prosperous ports in the French overseas territories and today it is a splendid relic. One's first impression, coming from the overpopulated capital, is of space, relaxation and relative cleanliness. In comparison with the austerity of the high plateaux (in Antananarivo everything closes down in the evening), Diego Suarez displays all the expected brashness of a port. It has a bustling nightlife with cafes and nightclubs that stay open into the small hours. Late into the night, couples can be seen taking a stroll or passing the time in pavement cafes. The scene is illuminated by the lights of the many cheap restaurants that serve tasty fried fish. Here you find young foreign tourists mixing with the locals, eager to breathe in the scents of the city.

The six-month season of the tuna boats lends rhythm to the life of this nostalgic city with its history of steam ships and elegant foreigners. The last tuna vessel docked, a few days later than usual, in November. The population is cosmopolitan, a significant proportion being recently arrived Indo-Pakistanis and Arabs, who have not yet blended into the Malagasy melting pot. Diego also has a higher concentration of European tourists than elsewhere in the country, (with the exception of the tourist island of Nosy Be).

Fish caught in the region are processed at the port. Many of the tuna boats come from far away (particularly Australia). In the evenings, the 'false tuna' (unintentional catches, or windfalls) are distributed amongst the population. There is enough for everyone. All have a right to a standard measure and the fish are carried on a home-made wooden trolley. This is a small bonus in addition to the direct and indirect employment created by the port activities. The CMDM (Malagasy Handling Company), which packs tuna and has a cannery, alone employs almost 200 people full time and up to 800 day labourers in high season. Outside the tuna-fishing season, other activities continue, such as boat maintenance and the export of coffee, cocoa, wood, vanilla and tobacco. The city appears to be going through a rebirth at present as the fortunes of its port, which is one of the oldest in the region, revive.

The Compagnie de Batelage et de Charbonnage de Madagascar (Malagasy Lighterage and Bunkering Company) was set up here in 1839, later to become the East-African Maritime Company. The current renaissance dates from the end of the 1980s, when the government introduced a degree of

Rickshaw in Mahajanga
Port cities steeped in nostalgia

The Courier

liberalisation. The intention is to extend the port, making Diego more competitive *vis-a-vis* other ports around the Indian Ocean. In this respect, its location in the far north of the Malagasy Republic gives it a considerable initial advantage. Apart from the CMDM, six other companies working in the port and involved in the tuna trade have formed a professional grouping to protect their interests.

Antseranana's twin port city, Mahajanga, which has also benefited from the spin-offs of the recent economic development, is the country's second largest city although it does not have the same nightlife or apparent cosmopolitan character — the air of freedom possessed by true port cities. However, it does have the same sense of space. The streets are uncrowded and a long boulevard runs beside the port, alongside a pedestrian promenade, giving it something of the air of a Caribbean coastal city. The interesting thing about Mahajanga is its countless rickshaws. These are meticulously decorated in bright colours, and their bodywork and softly upholstered seats make them appear like miniature limousines. Mahajanga's rickshaws, unlike those of many Asian cities, leave less of an impression of wretchedness and social injustice — but this may be nothing more than an illusion created by the clever use of tropical colours.

The sensual isle

Nosy Be (pronounced Nosch-Bé) is regarded by many as *the* place to visit. It faces a large bay where an estuary gives the mainland the appearance of a constellation of small islands. Two airlines and five cruise ships can take you to this place of dreams. And it is cheap in comparison with the very few islands on earth which can genuinely compete with it in terms of beauty and changes of scenery. Seen from here, the rest of the country is not just the mainland but a fully-fledged continent.

Nosy Be is an island apart in all senses. It is round, like a child's drawing and has a luxuriant flora of fruit trees, lianas, orchids and other flowers in their thousands. The hill in the centre sparkles with small crater lakes, and it is surrounded by a myriad of small islands and sandbanks which pattern the sea with stripes of every shade of blue and green. Then there are the inviting spices and fragrances. This is the island of *ylang ylang*, the flowering tree which has a scent as captivating as its name suggests and which provides an essential oil used in the composition of virtually all the world's great perfumes. On the island, its fragrance blends with the piquant scent of the pepper plant and the magical smells of vetiver, coffee, cinnamon, geranium and sugar cane. This is an island one could visit with one's eyes closed : it is sensual and enchanted, each spring and small stream telling stories of philtres, magic and love.

The Courier

A rainy dusk in Nosy Be
Arguably one of the most beautiful islands in the world

What a delight it is to be the first to reach the hill as the afternoon draws to a close. There is beauty as far as the eye can see — in the sky, at sea and on land. The noise from the four-wheel drives and motorcycles of the tourists, arriving at the meeting point, does little to mar the pleasurable assault on your senses. The faces of the little girls and teenagers are decorated with white paste in lacy designs. This is a cosmetic rather than 'make-up' and their faces blend well with the finely worked white tablecloths which the embroiderers have hung out to flutter in the wind as they await their customers. The children offer little bottles of pure *ylang ylang* oil in return for a trifling sum.

All the while, the colours in the sky are gradually changing. We have been told to expect a riot of hues but for once — perhaps the only time this year — Nosy Be's sunset is disappointing. The island's rain is supposed to stop before dusk, but this time, nature plays a trick on us, and the drizzle is still descending. Just before surreptitiously dropping out of sight, the sun briefly reveals itself as a small pale disc, as if to cock a snook at those who believe they can be at one with nature. However, even this furtive appearance, seen through a screen of fine suspended droplets against a backdrop of islands and water, has its own beauty! We were certainly not shortchanged.

For a growing band of tourists, Nosy Be is, above all, the Indian Ocean's island of leisure. It is extremely rich, with beaches which one could argue are the finest in the world. It has wonderful promenades and exceptional underwater offshore reserves. The neighbouring small islands are home to the lemurs. Then there is the history. If you should grow bored, one of the last old Sakalava kings will gladly tell you the secular history of his family and of the other kingdoms on the island — wonderful stories of battles and love. H.G.

A frank discussion with up and coming singer, *Bodo*

'Even the Malagasies have the blues'

You have to learn how to pronounce her name: 'Bou'd' for Francophones and 'Bood' for English speakers. She embodies the new dynamism in young Malagasy music, grafting swing from other islands in the Indian Ocean and the rhythm of nearby Africa onto local nostalgia. With her talents and apparently mild but firm disposition — she does not mince words — there is every chance that Bodo will be one of the first batch of Malagasy singers to invade the music market in the North. Let's listen to what she has to say.

The music I play is called *Hira Gasy* (pronounced *'Ira Gash'*) and it is genuine popular music which mixes all the influences found in Tana (*Antananarivo*), from the North and the South. We don't make a scholarly distinction. *Hira Gasy* blends together all Malagasy styles, including courtly music. During the last five years there has been an explosion in terms of young music. In the 1970s, people on the coast came up here with their tunes. There were also various musical styles in the capital that had originated here and elsewhere. Before that, there were the '*Kitanate*'. At their gatherings, groups would play together, each one retaining its regional style, as if they were competing with one another. Today, young people have really begun to play together.

Some claim that rock is a corrupting influence in our music, but the Malagasy art will keep its individual character. Loss of identity does not necessarily spring from colonisation. On the contrary, colonisation can be used to make oneself heard and understood in other places. I use French so that people can understand what Malagasy means. If I want to pass a Malagasy message, I do so in French, or in another international language. Rock is the same ; it's a universal language. Everyone has the blues in them, even the Malagasies.

It's incorrect to say that music from the high plateaux has no rhythm, because all music has rhythm. *Reniry* is languorous, a kind of lament that suits the blues. *Salegy* is a different style of music which has more movement. And *Hira Gasy*, which is a blend of influences from the high plateaux and the coast, is a style which is becoming more popular, a happy medium between romanticism and rhythm.

I am not sure whether the authorities have understood our young music which can seem puzzling to them. The composition of the current government is significant in that they have omitted to appoint a Minister of Culture. Perhaps they think that culture is a waste of time and that anyone can do the job.

You know that in 1993, two of us were selected to perform at a big festival in France (*Jeux de la Francophonie*). The event was postponed for a year and, in the intervening period, the government here changed. Our participation was thrown into doubt. The pretext given was that our style was that of someone like Whitney Houston and therefore did not represent the country. In the end, we went, accompanied by two 'babysitters' from the ministry. They spent all their time sitting around while we worked, with no one doing our promotion for us. We rehearsed, did our own publicity and made contacts without their help. They had no idea about music. I hope I am not sounding too harsh about them. They were very nice but they weren't really able to help us. I saw myself as representing my country, which was a big challenge, and we ended up winning the silver medal against tough competition. But they did not even come to congratulate us. Why ? Because culture in this country is so underestimated that people working in a Ministry of Culture are unaware of the importance of their task.

The same attitude can also be seen in certain sectors of the press. The day I left for France, there was only negative criticism of the fact that I was going to sing in French. They seem to have forgotten that I was going to take part in a competition for French songs. The important thing for me was to present the Malagasy spirit and the Malagasy rhythm. They could have made constructive or sincere criticisms. I would have understood it, for example, if they had given their opinion on the rhythm and the words or suggested that I should give up my melancholy style.

I find it difficult to understand music critics in the media. An artist puts on a show to an empty auditorium and they will report that it was wonderful. Another one attracts a full house and there is always a newspaper ready to decry them. This is what happened recently to a very good artiste called Irosy.

Malagasy music is on the move but what we need here is a big shake-up, particularly in the ministries. Let them come to the aid of our Malagasy heritage ! Fortunately, dynamism is sweeping through the Indian Ocean. The islands are beginning to wake up and, with a bit of luck, my CD will be coming out next year in Réunion. They not only have good equipment but the producers want to manage Malagasy artists so that they can launch them in Europe. And, of course, with your article, who knows ?

Interview by HG

Culture and tradition in Madagascar

The poetry of death and anxiety

If there is one Malagasy word which the visitor is almost certain to remember — because it is heard all the time — it is *'fady'*. It translates as 'prohibited', 'taboo' or 'forbidden'. A place, a gesture, a word, an object, an animal or a food, throughout the country or in a particular region, may be *'fady'*. This is not something that is open to discussion nor does it require explanation. It must simply be accepted. Nothing and no one is able to lift the *fady*, apart from, in very rare cases, an ancestor; that is to say a dead person communicating with the living.

Two key notions in Malagasy culture make it possible to appreciate the complexity and subtlety of the spiritual world in which the inhabitants of that great island live. They owe more to a philosophy than to morals and the words used to denote them — *tsiny* and *tody* — are difficult to translate.

Tsiny corresponds to a type of reproach or chastisement of someone who has committed a sin, whether against God or the ancestral spirits, against a mere mortal or in violation of traditional standards. The result will be just retribution and the punishment may be severe, affecting the wrongdoer in terms of his assets, his close relations or his very life. According to popular wisdom, the *tsiny* is 'like a hoar frost: You are unaware of it until it has gripped your body'. Nothing can stop it, not even God (who is above it all), for free agency has been conferred on Man and he finds himself enclosed in his solitude, in tense anxiety. It is no coincidence that the Malagasy word *'fanahy'*, which is usually translated as 'soul', etymologically means 'the tool or ability to suffer anxiety'. The soul is viewed essentially as a tool in the service of the body — an idea that is in contrast to Christian philosophy which characterises it as a component part of the human being but one which is detachable from the body.

The art of the spoken word

The only protection against the *tsiny* is to exorcise it by means of the spoken word, preferably before committing the sin. An example of a wrong committed against another person may be the simple act of speaking in public. By speaking, in all probability one is claiming precedence over someone who is superior in the ethical hierarchy. This hierarchy ranges from God down to oneself and includes in between, one's ancestors, the dead, the King or Queen, persons of higher rank, the authorities, older people and so on. All these are deemed more 'qualified' than you to address an audience. So to exorcise the punishment due for this sin, you must confess it — and not just in any way you please. You must use ritual formulae — not to be confused with magic formulae — which are arranged and improvised upon depending on the speaker's talent. Thus, no one can speak in public unless they have mastered the rules for exorcising the *tsiny*. The spoken word is a sophisticated art known as the *kabary* and when the formulae are used in such circumstances, it is not, strictly speaking, an excuse that is being offered but rather a self-accusation designed to ward off evil.

Under certain circumstances, for example, when a man is seeking to marry a woman, the task of making the request will be given to a specialist in the field. A *kabary* for asking for someone's hand in marriage is an exercise in balance, in which pretence, arabesque, surprise and tact combine, touching lightly upon one another and interweaving, forming infinite variations on a theme. Throughout, the speaker teeters on the brink of anxiety and insecurity. To paraphrase the formula used by the police, 'anything he says may be used against him and his close relatives'. There must be no flourishes and no raised voices, for one of the primary qualities of a Malagasy must be discretion in all things. It is interesting to learn that the Malagasy word which equates with 'just' in English, has no moral connotations. Etymologically speaking, it means 'the happy medium', 'level' or 'equilibrium'. This implies that

Pascal Maitre/Cosmos

Turning over the dead
Malagasy civilisation has merely placed death amongst the living

an excess of good, like an excess of evil, is not right. By extension, the evil to be found in Man is not necessarily put there by the devil.

The '*tody*' is even more curious than the 'tsiny'. This may be described loosely as 'fate' (although not as 'random chance'). It is the reaction to your actions or the 'inevitable return of things': in short the logic of destiny which may unknowingly fall upon you as a result of an action committed, consciously or unconsciously, for good or for evil, which has harmed another person. Unlike the *tsiny*, which can, if necessary, be warded off, there is no exorcism against the *tody*.

This constant fear of doing wrong, even in one's thoughts and judgment, explains the existence of a unique word, '*tsara*', which loosely encompasses the 'fine' and the 'good'. To judge by the dread of the *tsiny*, Malagasy ethics are not a vision of what is fine but, rather, the aesthetic, which is subject to moral judgement. Moreover, linguists liken this word *tsara* to a phoneme close to the sanskrit and which means 'conforming to tradition'.

Fear of the *tsiny* and of the *tody*, alongside respect for God and for the voice of conscience, constitute the four cornerstones of Malagasy morals or ethics. The consequences of this are paralysis of action, anxiety and permanent guilt, mistrust of oneself and a fear of one's weaknesses. This has led one researcher to conclude that Malagasy people are afraid of speaking aloud and are even afraid of their thoughts. This philosophy of anxiety also engenders respect for others and promotes the spiritual side of life and a great artistic sensitivity. It helps furthermore to guarantee social cohesion which is governed by a code of life as a society and mutual assistance — the '*fihavanana*'. Here is an example of the elegance of this code. The pardon conferred by an entire community on a wrongdoer, after the latter's repentance, may be such that anyone who subsequently refers to the sin commits a '*fady*' act and has to make reparation through offerings. On the occasion of a theft, in certain cases a ceremony is organised at which everyone deposits a crumpled ball of paper on a heap. The thief thus has the opportunity to give back the stolen article whilst retaining his honour and obtaining this near-sacred pardon.

Living well after death

Without doubt, some of the finest structures on the island are the tombs and funerary monuments. These are much more than the sad private chapels which usually fill cemeteries. Indeed, the very idea of a cemetery is a relative one in this country. Family tombs can be found practically everywhere, sometimes isolated, sometimes in small 'communities' and sometimes in the form of mini-towns where the people 'live out their death well'. Entire villages are reserved for the dead where they are said to speak, sing and be entertained.

The bodily remains lying underground regularly receive offerings. Rarely, however, are strangers able to identify tombs at first glance, so great is their resemblance to ordinary small dwellings. Sometimes, they are even large houses surrounded by gardens containing ornate sculptures. And the sculptures are not necessarily pious: in some parts of the south, one can find works of an erotic nature. The people converse regularly with their dead. This may take place in front of the family tomb or anywhere in sacred places, such as a river bank or by a tree trunk in the village.

Death is the passage from one part of life to another and is therefore endowed with special qualities. The deceased is promoted to the rank of sacred ancestor, but this does not mean that the way in which the dead are addressed is one of veneration. There may even be a scolding if the deceased is slow to reply to the requests put to him.

When death occurs, it therefore gives rise to ambivalent reactions: sadness in the family, of course, but, at the same time, pleasure at having a close relative gain access to the ranks of ancestor and thereby become capable of offering protection and assistance — provided, of course, that the deceased is pampered somewhat. Hence the incantations and offerings. However, the strangest phenomenon in the eyes of visitors is the '*famadihana*', the 'turning-over of the dead'. This takes place from June to September on the high plateaux where families go 'to turn over the beds of stone' (although some of the populations along the coast do not do this). This is when they clean and embellish the inside of the family tomb. At the same time, they exhume the dead for a day and share their intimacy, cleaning them, changing their shrouds and showing them to the children — who handle the revered remains without a hint of disgust or repugnance.

This ceremony is the occasion for a big celebration and it takes place as often as the family can afford. Three years after death, the corpse has to be reburied in the final shroud. These practices are not classed as traditions but are part of everyday life. Malagasy civilisation has merely placed death amongst the living.

This closeness to death is probably unique, although much attention has been given to the case of Mexico, where close relatives tenderly touch the bodies of those who have just died, posing beside them for a photograph. Although the Day of the Dead is a special celebration there, particularly for children who receive unusual gifts linked to the cult of the dead, such as little coffins or sugar skulls, the degree of familiarity does not extend beyond the funeral services.

Fady

It is *fady* for a father to use the familiar form of address to his daughter. A mother may do so to reprimand her, but this must never be done in public. In a particular town, the tamarind tree may be *fady*. It may be forbidden in some places to expose part of one's finger. Taboos and prohibitions abound, although they are not always coercive in nature, and they can lend rhythm to a strange spectacle.

The most enchanting region of the Malagasy Republic is probably Antakarna, in the North-East. One of its most striking legends is that of the crocodile men. Near the town of Ambilobe, the hottest place on the island, underground rivers flow through a mountainous massif and there are countless hidden lakes in which innumerable 'reptiles' splash about. You are not likely to be attacked by them because they are men in reptilian guise, although one of them may touch you to warn of the approach of a 'real' crocodile. They are said to be the last remaining battalions of the army of a Sakalava king who, encircled by the forces of the Merina king, Ramada I, preferred to drown themselves rather than surrender. These caves are formally off limits (*fady*) to the inhabitants of the high plateaux. Another captivating site in the same region, where the mountains continually flirt with water, is the Andranamamofona falls. It is said that at one time, the river was no more than a small stream but that it widened miraculously. Two lovers who were gazing at each other across the water perished in the process and two rocks have been erected at the places where they stood. In the Malagasy language, these are called 'the man's side' and 'the woman's side'. It is *fady* to visit the underground waters in this region if one is wearing any garment that slips on over one's feet (such as trousers or pants). The *pagne* (loincloth) is *de rigueur* and all guides must be of royal blood. Street traders in the nearby town of Ambilobe do not deal in drugs or gems but in the fossils of baby coelacanths found in places regarded as '*fady*' to strangers — a good way to protect the trade.


The Courier

Villagers near Antananarivo
The guarantee of social cohesion through 'fihavanana', a very elegant code of mutual assistance

Desperation produces beautiful songs

Malagasy poetry has inherited a language of astonishing sensitivity, if the foreign linguists are to be believed. This can be seen in the musicality of the words, the length of which (on paper) often intimidate foreigners. They are invariably surprised by the softness of the corresponding sounds and by the brevity of the words in spoken form. This is because transcription into the Roman alphabet by English and French speaking scholars resulted in the insertion of vowels which are not pronounced. Traditional Malagasy writing, which is similar to Arabic, gave a better impression of the true sounds. The final syllable is almost never pronounced, while the vowels of the last two syllables are frequently silent. Thus, *Tsiranana*, is simply *'Tsira'n'*, while *'fady'* becomes *'fad'*. Verbs can have a third mood in addition to the active and the passive, allowing for unusual inversions in the Malagasy language. For example, in addition to the active *'I play swing with my guitar'* and passive *'Swing is played by me with my guitar'*, the relative or adverbial mood will give something which roughly translates as *'My guitar is that with which swing is played by me'*. It must be stressed that this is no more than an inelegant approximation. It sounds much better in the original to those who can understand it. A wide range of words exists to denote each action according to its direction, intensity or the position of the speaker. For example, there are about twenty words that translate the verb 'to look', depending on whether one is looking at a certain distance, whether one's head is raised or lowered, whether one is looking through something, revealing only one's eyes, and so on.

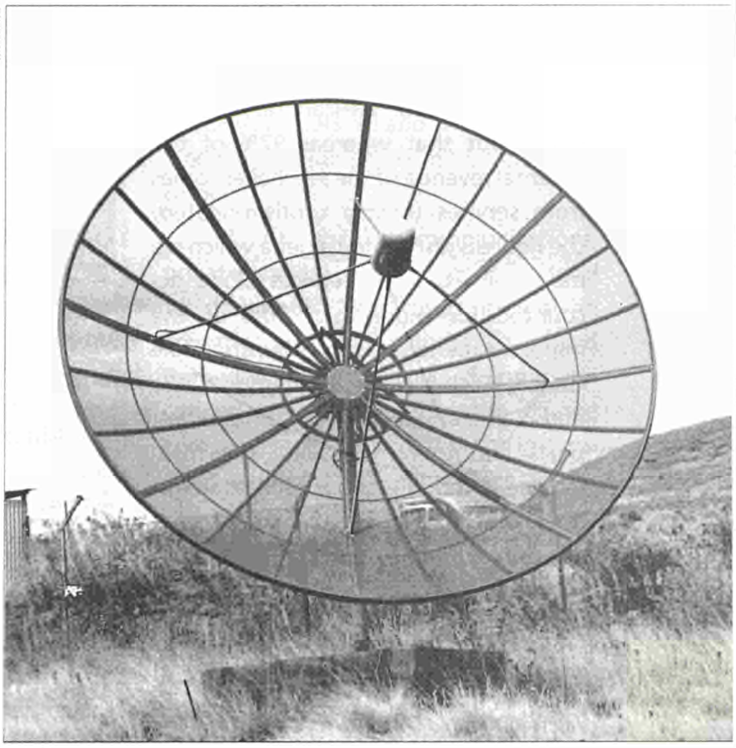
Literature is full of melancholy. Even modern literature tends to concentrate on nostalgia or subjects such as death. Researchers believe they can place the source of this poetry of nostalgia in the very make-up of the Malagasy population, which is the product of immigration.

Music is also melancholic, particularly on the high plateaux. *Césaire Rabenoro*, President of the Malagasy Academy, is a scientist and jurist by training, a career diplomat and passionate musician. He explains that music on the plateaux is often sad, arising from the relatively cold mountain climate. On the coast, in Mahajanga, it is somewhat more African in nature. Music further south, in Antananarivo, is seen as exuberant. In fact, a tropical music lover would find a slightly rhythmical chant. The national instrument, which can be seen throughout the country, is the *valiha*. This is a kind of harp reminiscent of instruments from the .Malay-Indonesian region, which has a shrill quality and a soft, muted resonance. As such, it lends itself wonderfully to the anxious and sad Malagasy chant. The *Mpihira Gasy*, the musical, dance and *kabary* groups, are to be found on the high plateaux, among the Merina and Betsileo populations, but they are appreciated throughout the republic.

Apart from traditional music on the plateaux, there is also scholarly music inspired, initially, by European operettas. It is also full of languor. Christian chants, particularly those of the Protestant church, have also influenced Malagasy song, feeding the melancholy which is intrinsic to this culture. In regretting the European failure to appreciate scholarly Malagasy music, given that it is of European origin, Professor Rabenoro is resigned : 'Perhaps you have to be a Malagasy to experience melancholy like this.' H.G.

Trade in services

The Courier


The Courier

Talk about trade in services and the likelihood is you will draw a blank with anyone who is not well versed in macro-economic speak. It covers anything from tourism to architecture and accounts for a substantial share of global trade (see table). Developing countries and, in particular, ACP states lag behind in services development, importing more than they export, although this obviously varies from country to country.

The writers featured in this dossier look at the potential — and obstacles — for building up service industries in ACP nations with a view to boosting investment and eventually their own exports of services. It appears to be a race against time. There are fears about their ability to compete as talks on global trade in services prise open the markets.

Bigger and better service industries are vital to the development of any economy. And an uncertain future for traditional commodity exports puts a bigger onus on developing services. As the EU, for instance, seals more and more free trade agreements around the globe, this will make it easier for 'new' trading partners to enter the EU market, inevitably whittling away the long standing 'traditional' trade preferences.

The World Trade Organisation (WTO) is leading the way. The General Agreement on Trade in Services (GATS), agreed by 125 nations in Marrakesh in 1994, is based on most favoured nation (MFN) treatment for foreign services established in a member country, although exemptions are possible for countries who do not want to subscribe to certain clauses or who have balance-of-payments problems.

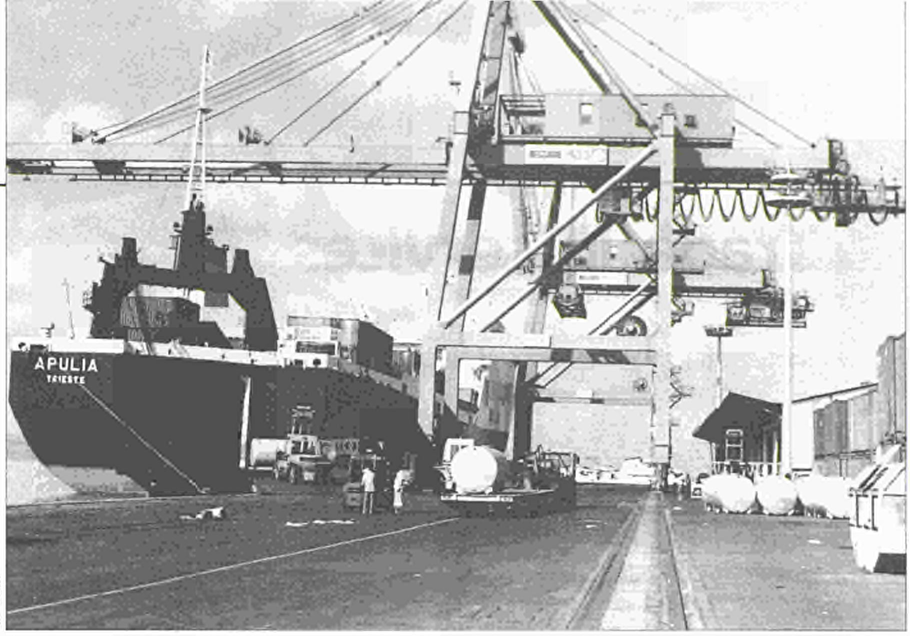
Its annexes pledge the continuation of talks on basic communications, financial services, professional services, maritime transport, air transport and the movement of persons.

Whereas 1995 brought a deal in financial services, 1996 promises to be the year of telecommunications and maritime services. At the time we went to press, 16 nations had put offers on the table to liberalise telecommunications. Significantly they are all developed countries.

The danger is that developing nations might lose out in an open market, although they could benefit from the so-called 'free rider' principle insofar as a liberalised telecommunications market will bring down the costs of such services for all. As for maritime services, countries are putting offers on the table to eliminate existing cargo sharing and reservation practices.

The anticipated agreement should ensure that public authorities provide port facilities to foreign-owned ships on a non-discriminatory basis. And a push at getting nations to agree further commitments in the whole range of services will be made from 1 January 2000.

In keeping with the current shift to forming regional alliances, authors argue for regional moves to liberalise trade to facilitate participation in the GATS, an agreement which will obviously benefit the most competitive producers of services.



The Courier

The Port of Djibouti
An increasingly important centre for regional trade in the Horn of Africa

Africa

To learn more about the situation in Africa, we spoke to UNCTAD economist, Norbert Lebalé (who also writes for us in the Dossier), an expert on the potential for African services. He points out that whereas 97% of the external revenue of the Seychelles comes from services (mainly tourism-related) the figure is just 5% for Nigeria which is a major oil exporter. Services alone accounted for more than 30% of the import expenditures of countries like Gabon, Côte d'Ivoire, Cameroon, Zaire and Zambia. As for African services, ports and tourism provide the main income, although labour services (migrant workers) are particularly important to Lesotho, Sudan and Mali, accounting for between 30% and 80% of total exports in 1988.

According to Mr Lebalé, 'African countries that are structural importers of services are anxious to develop their own services industries, especially in the range of selective intermediate services that are useful for the launching of more elaborate lines of production. Liberalisation of imports — that is to say the reduction of trade barriers and easing of regulations — is one way for these countries to ensure the quality of such services.' The author adds that 'for African countries already exporting services to the world market (notably tourism and labour), the aim is to develop production of higher value products and to increase their exports.'

He calls for investment in infrastructure, and in human resources so as to turn an unskilled labour force into a skilled one. He points out that transport and communications inherited from the colonial era 'are still a bottleneck owing to their inadequacy, despite the constant increase in the overall demand for transport as a result of population growth and the rise in personal income in some countries. African transport networks,' he continues 'were built along the colonial routes penetrating into the interior, to link the seaports with the hinterland. They are often quite unsuited to the present day economic situation of African countries.'

And in the GATS talks themselves, African nations, he believes, should push for more tourism infrastructure — airlines, hotels, restaurants, travel agencies and guides. Currently, he states, 'African countries do not have the technological and managerial capacities to respond adequately to market changes. This situation poses a particular challenge to them as they try to increase their competitiveness'.

To get the most out of the GATS shipping talks, he recommends commitments on the increased participation of Africans, whether unskilled or professionally trained, in the manning of vessels. He speaks of attaching requirements for technology transfers and financial support, in return for giving developed country vessels more access to African countries.

Finally, he recommends that African nations should get more out of their comparative advantage in labour. 'Over the last two decades', he notes, 'the continent has had a growing income from the activities of Africans working abroad' and the sums involved are now significant.

Successes in which the development of one service has had knock-on effects on others are highlighted by Mr Lebalé. He mentions, by way of example, the Port of Djibouti. 'Over the past few years, the role of the port in regional cooperation and in storage, transit and transshipment operations has become increasingly important. The integration of other transport services (roads, railways and air transport) has encouraged the expansion of a retail trade and banking activites, so that Djibouti can now entertain the hope of becoming a significant banking centre.'

Like many who study trade in services, Norbert Lebale argues that some extra political impetus would not go amiss. 'Political barriers', he claims, 'are often an important factor which reduces the expected impact of African regional cooperation agreements. The most significant example, he says, is the failure of the Eastern African Community. This was based on developing and jointly managing the main services such as railways, air and sea transport, and posts and telecommunications.

The Caribbean

Turning to the Caribbean, an EU-commissioned discussion paper [1] notes that this region has 'good potential in the field of services' such as information technology, transport, finance, insurance, health and tourism. It suggests 'national studies' to identify this potential, as well as possible regulatory reforms to overcome constraints and promote investment. Even in tourism, the main services earner for Caribbean nations, there is potential for more growth. A 'tourism master plan' is mooted.

Within the region, there are certain legal barriers to land transport

[1] 'A New Strategy to Promote Regional Integration in the Caribbean', Henry Gill, Fernando Pellerano, Richard Hess, October 1995.

The structure of trade in services

Transaction	Developed market-economy countries	Developing countries	*America*	*Africa*	*West Asia*	*Other Asia*
	In billion $					
Exports						
Services	1572.3	244.1	*51.8*	*24.9*	*44.4*	*118.3*
Selected non-factor services						
Shipping	83.7	16.0	*2.7*	*1.1*	*1.8*	*9.9*
Other transportation	114.4	24.2	*6.6*	*5.0*	*2.2*	*10.2*
Travel	216.9	55.6	*17.4*	*6.6*	*7.1*	*23.2*
Factor services						
Interest income	655.2	54.8	*8.4*	*2.6*	*21.2*	*21.9*
Investment income	107.6	2.2	*0.2*	*0.4*	*1.0*	*0.5*
Labour income	13.5	5.9	*0.8*	*0.7*	*0.1*	*4.3*
Property income	36.1	0.6	*0.1*	–	–	*0.4*
Imports						
Services	1579.2	333.8	*85.2*	*45.4*	*62.7*	*134.3*
Selected non-factor services						
Shipping	95.0	55.8	*10.1*	*8.9*	*11.6*	*23.6*
Other transportation	19.3	22.6	*7.4*	*2.1*	*1.5*	*11.4*
Travel	233.7	39.8	*14.1*	*2.9*	*3.5*	*19.1*
Factor services						
Interest income	729.6	84.1	*32.9*	*15.5*	*7.7*	*27.0*
Investment income	51.1	21.1	*7.2*	*3.1*	*3.0*	*7.3*
Labour income	23.2	1.5	*0.2*	*0.4*	*0.6*	*0.4*
Property income	32.6	2.4	*0.8*	*0.1*	*0.0*	*1.5*

The growth of trade in services

Transaction	Developed market-economy countries	Developing countries	*America*	*Africa*	*West Asia*	*Other Asia*
	Average annual growth (%), 1980-1992					
Exports						
Services	9.0	6.0	*3.4*	*4.1*	*2.7*	*11.3*
Selected non-factor services						
Shipping	4.2	6.2	*3.5*	*−4.3*	*7.4*	*10.9*
Other transportation	5.8	3.4	*3.1*	*3.5*	*−2.7*	*7.6*
Travel	9.6	7.6	*6.5*	*7.1*	*6.1*	*11.3*
Factor services						
Interest income	11.7	2.1	*−3.0*	*−1.9*	*−0.1*	*12.5*
Investment income	5.2	2.9	*−1.8*	*11.4*	*−0.6*	*17.3*
Labour income	5.1	9.0	*3.6*	*2.2*	*2.1*	*13.0*
Property income	10.0	19.7	*7.0*	*6.6*	–	*41.5*
Imports						
Services	9.7	3.9	*2.4*	*1.7*	*0.3*	*10.2*
Selected non-factor services						
Shipping	5.3	4.1	*3.1*	*−0.4*	*−0.3*	*9.4*
Other transportation	5.7	3.2	*0.8*	*−1.9*	*−0.9*	*10.5*
Travel	10.0	4.9	*3.5*	*−1.5*	*−4.9*	*16.6*
Factor services						
Interest income	12.5	5.3	*1.5*	*8.9*	*9.3*	*10.5*
Investment income	3.8	−1.3	*2.4*	*−4.2*	*−8.3*	*2.8*
Labour income	8.3	3.2	*−6.0*	*1.0*	*7.4*	*12.3*
Property income	11.1	9.1	*3.8*	*−2.6*	*31.7*	*17.6*

services which restrict competition. These include minimum tariffs and impediments to the mobility of companies across borders, which the authors suggest need to be dismantled. They also point out that most ports in Caribbean countries are 'government owned and operated' and in many cases, 'this has resulted in bureaucratic and monopolistic operations.' The report continues: 'Among the causes of poor maritime transportation services and low port productivity cited by various users is the nature of management policies and practices; excessive documentation requirements, time consuming processes to pay consular charges in the exporting country and weak security leading to high levels of pilferage of cargo.'

As for telecommunications, private and state-run monopolies tend to dominate. 'The result is that in countries such as Haiti, St Lucia and Barbados, the high cost of communications services is an obstacle to the competitive development of the information services sector. And there are no sector or general agreements to develop the regional integration of consultancy services, through a common registration system or the extension of national treatment to all regional firms. Regulatory restrictions and barriers are also imposed by the different national professional associations.'

The study focuses on the delays and bureaucratic procedures faced by local and foreign businesses in obtaining visas and work permits for their personnel. This is a problem even where the workers are from elsewhere in the Caribbean. At a recent meeting of Caricom heads of state, a decision was taken to allow free movement of Caricom nationals who are graduates of member state institutions from 1 January 1996. The effects of this decision are yet to be felt, and restrictions on the freedom of non-graduates remain, even in cases where it would aid in the development of the smaller islands, for example.

Finally, restrictions to foreign investment apply in the banking industry, in the form of licensing in Barbados, Jamaica and the Dominican Republic. In Trinidad and Tobago, obstacles exist making it difficult for foreign banks to offer their services. In short, while the Caribbean may have considerable potential for services development, much remains to be done before this can be fully exploited.

Debra Percival

DOSSIER

A trailblazing project for services in Africa

by Norbert Lebalé*

The United Nations Conference on Trade and Development (UNCTAD) has pioneered a project to stimulate growth in service industries in Africa. Known as the 'Coordinated African Programme of Assistance on Services' (CAPAS), it has already succeeded in focusing the attention of African governments on the potential for trade in services on the continent.

Launched in 1992 at the request of a number of African nations, Phase II has just begun. The initial stage involved the preparation of 10 national studies on services to draw the attention of African decision-makers to this growth area. According to UNCTAD economist, Norbert Lebalé, who explains the details of the project in this article, CAPAS has already been used in many ways by the nations involved. In particular, it has prompted fresh dialogue between government and private sector on policy-making in the field.

'Until recently', says Mr Lebalé, 'international trade policy-making in African countries too often received only scant attention from the government machinery. And with a strong traditional reliance on natural and agricultural commodities for export earnings, this was even more true of services. With the increasing integration of individual economies in the international training system, that lack of proper attention is a luxury that countries can no longer afford.' Phase II, which has just got off the ground, will look at the potential for African trade in certain sectors which are part of the General Agreement on Trade in Services (GATS) such as telecommunications and the movement of people.

Objectives

There has been a growing understanding of the role of services and trade in services in development during the last decade. In particular, deficiencies in infrastructural services revealed by structural adjustment programmes and recovery plans, the Uruguay Round negotiations on a multilateral framework agreement on trade in services, and the inclusion of services in Lomé IV, have all served to draw the attention of African decision-makers to the importance of this topic. It was in this context that the Coordinated African Programme of Assistance on Services (CAPAS) was launched in April 1992, subsequent to the Dar-es-Salaam meeting organised jointly by UNCTAD and the Eisenhower Center of New York's Columbia University. CAPAS is financed by the French Government, the Carnegie Corporation (New York) and IDRC (Canada). It is an effort to strengthen national capacities in a way which implicates government decision-makers, representatives from parastatals, the private sector, academics and the consulting community.

In the initial phase of the programme, the 10 African countries taking part (Benin, Burundi, Ghana, Guinea, Kenya, Nigeria, Uganda, Senegal, Tanzania and Zimbabwe) each set up a government-organised inter-institutional working group (IWG) which included government decision-makers, those in positions of responsibility in the parastatal and private sectors and a national research team from a local research institute to draw up a national survey of services, relating principally to policy analysis and the promotion of research.

The general objective of CAPAS is to assist the participating countries in developing their knowledge of services, trade in services and economic development, as well as research and decision-making capacity in these areas. In so doing, CAPAS relied partly on the information and resources developed by the trade negotiators during the Uruguay Round negotiations or to be raised during the talks on services within the framework of Lomé IV. At the same time, Governments have come to appreciate better the need to increase their information-gathering capacity in order to meet the requirements of future negotiations.

The importance of services in the economy

Despite the fact that the economies of the ten countries are based mainly on primary commodities, the review of their production structure and their recent development plans reveals that the services sector has made a significant contribution to the growth process of those countries in recent years.

Two indicators point to the importance of services in the economies of African countries: their contribution to the Gross Domestic Product (GDP) and the amount of service employment as a proportion of total employment. As Table 1 shows, during the period 1980-1990, the contribution of services to GDP fluctuated between a third (Nigeria, Burundi, Uganda) and more than 50% (Senegal, Kenya, Zimbabwe). Employment in the formal service sector ranged from 6% in Burundi and 10% in Uganda to over a fifth in Benin, Ghana and Zimbabwe.

In most of the countries, services produced are mainly commerce activities (retailing and wholesaling) and

* Economist in charge of the UNCTAD CAPAS project

Services in the economy: Production and employment (%)

Country	Production (% of total GDP) 1980-1990				Employment (% of total) 1989-1991)
	Total	Commerce*	Transport	Other**	
Benin	48	17	9	22	23
Burundi	39	9	2	28	6
Ghana	42	5	1	36	30
Guinea	36	12	3	21	21
Kenya	53	9	5	39	12
Nigeria	38	17	3	18	44
Senegal	57	13	7	36	13
Tanzania	40	11	7	22	10
Uganda	31	2	14	15	10
Zimbabwe	51	11	6	34	20

Sources: UNCTAD, Handbook of Statistics of Commerce and Development; United Nations, New York, 1993; UNDP, Human Development Report 1993, New York, Oxford University Press, 1993
* Wholesale and retail trade
** Banking, insurance, real estate and services provided to businesses, social services and personnel services, non-trading branches of public enterprises, other non-trading branches.

non-market services such as education and health. The contribution of producer services — in other words, those provided as inputs to other firms such as insurance, industrial engineering, legal services, accounting and management services, remain very low as a proportion of overall services production. The contribution of logistical services (transport) also appears to fall short of requirements.

This weakness in services production is also reflected in the significant balance of payments deficit that the ten countries have in the services field — including in shipping and transport. In short, the states concerned are all highly dependent on other countries for services (see Table 2). In the field of freight transport, landlocked nations such as Burundi and Uganda show a particularly large debit balance relative to their overall service deficit.

Tourism and migrant workers' remittances are the main sources of service receipts. The level of income derived from labour abroad is particularly high in Uganda, Tanzania, Ghana and Benin. It should be stressed that unlike migration in other parts of the world, *intra-regional* mobility of workers seems to be the main source of labour income. Finally, for some countries such as Kenya or Tanzania, transport services (particularly port activities), are also a source of revenue.

In spite of an expanding services sector, the ten countries show a growing dependence on imports. This underscores the need for a consistent policy to promote the development of a national production and export capacity for services — if only to reduce this dependency somewhat.

The informal sector

Services in the informal sector cover a wide range of activities ranging from retailing and transport of passengers to financial services, tourism and some producer services such as research departments and consulting.

Despite the scarcity of reliable data to measure the size of the informal sector, the national reports give some estimates of its importance, especially in terms of employment and occupational structure (notably as far as women are concerned). In Benin, for example, employment in the informal sector other than agriculture involves about 20% of the working population, distributed mainly in catering, construction and transport. In Ghana, commerce (retailing and, to a certain extent, the wholesale trade) and the financial sector are almost entirely in the informal sector.

In most of the countries under study, the informal sector guarantees the adjustment of supply and demand among the range of economic actors. Therefore, this area cannot be ignored when drawing up policies for the service sector — in spite of the many issues that this raises, including the absence of social protection, lack of training of personnel and losses in tax revenue.

The costs of dysfunction

Services are linked to the rest of the economy in a number of ways. Services such as transport, telecommunications and public utilities (water, electricity, gas) are parts of the overall infrastructure of a country. They are often used as inputs in other sectors and their smooth or bad functioning affects the economy as a whole. The national reports highlight the point that dysfunctions in those sectors may result, in particular, in significant extra costs for the wider economy. However, services are also a major component of final consumption. Under-production, poor quality and overpricing are all factors which contribute to under-consumption. This in turn has adverse effects on the formation of human capital.

Most national reports note, for example, that the different modes of transport suffer from a lack of interconnection. National policies do not take these interconnections specifically into account nor do they seek to provide for them. For example, the report from Nigeria suggests that, were Lagos to have an efficient telephone system, this would significantly reduce the city's traffic congestion by reducing the number of people on the move, especially during office hours.

International exchange of services in 10 African countries (1991) (in millions of dollars)

Country	Merchandise trade balance	Service balance	Freight	Travel	Private transfers*
Benin	− 191	− 16	− 73	+ 19	+ 70
Burundi	− 104	− 123	− 41	+ 4	+ 13
Ghana (1990)	− 308	− 216	− 94	− 9	+ 202
Guinea (1987)	+ 184	− 100	− 69	− 11	− 13
Kenya	− 659	+ 501	− 226	+ 408	+ 144
Nigeria	+ 4 441	− 1 562	− 1 024	− 800	+ 12
Senegal	− 284	− 12	− 151	+ 68	+ 28
Tanzania (1990)	− 779	− 110	− 166	+ 26	+ 165
Uganda	− 298	− 231	− 121	—	+ 91
Zimbabwe (1988)	+ 501	− 215	− 103	− 5	− 13

Source: UNCTAD, Handbook of Statistics on Commerce and Development, United Nations, New York, 1993
* Principally, transfers of funds by migrant workers.

The decline of the public sector and emergence of new actors

The decline of the role of the public sector and the emergence of new actors in the field of services are mentioned in the ten reports. The transformation of the existing regulatory system (somewhat mistakenly referred to as 'deregulation') to allow for greater competition in the service sector is an increasingly important phenomenon in African countries. This can be attributed to some extent to the dynamic effect of the structural adjustment or recovery programmes that have been launched by governments. It is also a result of increasing awareness of the distortions caused by too much regulation and direct state intervention in the operation of the market, and by mismanaged public enterprises which are important sources of fiscal deficit.

The regulatory framework that is being promoted often attempts to maintain a public sector presence in a number of activities, to create an environment that allows for the expansion of dynamic and highly efficient firms and, if necessary, to strengthen protection for users and consumers. National policies are moving in two directions: total or partial privatisation and the restructuring of firms that remain in the public sector to make them more responsive to market pressures.

While privatisation has progressed well in some countries, in others it is only beginning, and it faces obstacles. The problems arise from the fact that the firms proposed for privatisation are not economically or financially attractive. Restructuring is therefore needed before privatisation.

Some sectors remain publicly controlled. These are, typically, the utilities (electricity, water, gas, education), rail and air transport, and banks. In most cases, there is a move towards at least partial privatisation. Outside the railway and telecommunications sectors, there are fewer and fewer public monopolies.

The need for a consistent regulatory framework

The national reports emphasise the increased participation of national and foreign private sector interests in the service sector. However, this development is not always accompanied by the formulation of a consistent and relevant regulatory framework.

Services are often regulated by old laws that have been revised over time. Revisions have often been carried out in two stages. First, immediately following independence, changes were introduced to favour nationals. Then, frequently in the framework of structural adjustment programmes, more liberal changes have been promoted.

Even if services are governed by specific laws and regulations, these are not always understood by the various economic actors. Nor are they sufficiently flexible to be adapted to the new developments (international deregulation, new technologies) that characterise service activities. A great many countries are trying to simplify administrative procedures in order to facilitate new investment.

The financial sector

The financial sector is of significant concern in all of the countries participating in CAPAS. In these states, the financial system is rapidly changing through restructuring, privatisation and open participation of foreign capital.

The report on Benin indicates that the restructuring of the banking sector following its collapse in 1988-89 has led to the creation of new institutions. This is how it was possible gradually to restore confidence in the system. However, the sector has trouble meeting the financing need of small and local firms (notably, financing of the private rural sector and housing). In Kenya, the authorities have opened up the system to foreign capital, allowing for minority-owned businesses or joint ventures.

Inherent in this development are difficulties stemming from issues relating to management, the training of personnel and the modernisation of financial procedures. The sector has also had to respond to pressures generated by the new economic orientations which promote the demands of free enterprise. While in the past, lending went first to public bodies, today, banks must first give priority to the private sector.

In Ghana, the transition occurred relatively smoothly. Between 1980 and 1987, most loans from the banking system were granted to the public sector (about 62%). However, in order to promote the private enterprise as the 'engine of growth' in the framework of the structural adjustment programme, it proved necessary to reverse the trend. In 1991, private concerns were granted more than 70% of all loans distributed by the banking system. By the third quarter of 1992, the proportion exceeded 80%.

The formal financial system coexists with a dynamic informal one. The latter collects savings diverted from the formal sector and finances most consumer credits and micro-investments in the productive field (*tontines* in Benin, *su-su* in Ghana). In many countries, such as Ghana, Benin and Burundi, there is also a trend towards 'formalising' the sector, with informal institutions being converted into credit cooperatives.

The absence of a relevant service policy framework

As a general rule, a reading of the ten reports suggests an almost total absence of a relevant policy framework for services that takes into account, in particular, the significant role of infrastructure services in economic development and the potential of export services.

There are two major exceptions here: tourism and transport-related services. Because of tourism's capacity to generate foreign exchange quickly, all the countries under study have adopted national policies to promote it. However, in most cases, a lot remains to be done before the industry truly takes off.

Services related to transport are strategic for landlocked countries and offer earning possibilities to states that have access to the sea. Benin, Kenya, Senegal and Tanzania all offer such services to their neighbours. Kenya's report mentions the noticeable fall in the quality of services provided by the sector in this country because of the degradation of the infrastructure and management. On the other hand, the reports from Senegal and Benin take note of the awareness of the export potential of these services at the national level, and of the efforts being made to renovate the infrastructure and create greater complementarity between different modes of transport.

Lessons to be learned from regional cooperation

The importance of regional economic cooperation and integration as a way of accelerating and consolidating the process of economic and social development has long been recognised by African decision-makers. This is reflected in the existence of several sub-regional groupings that were set up prior to the creation of the much wider Economic Community (the Abuja Treaty, signed in June 1991).

As a general rule, treaties and institutions of economic cooperation and integration should affect all areas of economic activity. In fact, however, cooperation and integration in services remain marginal in regional integration programmes linking African countries.

Most of the regional and sub-regional agreements examined by the national reports deal with the simple facilitating of services among countries. Cooperation among member states is limited, for the most part, to measures aimed at coordinating and harmonising rules and regulations affecting services activities, the harmonisation of institutionalised mechanisms for the exchange of information and experiences, and initiatives promoting joint research and training programmes on services.

Thus, for example, there are several regional and bilateral agreements that aim to facilitate services in the various modes of road and rail transport. ECOWAS has enacted a number of decisions with this in mind within the region. These include the Convention on Inter-State Road Transport, the decision on the harmonisation of highway legislation, and measures such as the creation of liability insurance for transit and transport operations.

A similar number of agreement exists with a view to facilitating the joint provision of services. These mainly involve infrastructure services. One example is the creation in 1985 within the PTA (Preferential Trade Area for Eastern and Southern African States) of the Bank for Trade and Development. Its mission is to secure financing for multinational projects and to promote trade among the 19 member states.

Finally, a smaller number of agreements deal with collaboration among corporations and other professional interests from the same sector of activity in several countries. This usually translates into the creation of sector-specific associations (bankers, restaurant-owners, hotel-keepers, journalists etc). The creation by ECOWAS of ECOBANK, a private offshore bank, is an example of transnational business collaboration.

The three types of measure mentioned thus far all fall under the heading of simple cooperation. They differ from integration policies *per se*. The latter are oriented towards the creation of a wider economic space for service providers at the regional or sub-regional level, by means of mutual market opening and preferential treatment among member states. The CAPAS programmes implies the progressive implementation of liberalised transaction principles, non-discrimination and coordination of member state policies and legislation.

The African Economic Community Treaty, the revised ECOWAS Treaty and the COMESA (Common Market of Eastern and Southern Africa) Treaty which is designed to succeed the PTA, all have explicit provisions relating to national treatment, the right of establishment, the free movement of capital or the free movement of labour. These form the legal basis through which effective integration of services can be achieved.

In spite of the multiplicity of regional agreements, there remain numerous barriers to trade, and national reports generally underline the low impact that these agreements have had so far. However, the experience of some countries reveals situations where the removal of trade barriers has brought about positive effects on trade among regional trading partners.

The harmonisation of freight rates within the framework of the PTA, the introduction of travellers cheques to facilitate trade and tourism among PTA countries, and the removal of restrictions on the free movement of people and capital among ECOWAS countries, constitute initiatives that reflect the will to eliminate obstacles to regional trade, including trade in services.

Political barriers are often an important factor which reduce the expected impact of African regional cooperation agreements.

The most significant example was the failure of the East African Community which included Kenya, Tanzania and Uganda. This Community was created on the basis of developing and jointly managing main services such as railways, air transport, posts and telecommunications, ports and maritime transport.

Besides political barriers, the limited impact of regional integration agreements can be attributed to the internal weakness of national economies, including infrastructural constraints, a non-existent or weak private sector, and deficiencies in countries' regulatory systems.

Finally, conceptual inadequacies in cooperation agreements also play a part in reducing their impact. Most of the earlier treaties did not include provisions relevant to the integration of services such as the free movement of capital and labour, the right of establishment or national treatment.

Conclusion

A general observation seems appropriate by way of conclusion. The link between the analyses presented in the national reports and the policy recommendations needs to be sharpened. In this first phase of CAPAS, the national reports have failed to go from the descriptive to the prescriptive.

Indeed, one of the limitations of most reports lies in the failure to distinguish between legal and regulatory provisions as they exist 'on paper' and the enforcement of such provisions. For example, the reports stress the seemingly paradoxical tendency towards more deregulation and competition in the service sector at the same time as the continuing protection of public service monopolies.

The second phase of CAPAS, concentrating on sectors which are still under negotiation within the GATS such as telecommunications, financial services and the free movement of individuals, will enable each country better to define its negotiating basis and its commitments in the services sector within the World Trade Organisation.

When all is said and done, the aforesaid demonstrates that the services sector is an element of considerable importance in economic activity and that it has much more impact on both the domestic and foreign status of African countries than is generally admitted.

For a number of these countries, the services sector is the most important area of the economy, sometimes accounting for more than half of GDP. In the majority of cases, however, it represents only a traditional, undynamic and inward-looking element.

In terms of commercial exchanges, African countries overall are largely in deficit, particularly as regards investment income and the maritime freight sector.

The few countries with a positive balance of payments are those deriving income from tourism or from work by migrants. Some countries also earn considerable income from services in the field of transport, particularly in the ports sector.

Although African decision-makers acknowledge that economic cooperation and integration are decisive factors in accelerating the process of development in that continent, joint initiatives in the services sector still require further attention and fail to operate in many integration programmes.

In the context of current multilateral discussions, which acknowledge the right of African countries to define and adopt rules relating to regional or subregional integration and cooperation, it is high time that these countries seized the opportunities available in the form of international aid. In this way, they can develop programmes in the services sector that support the process of regional integration. N.L.

Services potential in the Caribbean

by Dr Marie Freckleton*

The rapid expansion of global trade in services currently being witnessed provides timely opportunities for Caribbean counties to diversify their exports, attract increased flows of foreign investment and create new employment opportunities. Exploiting these will require substantial investment in human resource development and the upgrading of physical infrastructures needed to support the service sector.

Diversification of exports is vital to the development of the region's small fragile economies and the services sector is a new growth area. Global trade trends are weighted against the Caribbean countries' traditional narrow range of exports. These include sugar, bananas, light manufactures, bauxite, petroleum products and tourism. Exports of sugar, bananas and manufactured products are dependent on preferential trade arrangements.

But these preferences, the mainstay of many Caribbean economies, are slowly being whittled away. The reduction of tariffs under the Uruguay Round of the General Agreement on Tariffs and Trade (GATT) has reduced the preferential margin enjoyed by Caribbean countries under various arrangements. These include the Lomé Convention, the Caribbean Basin Initiative (CBI) and Caribcan, which grant preferential access to the European, United States and Canadian markets respectively.

In addition to the erosion of preferences, the region faces uncertainty over the continuation of preferential access to the European market for bananas. This follows attacks by the United States against the EU's banana regime, and doubts over whether the duty-free access for the Caribbean's Lomé members will remain in place after 2002, the expiry date for the EU's regulations on the Single Market banana arrangements. This is of major concern to countries such as St Lucia, Dominica, St Vincent and Grenada, where bananas are a major export crop. For example, in the case of St Vincent, banana exports accounted for 55% of total export earnings in 1994. Prospects for the region's agricultural and manufactured exports are not very good given the low likelihood that the region will be able to compete in the absence of preferential treatment. Caribbean countries therefore need to move quickly to develop new exports.

Future in services?

The potential for the development of services in the Caribbean region is quite good. The services with the most potential appear to be tourism, data processing and financial services (banking and insurance). Other services with some prospects include health care and consultancy services.

Tourism has grown rapidly in many countries of the region. In 1993, tourist expenditure in Caricom countries totalled $4.2 billion. In the case of Jamaica, earnings from tourism increased from 30% of total exports of goods and services in 1980 to 53% in 1994. There is scope for further expansion in the region. One possibility is the development of eco-tourism. Caribbean tourism has traditionally been marketed as 'sun, sand and sea'. Consequently, little attention has been paid to selling

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Packing bananas
Global trade trends are weighted against the Caribbean countries' traditional narrow range of exports

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the other environmental features of the region. However, the physical beauty and diverse flora and fauna of countries such as Dominica, Guyana, Belize, Trinidad and Jamaica offer opportunities in this area. In addition to developing eco-tourism, there is scope for increasing visitor arrivals from Europe and Japan. Presently, North America is the major source of visitors to the region.

Literacy rates in Caribbean countries are high, ranging from 90% in Belize to 99% in Barbados. These figures, together with good telecommunications services and relatively low labour costs suggest that Caribbean countries should have a comparative advantage in the development of data-processing services. Some countries — Barbados, Jamaica and Saint Lucia — have already embarked on the development of such services. This process has been assisted by investment incentives which have attracted foreign investors. Close proximity to the large United States market is an added advantage for the countries of the region.

Financial services, telecommunications and people

There are also prospects for the development of financial services based on a fairly well-educated workforce and good telecommunications services. Barbados and some of the smaller Eastern Caribbean islands have already attracted some offshore financial business while other countries, such as Jamaica and Trinidad & Tobago, have potential in this area. However, an important requirement for the development of financial services in the region is the strengthening of the regulatory framework governing the sector. This is necessary to promote investor confidence.

The region has a pool of well-trained health care workers which offers opportunities for trade development in the sector. Caribbean countries have traditionally exported health care workers, mainly to North America. The development of trade in health care services could lead to improved earnings for workers in this field, thereby reducing the incentive to leave the region. There is also the possibility of establishing linkages between the tourism industry and the provision of health care services.

In addition, there is a growing pool of highly trained professionals offering consultancy services to international clients. This has already taken off on a small scale in Jamaica, Barbados and Trinidad & Tobago.

Constraints

A major factor holding back the development of trade in services in the region is the shortage of funds to upgrade the physical infrastructure (electricity, transport and water) and to invest in the development of human resources. A number of Caribbean countries are struggling with budgetary problems and low levels of private investment which will make it difficult to mobilise significant sums for the upgrading of dilapidated infrastructures.

The weak regulatory capacity of some Caribbean governments also poses a problem. Institutional and technical capacities to regulate economic activity are weak and underdeveloped in many places. However, effective regulation of monopolies is necessary to promote efficiency and competitiveness in the provision of services.

In the case of financial services, effective regulation is vital to promote investor confidence. Monopolistic practices in some service industries in the region threaten efficiency and competitiveness. The problem is most marked in the telecommunications sector which is dominated by monopolies. The cost of telecommunications is one critical factor in the competitiveness of services such as data-processing and banking. Caribbean governments therefore need to strengthen their regulation of monopolies as well as encourage competition, where possible. The establishment of a Fair Trading Commission in Jamaica is a step in the right direction.

Expansion of tourism is constrained by the threat of environmental degradation. This is particularly so in some of the smaller islands where rapid growth of the industry has placed pressure on the environment. In Dominica and St Vincent, there is also the problem of inadequate access by air due to the inability of small airports to accommodate long-haul jet aircraft. Insufficient hotel capacity and dilapidated infrastructures also militate against tourism expansion in Guyana.

There are other obstacles to the development of trade in services in the region. Restrictions on the movement of persons, on the granting of national treatment to foreign firms, and on entry of some service industries need to be eased in order to promote the sector.

Impact of future liberalisation

Liberalisation of trade in services offers potential benefits for the region. These include increased export earnings, higher foreign investment, greater competition and improved efficiency. In order to reap the full benefits of the future liberalisation of trade in services, Caribbean governments need to invest in upgrading the workforce's skills, strengthen competition policy, introduce legislation to protect intellectual property rights and modernise the physical infrastructure that is needed to promote the development of services. The main drawback of liberalisation is the possibility of inefficient producers going out of business due to their inability to compete with international firms. Caribbean producers of services therefore need to improve their efficiency in order to minimise this possibility.

M.F.

DOSSIER

What do ACP nations have to win — or lose —from global liberalisation of services?

Renato Ruggiero, Secretary General of the World Trade Organisation (WTO), which is driving greater international liberalisation in the sector, replied in writing to our questions.

■ *What is encompassed by trade in services?*

— In principle, all services which can be supplied outside the domestic market of the provider. This covers an enormous range of activities: architecture and design, telecommunications and data processing, accounting and management consultancy, banking and insurance, transport and the variety of services provided by the travel and tourism industry.

■ *Are services a global growth area*

— Services exports, currently amounting to over one trillion US dollars or 21% of world trade, are growing fast and could equal or even overtake merchandise within ten years. According to International Monetary Fund (IMF) statistics, for example, the average growth in services trade between 1980 and 1992 was 8% compared with 5% for trade in goods.

■ *How far does the Uruguay Round's General Agreement on Trade in Services (GATS) go towards liberalising global trade in services?*

— The GATS, which came into force on January 1 1995, not only provides for the first time a set of multilateral rules for the conduct of the services trade, but also simultaneously creates a framework for continuing liberalisation. At the end of the Uruguay Round, over 100 countries accepted schedules of legally binding commitments to ensure that services markets in the whole range of sectors will be open to foreign suppliers to compete on a fair and equitable basis. Where discrimination and market access restrictions still exist, they have been identified and catalogued, and will be subject to liberalisation in future negotiations with the aim of achieving progressively higher levels of liberalisation. The first such negotiations will begin before the year 2000.

■ *Were you disappointed by its apparently limited outcome?*

— Not at all. GATS covers all trade in services. And because the market access negotiations involved well over 100 governments around the world, commitments to liberalise realistically had to take into account the individual economic and other priorities of countries of varying levels of economic development. Where there are limitations, these are clearly identified and multilaterally recognised. Moreover, there is a firm commitment by all governments to progressively eliminate these limitations through on-going negotiations. We made a good start, but only a start. As with trade in goods under GATT, we will need to work towards ever higher levels of competition and openness.

■ *It is commonly argued that trade in services benefits industrialised countries over developing ones. Is this true?*

— The principal beneficiaries of the liberalisation commitments are efficient suppliers of services in both developed and developing countries who will gain from more open and secure markets that the commitments will produce. The specific gains to be derived by developing countries in terms of increased exports of services will, of course, depend on the level of development of their service industries. And the more sophisticated the service industries become, the more it will help to attract foreign direct investment for developmental needs. Tourism, for instance, is one sector which holds great potential for developing countries. The largest category of commercial services consists of international tourism receipts, accounting for more than one-third of total services trade.


The Courier

Renato Ruggiero, Secretary General of the World Trade Organisation

■ *Will developing countries lose out for example in the liberalisation of trade in financial services?*

— Developing countries should be among the biggest beneficiaries of the liberalisation of trade in financial services. It is this realisation which has induced certain ACP countries to participate actively in the Uruguay Round negotiations in this area and make significant commitments. Although it may take time for financial services suppliers in these countries to be able to take advantage of the more open and secure markets provided by the commitments of other countries, the opportu-

Tourism (in Gambia)
'A sector which holds great potential for developing countries'

nities are there. Meanwhile, users of the services will benefit from foreign suppliers entering the domestic markets, enhancing general economic efficiency. Foreign direct investment and other capital inflows will be induced through the greater stability and security that the Agreement provides. Technology from abroad should help in the development of efficient and sophisticated financial markets which will help in fulfilling the development needs of these countries.

■ *What potential is there for ACP countries to develop their trade in services under the GATS accord?*

— There is significant diversity within the ACP group, so it is not easy to make generalisations. However, the creation of multilateral disciplines on measures affecting trade in services has created significant potential for all countries. First of all, the GATS has more or less eliminated the scope for discrimination between trading partners, so ACPs are now assured of 'Most Favoured Nation' treatment in all export markets. Secondly, the trading environment has been made more secure thanks to the binding nature of many measures which affect market access and competitive conditions for services suppliers. Finally, the steps taken towards trade liberalisation are likely to encourage the development of services trade according to the pattern of comparative advantage.

■ *What are the minuses in that agreement for ACP nations?*

— The only 'minus' that I can think of is that we have not made faster progress towards trade liberalisation under the agreement, which, I must emphasise, is already a step in the right direction. Even though many restrictions on trade have been removed, a large number still remain in place. Furthermore, negotiations in important areas like basic communications and maritime services are still continuing. It is, however, important to remember that a country benefits not only from liberalisation with its trading partners, but perhaps more so from its own liberalisation. ACP countries are no exception.

■ *Will cultural monopolies surface in opening trade in the audiovisual sector such as the American audio-visual monopoly?*

— No government is obliged to open its market for any particular service, so GATS members wishing to take measures to safeguard their audiovisual industries are perfectly free to do so. Countries can maintain and develop national measures to preserve pluralism in the media. At present there are 13 countries, including some of the largest, which have offered market access and national treatment in this sector.

■ *What is WTO's agenda to open up further trade in services, in particular to the benefit of ACP nations?*

— Article XIX of the GATS calls for successive rounds of negotiation with a view to achieving a higher level of liberalisation. As I have said, the next such round is to begin no later than January 1 2000. Article IV of the GATS stipulates that increased participation of developing countries in world trade shall be facilitated through specific commitments. These relate to the strengthening of their domestic services capacity, improved access to distribution channels and information networks, and liberalisation of market access in sectors and modes of supply of export interest to them. Special priority is to be given to least-developed countries.

■ *Do you foresee ACP countries being able to compete in the field of services with industrialised nations as services are gradually liberalised. Which services have the most potential to increase export earnings of ACP states?*

— Again, I hesitate to make broad generalisations for such a diverse group of countries. There is no doubt that in time ACP countries will be able to compete in the provision of a wide range of services. Meanwhile, there are certain services, such as tourism, from which many ACP countries are already obtaining significant export earnings.

Interview compiled by D.P.

DOSSIER

Implications for developing countries of liberalised financial services

The increased flow of foreign direct investment (FDI) into the developing countries in recent years was a powerful enough incentive to sustain the latter's interest in the long negotiations that led to the conclusion in July 1995 of the General Agreement on Trade in Services (GATS). The United States' reticence and final withdrawal did not prevent a large number of countries from making improved offers that helped clinch the deal. They were certainly encouraged by the EU's steadfastness but equally enticed by the gains they anticipated.

According to recent data issued by UNCTAD, the flows of FDI into developing countries between 1992 and 1994 rose, on average, by 24% as against 8% for the developed countries. Although down from the 40% achieved in 1993, the boom is continuing — a trend that has also been observed by international fund managers in what has been described as 'the emerging stock markets' in the developing countries. The reasons are not too far to seek. Over the past 10 years, most developing countries have pursued a liberalisation policy under structural adjustment programmes, involving the relaxation of foreign exchange controls and privatisation of state enterprises. This has opened up their economies to foreign investment in an unprecedented manner. Furthermore, it has come at a time when transnational corporations (TNCs) are, in any case, increasingly choosing to move some of their activities to the developing countries, as part of their global strategies of production, distribution and cost-cutting.

These figures have to be taken with caution though. The flows have been and remain unevenly distributed. Asia accounts for nearly 60% of the investments with China alone responsible for as much as 33%. South America accounts for 30%. Africa's share remains dismal — 6% between 1991 and 1993 as against the 12% it achieved in the early 1980s. Between 1981 and 1992, only Nigeria in sub-Saharan Africa featured high in the league of developing countries host to foreign direct investment (11th with $5.1bn of the total of $280.5bn). It should be acknowledged, however, that some smaller countries like Seychelles, Ghana and Equatorial Guinea, attracted investments commensurate with the size of their economies. The least developed countries as a group have continued to fare badly. Their share of total developing countries' financial flows declined from an annual average of 2.1% in 1986-1990 to 0.6% in 1992.

Lessons learned

Two fundamental lessons have, however, been learned in recent years: first that countries with stable economic growth like China, Singapore and Mexico attract more investment and second, that liberalisation for its own sake does not necessarily produce the desired results. This was clearly illustrated by the disastrous liberalisation experiments carried out by Chile, Argentina and the Philippines in the late 1970s and early 1980s. In these countries the changes resulted in huge capital outflows, contributing in no small measure to increases in their foreign debt. Their experience underscored the pernicious effect of financial deregulation in countries where there are high levels of corruption [1]. In such countries, local branches and subsidiaries of large multinational banks often serve as conduits for capital flight and other evasionary activities like 'back-to- back' loans. [2]

Monetary control and credit allocations are essential tools of economic management, the sovereignty over which no developing country would willingly relinquish. At the same time, it is recognised that market forces are superior to quantitative restrictions as instruments of management and allocation of resources. As the basic tenet of the IMF, and one which also underlies the principle of the GATT, liberalisation in financial services appeared to be fraught with difficulties at the beginning of the Uruguay Round, when the OECD countries began advocating removal of restrictions on capital transfers.

The GATS reflected not only the positions of both the developing countries and the OECD in these areas, but also the complexity of the financial services issues involved — market access and non-discrimination, protection of infant industries, application of Most Favoured Nation (MFN) treatment, prudential regulation and so on. Two annexes to the Agreement, including an Understanding on Commitments, deal with the application of the GATS principles to financial services — the latter defined to include a range of activities in insurance, banking and securities as well as consulting and broking. The annexes give considerable autonomy and flexibility to countries in interpreting the rules. It is recognised, for example, that a country may take prudential measures to protect 'investors, depositors, policy holders or persons to whom a fiduciary duty is owed by a financial service supplier, or to ensure the integrity and stability of the financial system'. It may also 'improve, modify or withdraw' any specific commitments it made on its schedules within the framework of the

[1] Huge amounts of money, the bulk of which were fraudulently acquired, are believed to have been illegally transferred out of these countries in the new atmosphere of liberalism.

[2] Loans contracted with local affiliates using foreign bank deposits as collateral and whose interest rates are just mark-ups on the interest rates of the deposits.

Understanding on Commitments in Financial Services.

The USA's reluctance to accept a multilateral track in financial services, and its preference for MFN, led to members being given a deadline within which to indicate changes to their commitment schedules — six months after the entry into force of the World Trade Organisation (WTO) — with the hope that the US would by then have changed its stance and opted for multilateralism. American adherence was seen as vital if other nations were not to downgrade their offers. Indeed, many thought the survival of the agreement depended on the United States. These fears have proved unfounded. In June 1995, less than two months after negotiations resumed under the auspices of the WTO for new improved commitments, the US announced its definitive option for MFN for the whole of the financial services sector. The EU promptly intervened. At its suggestion the deadline for negotiations was extended and talks continued without the US until the end of July 1995 when a deal was clinched.

Some 76 WTO members made commitments in the financial sectors — 30 reportedly improving their offers during the later stages of the negotiations. Commitments may vary, but together they already represent a significant degree of liberalisation. There are commitments, in some cases, 'to increase the number of licences available for the establishment of foreign financial institutions; guaranteed levels of foreign equity participation in branches, subsidiaries or affiliates of banks and insurance companies; removal or liberalisation of nationality or residence requirements for members of the boards of financial institutions; and the participation of foreign banks in cheque clearing and settlement systems,' according to a WTO press release issued after the July 1995 agreement. And although the agreement initially lasts only until 1 November 1997, thereafter, member countries can, within 60 days, modify or improve their offers. More talks are envisaged and these are expected to provide opportunities for further liberalisation.

Expectations

In principle, the agreement enhances market possibilities for potential financial services exporters. In the coming years, more foreign banks, securities firms and insurance companies are expected to invest in developing countries. The advantages are obvious for those with relatively large economies. As well as increasing financial transactions, notably in the grant of loans, the presence of foreign institutions will lead to greater competition and better terms and services for customers. It will bring about new ways of doing things, for example, in popularising modern payment methods such as credit cards and cheques, and encouraging the use of the latest computer technologies. It will also create new complementary businesses for domestic banks.

The overall positive impact on international trade cannot be underestimated —not just in terms of banking but also in insurance. For one thing, it should lead to a reduction in premiums, particularly in countries where companies are currently required to take out commercial insurance from national firms. In these countries, insurance premiums are much higher than those available on the world market, and the policies are often inadequate, forcing traders to take out complementary insurance elsewhere. Indeed, national insurers themselves are sometimes forced to reinsure on the international markets to cover their own risks, thereby adding costs to goods. In the first half of the 1980s, nearly half the goods that entered and left the developing countries were insured twice, resulting in an additional cost of $3.7 billion, according to UN sources.

There is no doubt that if global liberalisation of financial services is to have its desired impact on the developing countries, and in particular on Africa, it must be accompanied by domestic policy changes — political, economic and institutional. The political environment must be right. It needs to be stable (preferably democratic) and characterised by transparency and accountability in order to avoid the kind of capital flight that was witnessed in the Philippines, Chile and Argentina in the 1980s. In this regard, the current wave of political reforms in Africa is welcome. The macro-economic indicators such as the inflation and exchange rates must also be right. A good number of African countries are, to a great extent, on the right track with their structural adjustment programmes.

An attractive fiscal regime and transparent, non-discriminatory investment codes must be adopted. These have proved inadequate in past, but a number of Africa countries are making renewed efforts with positive results. The Ghana Investments and Promotion Centre (GIPC), for example, reported recently that between January and September 1995, Ghana received foreign direct investments worth $125 million as result of a new investment code which saw the business sectors reserved for Ghanaians reduced from 22 to four and the minimum equity requirement for joint ventures between foreigners and Ghanaians fixed at only $10 000. The GIPC forecasts an annual financial inflow of $100 million. In Nigeria, similar incentives on foreign equity participation are on offer in a new investment code.

Portfolio equity investments in the developing countries as a whole, which barely existed in the 1980s, reached $14 billion in 1992. In sub-Saharan Africa, they are increasing appreciably as more and more companies are listed in domestic stock markets. Excluding South Africa, there are now some 14 stock exchanges in the region with a total capitalisation of $20 billion. South Africa is in a league of its own, with a stock exchange worth $236 billion. The hope is that this country could act as an investment pole for the whole of sub-Saharan Africa. It goes without saying that privatisation programmes on the continent must be pursued.

Finally governments need to improve infrastructures, particularly transport and communications, which are absolutely necessary if Africa is to be integrated effectively and profitably into the global economy.

Augustin Oyowe.

DOSSIER

Temporary movement of persons

by Professor Bimal Ghosh*

As Western governments impose tougher restrictions on the hiring of temporary workers from developing countries, the author argues for greater open mindedness. The global economy, he suggests, is boosted and the urge to migrate is lessened.

Currently valued at over $1000 billion, commerical services account for some 20% of world trade. For over a decade, and until 1994, services have also been the fastest growing component of cross-border trade, faring better than trade in goods. And these figures will substantially increase if account is also taken of the services that are delivered by subsidiaries or affiliates of transnational companies set up in foreign markets.

Trade in services will certainly receive a further boost in the coming years as the General Agreement on Trade in Services (GATS), an integral part of the Uruguay Round of trade accords, opens up prospects of a further expansion of world trade in services through market liberalisation. A crucial question facing developing countries is : will they benefit from the anticipated expansion of world trade in services envisioned under GATS ; and if so, how and to what extent ?

As of now, few developing countries are major actors in the services sector as producers or suppliers in the world market. In 1990 they accounted for 12.9% of the export of commercial services, compared to 83% for developed countries. The shares of both Africa and Latin America over the past 20 years have actually gone down. In 1970, Africa's share for example was a meagre 1.2%. In 1990, it took a further tumble to 0.9%.

Not surprisingly, there has been a general feeling among policy-makers in many developing countries, as was revealed for example during the earlier stages of the Uruguay Round trade negotiation, that these countries have little comparative advantage in the world market for service industries. The feeling, although less strong today, seems to persist.

The challenge for developing countries

But this pessimism is not borne out by the facts. Available balance-of-payments data, for example, tend to suggest that many developing countries have a comparative advantage [1] in a number of service industries, especially among those that are labour and skill or knowledge intensive.

Comparative advantage is not a static phenomenon. The experience of several newly-industrialised East Asian economies — among the leading service exporters in developing regions, shows that constant upgrading of the quality and technical capacity of labour of many developing countries can develop their potential comparative advantage in a wide variety of labour (including skill and knowledge intensive services). These include engineering, accounting, legal, management consulting, medical nursing, software development, data entry and processing and cleaning services.

The gains for developing countries from a dynamic use of such potential comparative advantage could be enormous. As an illustration, according to a recent estimate, by contesting *only* those skill and knowledge intensive services in the world market for which developing countries have a potential comparative advantage, and which can be delivered mainly through telecommunications, they can over time create anywhere between 6 million to 30 million new jobs and increase their export income by $350 million. These figures do not take into account the additional gains that can be secured by developing countries through, for example, the execution of specific labour service contracts in the absence of immigration restrictions. In 1990, despite immigration restrictions, developing countries earned a net income of $2.9 billion from the export of temporary labour services [2].

The challenge before developing countries is to take full advantage of their actual and potential comparative advantage in these categories of services exports. Two sets of measures are required.

The first concerns promotional and organisational measures needed to enhance the efficiency and competitiveness of developing country services exports. These include a favourable policy and regulatory regime, a sound and dynamic export trade organisation, a trained and flexible work force and an efficient telecommunications system. Much depends on the developing countries' own overall policies concerning services trade and industries, based on the acceptance of the view that increased interaction and competition within and between economies can be conducive to their economic gains.

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[1] The revealed comparative advantage (RCA) index is the ratio of exports of a given export item to a country's total exports divided by a similar ratio for the world. An RCA index above unity suggests that the country has a comparative advantage in a sector resulting from its relative specialisation in it. See Bernard Hoekman and Guy Karsenty, 'Economic development and relative specialisation in services', Development Policy Review, 10 September 1992, pp 211-236.

[2] Labour income includes wages, salaries and other compensation received by individuals working abroad for less than a year. In 1990, total labour-related income, which includes labour income, migrant transfers and workers' remittances, amounted, on a net basis, to $36.7 billion for developing countries

The world's main importers and exporters of labour
(taken from the UNCTAD Pocket Statistical Yearbook, 1994)

Country	Export of labour services (million $) 1980	Export of labour services (million $) 1992	As % of exports of goods and services 1980	As % of exports of goods and services 1992	As % of imports of goods 1980	As % of imports of goods 1992	Country	Imports of labour services (million $) 1992
Major exporters							**Major importers**	
Egypt	2 696	6 122	41	50	40	69	Saudi Arabia	25 400
Turkey	2 071	3 008	56	12	2	13	Germany	21 900
Mexico	333	2 625	2	6	2	5	Poland	11 496
Philippines	626	2 538	8	15	8	17	USA	8 710
Morocco	1 054	2 170	32	33	28	32	Switzerland	8 517
Pakistan	2 038	1 56	62	18	37	16	France	7 979
Thailand	383	1 126	4	3	5	3	UK	7 934
Venezuela	0	1 018[a]	0	6	0	8	Japan	6 260
Bangladesh	339	912	31	34	14	27	Hungary	3 944
China		881		1		1	Belgium and Luxembourg	2 893
Jordan	794	844	47	30	37	28	Netherlands	1 827
Korea, Republic of	105	710	0	1	0	1	Kuwait	1 740
Colombia	106	646	2	7	2	11	Venezuela	1 717
Tunisia	319	578	10	9	10	10	Italy	1 697
Malaysia	82	559[a]	1	1	1	2	Finland	1 325
Syria	774	550	30	12	19	19	Singapore	1 194
Sri Lanka	152	548	11	18	8	18	Oman	1 157
Lesotho	268	463[a]	74	72	63	50	Bahrain	1 084
Singapore	162	362[a]	1	0	1	1	Israel	914
Dominican Republic	183	347	14	16	12	16	South Africa	876

Sources: UNCTAD secretariat computations based on IMF, *Balance of Payments Statistics.*
Notes: Labour services include labour income and workers 'and migrants' remittances.
[a]Includes other private transfers.

The importance of temporary movement of persons

An equally important requirement is the removal of restrictions that impede access of developing countries' service exports to international markets. Market access through opportunities for temporary movement of persons has particular importance. For pure labour services, the mainstay of the service exports of several developing (including ACP) countries, the movement is in fact inseparable from the content of the service itself. And for many labour and skill-intensive services, it serves as an important sub-mode or complementary mode of delivery. Movements of software consultants complementing cross-border delivery of computer software and short visits of high level professionals or technicians to complement delivery through local subsidiaries or transnational companies, are but a few examples.

Hence, even for the skill-intensive 'long-distance' services, which are mostly delivered through telecommunications and computer systems, a degree of direct interaction with the customer is often critically important — for example, to secure the contract, to hold technical consultations and to provide after delivery services and the like.

The GATS opens up a new window of opportunity in this direction. It seeks to expand world trade in services by liberalising all modes of delivery — not only through cross-border supply — such as telecommunications and transportation — and commercial presence abroad such as the branch of a banking company, but also through movement of persons both as service providers and consumers. Thus, for the first time, trade-related movements of natural persons have been brought into an agreed framework of multilateral disciplines and treated on a par with other modes of delivery. This is a significant achievement.

Gaps between goals and commitments

But none of this is automatic. The overriding reason for this is that the GATS allows considerable flexibility for the participating states in applying the general principles of liberalisation by listing limitations and exemptions to them. These are indicated in the 'specific commitment' of each government, decided through negotiations among the contracting nations

The liberalisation commitments of developed countries cover most service sectors. But they have shied away from lifting the often stringent restrictions on market access and national treatment they apply to the temporary movement of persons providing services, especially unskilled personnel. The gap between the goals of liberalisation and the depth of actual commitments is most striking in this area. As of December 1994, market access for such personnel was subject to limitations in 92% of all commitments.

Generally speaking, market liberalisation commitments of developed countries in services in natural persons amount to no more than what is already permitted under existing immigration laws in individual countries. These have remained limited mainly to executive and other senior level personnel in the form of intra-company transfers. Some limited improvements were brought about as a result of new offers made by five contracting parties — Australia, the European Union, Norway, Switzerland

and India — just before the extended deadline for negotiation of the issue expired on 28 July 1995. But overall, the situation remains unchanged.

Nevertheless, negotiated commitments under the GATS have their special value in so far as they cannot be withdrawn in return for compensation and only under certain other conditions. The more predictable access thus opened for natural persons, even if limited mainly to intra-corporate senior personnel, should encourage dynamic developing countries to strengthen their knowledge and skill-intensive service industries and increase their exports through corporate and similar structures.

Since the negotiated commitments of developed countries offer little new by way of market access for unskilled workers, the immediate benefits for the least developed countries will remain limited. They will thus need special attention and assistance in negotiating wider market access for less skilled workers. Automation and technological change will in any case erode some of the comparative advantage of less skilled labour over time. It is hence particularly important that higher value added services are developed. Multilateral economic and technical cooperation, including the Lomé Convention, can play a significant role in this context, especially during the transition. So too can the assistance envisaged under the GATS itself, notably for telecommunications.

Other avenues of action are possible. A number of commitments on services-providing natural persons, leave considerable discretion to immigration and labour ministries. This provides immediate scope for intensifying bilateral or plurilateral negotiations on further liberalising the regime for entry and temporary stay of foreign natural persons supplying services. The results of such negotiation can be multilateralised at a later date.

Another important point to note is that the present commitments under the GATS provide the basis on which to build progressive liberalisation through successive rounds of negotiations, beginning not later than the year 2000. Developing countries thus have a continuing opportunity to prepare for it, making full use, if necessary, of multilateral and bilateral technical assistance.

Paying a visit to the bank in Niger
The expansion of trade in services should help developing countries to improve the performance of their own service sectors

Trade-related movements and migration management

Increased participation of developing countries in services trade has important implications for migration management. As trade in services expands, improved foreign exchange earnings and increased capacity to import critical production inputs, combined with economies of scale and interaction with the outside world, would help these countries to further improve the performance of the services sector.

Manufacturing and other sectors of the domestic economy, in turn, gain in efficiency from an easier access to services inputs, especially those of producer and business services. More and better jobs are created, with the whole economy moving towards an upward swing.

When this happens and people have a more optimistic perception of the future performance of the home country economy, many of those who might have otherwise been compelled or induced to leave the country due to lack of jobs or better opportunities are likely to remain in the country. Pressure for disorderly migration, including skilled migration, declines. Some of the skilled migrants might even return, as is now happening in several East Asian countries.

True, increased trade in labour and skill-intensive services will imply increased temporary movement of persons. But this should not be confused or equated with longer-term migration for employment or permanent settlement.

The GATS (Article XVI and Annex) makes the point clear. Admittedly, there is a risk of some 'leakage' in the form of temporary service providers becoming permanent migrants, but the risk is limited and can be reduced through effective monitoring, including an internationally harmonised visa regime for trade-related movements, as distinct from long-term migration.

Trade-related temporary labour mobility not only enhances global economic efficiency but, on balance, it can also be largely a substitute for longer-term migration. Nations should give full consideration to both these aspects as they engage themselves in further negotiations on trade-related movement of persons.

B.G.

DOSSIER

New realities for national shipping in Africa

by John Prescott

In this article, the author, who is a staff feature writer for Lloyds List, the international shipping and trade daily, looks at the future for African shipping companies. He argues for a relaxation of state control in order to reap the benefits of the World Trade Organisation's (WTO) General Agreement on Trade in Services (GATS) and more specific liberalisations under the aegis of the World Trade Organisation.

There was a time when a national shipping line was an almost *de rigeur* adjunct for newly independent states of Africa and Asia. Fewer more visible and prestigious ways were available to assert one's new status in world commerce than by creation of a flag carrier, regardless of whether trade merited such huge investment or whether the necessary expertise was at hand. Too often, governments allowed themselves to be seduced in this way. There was more to it than pure status, however. A national shipping line was frequently seen as a useful foreign currency earner. It could also be an attractive source of employment for a struggling economy, and a carrier for national cargoes.

More questionable was the practice of using the national line as an instrument of patronage. Governments often clung to the idea that nationalised shipowning could be a panacea for any number of ills and it has taken time for the reality — that little profit and less glamour is attached to shipping these days — to penetrate.

One of the cornerstones on which national lines hoped to build their future was the UNCTAD liner code, which promised protection from foreign competition under its 40-40-20 provision — 40% for the national flag fleet, 40% for the trading partner's fleet and 20% for others. But though the liner code might have helped some national carriers in the early years, it was disliked, especially by the industrialised world, as a barrier to free trade, and its cargo sharing ideals were often ignored or simply became irrelevant.

Ultimately, the code was swept out in 1992 by the Cartagena Commitment under which UNCTAD, the UN body, was told to foster competitive services in developing countries and encourage ideas of the open market and the private sector as the best way of helping Third World nations.

State carriers sinking

In Africa, the inefficiencies of state carriers and aid donors' requirements for abolition of cargo preference have spelt the end for several nationalised companies. One of the latest to go has been the *Nigerian National Shipping Line*, which, after long decline is now in voluntary liquidation. It has been said that NNSL never even approached 10% cargo share, let alone 40%.

Another casualty, *Societé Ivoirienne de Transport Maritime (Sitram)*, was wound up as part of the restructuring and liberalising of Côte d'Ivoire's shipping industry. The company, whose cumulative losses reached $24 million last year, was liquidated by the debt-laden government under pressure from the World Bank, in return for a $100 million loan.

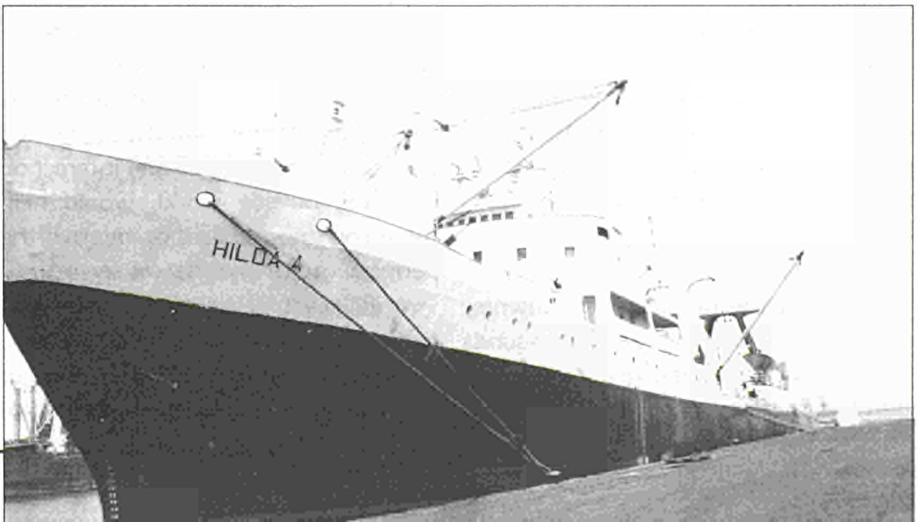
The position of Ghana's *Black Star Line* illustrates the other pressure that some state-owned shipping faces, namely the threat of having ships commandeered by government. Black Star is down to two ships anyway, but has had to cope with military requisitioning.

Where do these discouraging experiences leave flag carriers and their governments as they try to wrest some benefit in international trading conditions that are, if anything, becoming more hostile by the year? It could be argued that the trading environment for developing countries has improved as a result of the Uruguay Round of the General Agreement on Tariffs and Trade (GATT). This gave rise to the creation of the World Trade Organisation at the beginning of 1995 and it is the WTO's intention that the new GATT agreements should benefit a much wider circle of nations than previously.

'The setting up of the WTO marks a giant step towards the full integration of all countries, whatever their level of development, into a global trading system of shared commitments,

Less state control should mean a more buoyant future for ACP shipping

The Courier



shared rules and shared opportunities,' said WTO Director General, *Renato Ruggiero*. The WTO says improving the trade of least-developed countries in Africa is a priority. According to Mr Ruggiero : 'I am confident that (WTO) is also creating new possibilities... to improve the participation of African and other least-developed countries in the fruits of economic growth.'

But while encouraging, such sentiment will take time to translate into real trade and then manifest itself in tangible results for the shipping industry. Taking the WTO's own figures, Africa's trade stagnated or declined in the years 1990-1994, while world trade — exports and imports — grew 5% annually.

The question the WTO will have to address is if UNCTAD failed with a liner code aimed specifically at securing cargo shares for national lines, can the GATS do any better? One answer will almost certainly be that if shipping in developing countries is to see a resurgence, it will at least, have to have disciplined management and be capable of investment in modern tonnage.

Future in private hands

With a track record littered with failures, nationalised shipping in Africa, at first sight, seems to have an uncertain future. A more likely route is the emergence of private or part state-owned shipping companies which will be more responsive to commercial demands and able to cope with competition and changing patterns of trade.

The process has already started in Nigeria where a new state shipping company, *Nigeria Unity Line*, has been created with the intention that 75% of the equity will be sold to Nigerian and foreign investors. A similar process is underway in Côte d'Ivoire where *Nouvelle Sitram* is being readied for eventual private investment.

As in many other industries, South Africa will be the powerhouse for shipping across much of the continent in the new millenium. It is almost certain that a major liner hub will be developed in the republic and flag carriers on both African coasts will have a golden chance to provide feeder services for national cargoes. They will be unable to capitalise on new opportunities, though, if they are shackled to governments which have other, political priorities. The day of the subsidised, cargo-protected national shipping line has passed. J.P.

Shipping and Fiji's sugar trade

by N. Singh*

Fiji's long-standing sugar trade with the EU is now threatened by an ageing shipping fleet. For Fiji to get the most out of this commodity, whose prices are aligned with the EU's own sugar price, a good, inexpensive shipping service from the far flung island is vital. Along with tourism, sugar continues to be the country's economic mainstay. Sugar export revenue accounts for 30-40% of total foreign exchange earnings. One quarter of the economically active population derives its income directly from sugar.

Fiji plans to develop and hold on to its long-standing market relationships, which include a special link with the EU. About 175 000 *tons tel quel* (mttq) of Fiji sugar is sold to the EU annually at preferential prices under the Lomé sugar protocol. Fiji is permitted to export an additional 50 000 mttq for the current delivery period to other EU countries, notably Portugal and Finland, under the Special Preferential Sugar Agreement, concluded on June 1 1995. And for the remaining five years of the six year accord, it will be able to export an annual minimum of some 30 000 mttq. It has also been agreed that ACP-EU discussions should be held before 1 January 2001 on the possible continuation of the Agreement. ACP signatories to Lomé's sugar protocol have already voiced concerns about the freight issue. The main worry is the increasing level of freight charges borne directly by ACP producers.

In 1992, the Commission's Transport Directorate General (DGVII) agreed to fund a study on ACP sugar transport costs. Undertaken by *TECNECON*, a British-based consultancy, its objective was to 'identify, where possible, measures... to alleviate the burden of inland and sea transport costs on ACP sugar industries and which would respond to the present and future needs of the ACP-EU sugar trade.' ACP nations received the final report of the study in February 1994. It revealed that transport costs borne by ACP suppliers, represent an average of 15% of the total guaranteed sugar price. ACP ministers recently agreed that the findings of the study be updated. Sugar cane is grown and milled in Fiji along its two main island coastal belts, minimising the need for land transport. Both road and rail are used to carry the raw cane to mills for crushing and processing, as well as for transporting it to the bulk terminals near the ports. The cargo size for shipments from Fiji ranges between 18 000 and 20 000 tonnes. Most exports are to the UK. Physical restrictions, particularly at discharge ports, continue to play a major role in determining ship sizes. Of greater concern is the lack of replacement building of suitable cargo-size ships and this will continue to cause long term difficulties. The problem of the ships' age is becoming very serious for the two most famous industry 'workhorses', the SD 14 and the IHI Freedom Mark1/Mark II vessels. These are usually single deck bulk carriers ranging from 20 000 to 25 000 mt deadweight. Additional insurance is now routine for ships more than 15 years old and the cost doubles for those still plying the waters after 20 yeras. Basic economics will obviously decide how long such vessels can continue trading. Profits to the shipowner have to be adequate to cover escalating maintenance bills, insurance and running costs. If not, these old ships will rapidly disappear from service. The upshot is that charterers such as Fiji will have continuing freight problems for years to come. Much hinges on the ability of older vessels to keep trading and be adequately maintained. The long term solution entails improvements to discharge facilities to give Fiji access to larger and more modern ships. N.S.

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State-owned airlines try to avert crash-landings

by Baffour Ankomah*

As competition in the aviation industry becomes fiercer, African national carriers — once considered as essential to statehood as an anthem and a flag — are finding it increasingly difficult to stay in the skies.

Without massive cash injections, better management and sounder policies, several carriers are likely to follow *Zambian Airways* into liquidation, leaving the runways free for private companies. Its December 1994 collapse followed the seizure of three of its aircraft and other assets by international creditors fed up with its failure to settle outstanding bills.

Out of the ashes, a partly private phoenix has risen : *Alliance,* a collaboration between South African, Tanzanian and Ugandan interests, which will link the three member nations and London, Dubai and Bombay. Its maiden flight took off in July 1995 with a cabin crew trained by *South African Airways (SAA).* Tanzanian Prime Minister, *Cleopa Msuya*, spelt out the lesson at the Alliance launch : 'With meagre resources, small national airlines are fast becoming a thing of the past. African nations can no longer afford to operate individual airlines in a highly competitive world market.'

With a few exceptions such as *Ethiopian Airlines* and SAA, African airlines are state-owned, badly-managed and hugely unprofitable. Many are run like government welfare agencies which survive on political patronage. The catalogue of woes also includes an ageing fleet which is increasingly expensive to maintain, lack of a common ticketing system and bizarre policies on fares which range from inordinately high (because of lack of competition in the home countries) to uneconomically low (demanded by governments because of poor conditions at home).

A recent United Nations aviation review was scathing about the continent's record : 'Airline companies are simply treated as an extension of the public administration or government departments under the control of politicians who allot key management posts as political favours without any consideration of merit. Africa's poor economic performance has further hindered the industry. Over the past 20 years, African airlines' share of global traffic has dwindled. In 1994, the continent's traffic volumes decreased by a further 4.2% even as the number of air travellers around the world increased by 7%.'

Some like *Nigeria Airways,* always a profligate spender, have tried to buy their way out of their problems by buying new aircraft. It purchased four Airbus A310s to augment its once-impressive fleet of Boeings, but succeeded only in pushing the airline deeper into the red to a point where it can no longer pay its debts. The Nigerian government would like to privatise the loss-making carrier but cannot do so because of its 'massive debts', according to Aviation Minister, *Aremu Yahaga*.

Even *Air Afrique*, one of the continent's most respected carriers, ran into severe problems, stemming in part from interference and squabbling amongst the 12 francophone West African countries which own it. In 1993, France saved it from imminent collapse by putting up 80% ($20.4 million) of its re-capitalisation. In the first ten months of 1994, it announced a $662 000 profit — the first for many years — in contrast with a deficit of $14 million in the same period in 1993. The international courier company, DHL, has acquired a 3% stake and a further $15.7 million is being sought from the private sector.

One reason to improve airline operations is to cash in on the World Tourism Organisation's predictions that Africa 'will be the region where tourism grows the fastest in the next few years.' But to capture the predicted increase in tourism traffic, African carriers will have to drastically revamp their operations. This will include mergers, the introduction of a common ticketing system, proper management procedures — and privatisation.

Cameroon is planning to privatise the loss-making *Cameroon Airways,* and Congo is privatising its internal operator *Lina Congo*. Another privatisation candidate is *Ghana Airways*, whose day-to-day management recently passed to Speedwing Consulting, a *British Airways* subsidiary. The Ghanaian government was impressed with *Speedwing's* success with Kenya Airways. In the five years before the Speedwing takeover in 1992, Kenya Airways ran a debt of $57 million. Although Speedwing raised fares by 107%, traffic increased. In 1994, for the first time in many years, Kenya Airways showed a profit of $7 million. The airline is on course for a $10 million profit in 1995.

Perhaps taking a cue from Ghana and Kenya, Zambia has replaced its dead national airline with a private carrier, *Aero Zambia*, owned mainly by Belgian investors. Asking foreigners to manage their national airline may be a blow to African pride, but it is the reality of the free market. B.A.

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DOSSIER

Air Jamaica: the bride without dowry soars to new heights

by Wilberne H. Persaud*

For anyone interested in state enterprises and privatisation, Air Jamaica presents an interesting case. A 'before and after' review will illustrate what is possible under the two different ownership/management types. It will also show why, if a state enterprise is to be viable, its Board and Management must be left strictly alone, once given broad and general guidelines, and perhaps even objectives by the Government.

From its inception in 1969, Jamaica's national carrier had its fortunes dictated by the twin tentacles of the tourism industry and government policy: Air Jamaica was a means to an end. Calculus of the 'end' never included the airline's economic, financial and organisational health. The box gives a brief summary of the fortunes of Air Jamaica since it was established.

One feature of its whole existence was under-capitalisation. Government, as stockholder, refused to capitalise the airline to a degree that would put it even close to comparable airlines, whether private or national. As late as the mid-1980s, most of the world's airlines were not strictly commercial and the commercial ones were to be found mainly in the USA. Yet for several years running, Air Jamaica showed operating profits. Indeed, in one period, its ratios were better than the world industry average! Nevertheless, it chalked up huge losses overall while having to service externally-based debt in foreign exchange.

A second feature of state ownership was lack of freedom to determine internal policy. Certain routes were serviced simply to provide the tourism industry with fodder. Irrespective of the party in power, there always seemed to be some severe conflicts of interest in the relationships between the airline, the Jamaican Tourist Board, the Ministry of Tourism and hotel interests more generally. Indeed, whether taken consciously or not, the effective decision for Air Jamaica was that it would serve as the conduit for state subsidy to the tourism industry.

State ownership involved another negative aspect. Air Jamaica's Presidency became a matter of political correctness, its Board positions being seen as plums to give to party supporters. Board membership and potentially conflicting business interests were never acknowledged as a problem. In addition, being seen as a 'government' company meant that no-one was willing to take unpopular decisions regarding streamlining of staffing, and the introduction of integrated information processing systems which would perhaps exacerbate staff unrest. No shareholder was there to ask awkward questions about expenditure and income. The public, however, was not oblivious to this.

The fortunes of Air Jamaica

1969-1972 (Jamaican Labour Party administration)
Start-up, heavy debt, optimism, nationalistic sentiment

1972-1980 (People's National Party administration)
Heavy debt, early operating profits — later disaster, socialism and the tourist slump

1980-1989 (JLP)
Heavy debt, deep decay, rallying, some operating profits, attempts at efficiency

1989.... (PNP)
Heavy debt, indecision, multilaterals dictate, suitors found, privatisation.

So for a considerable period of time, Jamaicans, while being unashamedly proud of their national airline, maintained a kind of ambivalent 'love-hate' relationship with it. They loved the local food, the flight attendants and the 'Jamaican-ness' of the airline but simultaneously, it was widely believed that airline employees were abusing their low-cost travel privileges. There was also a feeling that certain politicians were being granted favours in travel and baggage allowances, especially at peak periods like Christmas. In other words, there were several significant and generally negative attitudes prevailing towards the airline. All one had to do to get a feed on this was to listen a while at one of the ticket counters or airports.

From a business and financial perspective, the airline was non-viable. Government, for some time, resorted to comfort letters to local commercial banks guaranteeing huge overdrafts with interest rates sometimes as high as 62%! In March 1994, Deloitte and Touche noted: 'The company has reported losses over the last 18 years... its current liabilities exceeded its current assets by J$1.29 billion and there was a capital deficiency of J$437 million. These factors raise doubts that the company will be able to continue as a going concern.'

Despite all this, Air Jamaica was potentially a very lucrative business — assuming it was allowed to operate purely for its internal 'bottom line', with the requisite capitalisation. It maintained an impeccable saftey record and its maintenance department functioned very well (even if there was a certain volatility arising out of trade-union based responses to problems). It showed signs of having the potential to be efficient and profitable. Finally, Jamaicans, more of whom live abroad than at home, are a fiercely nationalistic people. They religiously come home to the 'rock' - and the rock begins with Air Jamaica! So there was a lot to work with.

Privatisation

Selling an airline may seem a simple business. It is not. In the case of

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Air Jamaica, it was a convoluted procedure carried on in almost complete secrecy. Not many outside the political and economic inner circle had a clue about what was happening. In fact, the airline had very few tangible assets. It owned its headquarters building — an asset some thought to be of questionable value — hangers and spare parts, a logo and trade name of significance and some operating routes. It also had significant debts.

So was Air Jamaica a bride with no dowry? Would-be suitors came forward with this view and it seems that the government was of the same opinion. As it currently stands, the government has assumed all of the airline's debts and after several attempts at marriage, the ownership now breaks as shown in the table.

There were some initial rumblings about the privatisation. These, it seems, were based on the fact that the airline had always subsidised the tourism industry, yet it was now to be sacrificed in a 'fire sale' to those very interests. Criticisms along these lines failed to gain much momentum, however, and in November 1994, Air Jamaica began to function as a private company. The thrust of the new owners was to reverse the negative image of the airline. The slogan 'Soaring to New Heights' was adopted. The marketing vision was that of a first class carrier dedicated to serving its public. A second objective was to define a long-term vision for the airline. This would entail finding true partners and destinations, and determining the composition of the fleet. These are all integrally related issues which Air Jamaica confronted while it was still state-owned. Indeed, some tentative conclusions had been identified but there was a kind of paralysis that public ownership engendered. The difference today is that decisions *have* been taken and implemented. Whereas the government might suffer political fallout if some flight attendants were made redundant, or an accounting department was streamlined with resulting job losses, a private company could weather the storm. And it did. While a state-owned entity may have objectives other than simply the financial health of the organisation, a private one cannot entertain such luxuries, certainly not in its initial effort to achieve viability.

The Courier

Check-in counter at Montego Bay
Air Jamaica's performance has improved dramatically since privatisation

Today, the fruits are beginning to show. The company has bought two Boeing 727s and four new Airbus A-320s for delivery in October 1996 at a cost of roughly US$50m each. They have also purchased a headquarters building in a prestige location in Montego Bay. All the terminal facilities have been completely overhauled. In effect, the image has been transformed in less than a year. Customer sentiment is improving although it is still not in accord with the wishes of the company's marketing and advertising gurus.

As for the business profile since privatisation, a profit was revealed for the first time in July and August — a dramatic improvement over previous years. However, the final 1995 figures are still expected to show a loss. There have been further problems. Competition from American Airlines has become fierce (something of a back-handed compliment, in fact) and the USA authorities denied landing rights for the new Airbus during the peak Christmas period on the grounds that Jamaica's rating (with respect to handling international traffic) was below requirement. Today, this problem has been ironed out and the company is moving ahead with plans to fly to new gateways in the USA and the UK. Profits are projected for 1996.

Air Jamaica may have had no dowry but its potential turned out not to be in question, at least among those 'in the know'. The trade name alone is a golden fleece. And if the present owners and operators have their way, it will soon rank beyond Bob Marley and Blue Mountain coffee. One of the Moo Young family stresses that Air Jamaica is not only about profits. Rather, it embodies central elements of Jamaica's development potential. Another partner, 'Butch' Stewart, a stickler for excellence, wishes to see Air Jamaica as a unique airline delivering consistent quality service. In an arena normally the stamping ground of the 'majors', who is to say that there is no room for a spirited 'minor'?

W.H.P.

JA's new structure of ownership

Stewart Organisation (Sandals/Tourism activities)	45%
Moo Young Family (diverse professional and business interests)	15%
Government	25%
Employees	15%

DOSSIER

Global tourism

by Narcisse Banze Mukalay*

Analysts are in agreement that the tourist trade is rapidly expanding worldwide, not only in terms of numbers of travellers, but also of amounts spent overseas. Governments, international organisations (including the World Tourism Organisation) and those monitoring talks on trade in tourism under the General Agreement on Trade in Services (GATS), concur that the industry is an important component of many developing nations' economies.

According to the World Tourism Organisation (World Tourist Market Trends 1994, WTO, Madrid), tourist arrivals worldwide rose to 537 million in 1994, representing a 5% increase over the previous year.

Greater inter-regional movements, particularly in Asia and Europe, and more long haul travel by European and US tourists are key aspects of this upward trend. In most of the world's regions, national tourism authorities have stepped up their promotional activities, whch are now better targeted at the consumer. In 1994, over $2 billion was spent on promotion and advertising.

Tourism and the GATS

A WTO study on the Agreement on Trade and Tourism (The GATS and Tourism, WTO, Madrid 1995) highlights the aims of the GATS for the sector. Based on the principle that the free interplay of market forces is the best way to give the consumer the best possible product at the best possible price, it sets up a system which should lead to the progressive removal of certain obstacles to growth in tourism such as restrictions on the recruitment of foreign staff. It also aims to make it easier to create management units and set up franchising agreements.

In a nutshell, The GATS philosophy is that the easier it is for companies to compete and do business, the more trade will develop and the better will be the prospects for economic growth. The agreement's objective is to lift restrictions on trade in services by setting the same rules for all commericial partners, be these domestic or foreign, and by granting most-favoured nation (MFN) status to all GATS members and clamping down on any policy changes which hinder trade.

In the past, discriminatory practices, protectionism and a lack of transparency have greatly hampered international trade in all services. For tourism, the list of restrictions includes the posting of staff to a foreign country (transfer within companies), setting up and managing branches abroad, making payments and currency transfers and use of trademarks.

GATS aims at streamlining trade in tourism in three ways. These are

The 20 African countries with the highest income from tourism
International tourism income (excluding transport).

Position 1985	Position 1994	Country	Income (M$) 1994	% variation 1994/93	% of the Total 1994
3	1	South Africa	1 424	7,31	22,27
2	2	Tunisia	1 032	16,88	20,36
1	3	Morocco	1 231	−0,97	19,25
4	4	Kenya	505	22,28	7,90
8	5	Mauritius	356	18,27	5,57
16	6	Ghana	218	5,83	3,41
16	7	Tanzania	148	0,68	2,31
9	8	Seychelles	119	2,59	1,86
6	9	Senegal	115	−33,53	1,80
13	10	Zimbabwe	114	10,68	1,78
–	11	Namibia	96	1,05	1,50
15	12	Botswana	75	1,35	1,17
11	13	Côte d'Ivoire	69	7,81	1,08
24	14	Uganda	61	22,00	0,95
23	15	Madagascar	54	31,71	0,84
10	16	Cameroon	49	4,26	0,77
5	16	Algeria	49	−10,91	0,77
20	17	Zambia	48	9,09	0,75
17	18	Benin	39	2,63	0,61
12	19	Nigeria	34	9,68	0,53
18	20	Swaziland	33	10,00	0,52
		Total 1-20	6.139	7,48	96,01
		Total for Africa	6.394	6,83	100,00

Source: World Tourism Organisation (WTO).

Worldwide International Tourism arrivals and income: 1985-1994 (millions of arrivals, income in bn $, and %)

	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
Arrivals (millions)	328	339	365	400	429	457	464	502	512	537
Annual % variation	3,3	3,4	7,8	9,6	7,3	6,4	1,5	8,3	1,9	5,0
Tourism income (billion $)	116	141	172	199	216	260	268	306	309	341
Annual % variation	4,6	21,1	22,6	15,7	8,1	20,6	2,9	14,3	1,1	10,2

Source: World Tourism Organisation (WTO) — Rounded figures.

firstly, by providing a clear definition of general commercial rules and obligations (notably access to markets, domestic practices and MFN), secondly by defining ways of providing services or types of tertiary sector transactions to which the rules apply and finally by requiring governments to define their specific undertakings under general rules in the light of the universal scope of the agreement which applies to the whole range of services, including tourism.

In future, signatories to the GATS accord will be obliged to give providers of foreign services complete access to their domestic market and will have to treat them on an equal footing with domestic service providers. For tourism and travel companies, this means that tour operators, hotel businesses and other companies involved in tourism and travel in one country will be able to operate in other countries. For example, in the hotel sector, GATS will facilitate franchising, management contracts and technical assistance agreements and make it easier to obtain licences and register patents.

Article IV of GATS advocates the increased participation of developing countries. This is of particular relevance to tourism where there is an imbalance in terms of revenue and cumulative economic advantage between developed and developing nations.

Under GATS, the need for developing countries to strengthen their domestic capacity to provide efficient and competitive services is recognised. They must offer better market access, improve their participation in distribution and information networks, and take advantage of the freer access to markets in those areas where they could be in a position to provide individual services. All these improvements can be negotiated through undertakings and the agreement calls on parties to begin contacts before December 31 1996 so that developing nations can achieve these objectives more easily.

Tourism trends in ACP countries

According to the World Tourism Organisation, 20 of the 50 countries on the African continent account for nearly 94% of tourist arrivals in the region. Ten of the top 20 country destinations are found in the continent's Eastern and Southern regions. A similar picture emerges if one looks at it in terms of revenue, which is heavily concentrated in certain geographical areas. The top 20 nations account for more than 95% of the continent's total tourism receipts.

Trends in African tourism between 1985 and 1994 underline the volatile nature of demand in this sector. Looking at the five principle desti-

Tourists playing golf in a tropical paradise
Developing countries must improve their domestic ability to provide efficient and competitive services

The Caribbean: classification of tourist destinations in 1994

Destination	Number of arrivals	1993-1994 annual % variation	Income in $ millions	1993-1994 annual % variation
Puerto Rico	3.042	6.6	1.737	6.7
Dominican Republic	1.889	11.7	1.296	5.0
Bahamas	1.516	1.8	1.333	2.2
Jamaica	977	−0.2	915	−2.9
Cuba	601	10.5	804	11.7
St. Martin	586	12.7	421	12.3
Aruba	582	3.6	482	3.9
Virgin Islands	563	0.4	1.008	9.4
Guadeloupe	467	3.1	397	7.3
Barbados	426	7.6	564	12.4

nations, we see that South Africa has pulled ahead of Morocco as market leader in revenue terms, having also overtaken Tunisia during this period. Kenya and Mauritius are fourth and fifth respectively, the latter country having moved up at the expense of Algeria (which has fallen 11 places) and Senegal.

The figures also show that some countries do better in income terms than the numbers of arrivals might suggest. Namibia, Madagascar and Cameroon are the top performers in this 'category' having replaced Réunion, Malawi and Burkina Faso over the last decade.

By far the most popular tourist destinations in Africa, in terms of both arrivals and money spent, are South Africa, Tunisia and Morocco. Each of these countries accounts for roughly 20% of the continent's total tourist trade. The big 'winners' over the last decade are Mauritius, Ghana, Tanzania and Namibia. Ten years ago, the last-mentioned did not even feature in the top 20 but today, it is in 11th place with a tourist trade worth almost $100m.

Turning to the Caribbean, 1994 saw a 3% increase in tourist arrivals, with more than 6 million people visiting the region. This was the third consecutive year of growth, following the drop in trade that occurred during the Gulf War five years ago. 46% of tourists visiting the Caribbean were of United States nationality. Puerto Rico, the Dominican Republic and the Bahamas were the most popular destinations

Regional Tourism

October 1995 saw the launch of the Regional Tourism Organisation of Southern Africa (RETOSA), as the tourism wing of the 12-member Southern African Development Community (SADC — Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe). The public sector, non-governmental organisations, quasi-state bodies, the private sector, airlines and other companies involved in tourism and travel are all represented in this Lesotho-based organisation, which is the fruit of two years of joint talks between the European Union and SADC. Its aim is to coordinate and facilitate tourism on a regional basis.

Future forecasts for Africa (again according to the WTO) are an annual increase in travel of 5.5% a year and annual income growth of up to $24.3 million in the period up to the year 2000. The opening decade of the 21st century should see a 4% per annum rise in the number of tourists and increased revenue of $36 million a year.

By way of conclusion, the words of WTO Secretary General, *Antonio Enriquez Savignac*, seem to fit the bill. At the Organisation's eleventh General Assembly in Cairo in October 1995, he stated: 'Tourism is, by its very nature, a transnational activity. In order to make it work as well as possible, we need to be able to operate across frontiers. Only in this way can it bring prosperity, respecting both man and the environment and making a contribution to peace.'

DOSSIER

The 'phone' phenomenon

Telecommunications nowadays have an essential role in economic development. The world is moving towards an 'information society' - but some regions are much further ahead than others. Developed countries are leading the way with the introduction of new and advanced technologies. As a result, they have been able to introduce better infrastructures, which help in attracting new high-tech businesses.

Traditionally, the state was dominant in the telecoms industry. The system was essentially one of monopoly control with little or no competition. The result was that standards of service dropped while profits soared. Change was clearly required and today, we find most governments opening up their markets through liberalisation and deregulation. The entry of new, private competitors has resulted in better value for money and improved customer service.

Newly-industrialised countries (NICs) such as Hong Kong, Thailand, Malaysia, and Singapore are making great strides, linking to the global network and catching up with new technologies. This has contributed immensely to the wider economic development of these countries. In Latin America things have also been moving fast. Indeed, this region is privatising and liberalising at a faster rate than any other part of the world. The process has attracted foreign companies eager to invest in the new opportunities. In Chile, for instance, the number of telephone operators has risen from two to nine while the big reduction in the cost of phone calls has resulted in a dramatic increase in demand. Another significant example is Turkey, which began upgrading its network in the 1980s. The number of phone lines per 100 people rose from just 3.5 in 1983 to 16 in 1992 and the expansion is continuing. Today, the revenue generated is sufficient to pay for further development of the system without the need for foreign loans.

In short, emerging nations now realise that they cannot hope to compete in world markets without top-notch communications systems. And with the global economy shifting increasingly towards services, countries that are not adequately wired up are acutely aware of the danger of falling further behind.

Africa's untapped need

In sub-Saharan Africa, with a few notable exceptions such as South Africa and Botswana, the technology gap *vis-à-vis* the industrialised world is very wide indeed. Most countries lack the modern communications infrastructure that is vital for today's global markets. One of the problems is their continuing dependence on out-dated materials (such as inefficient copper wires). A change to digital systems and fibre optics is required. But this implies a massive infusion of investment, skills and technologies. Global telephone companies are scouring the markets for new opportunities and in Africa there is a big untapped need. So while the Third World may lack capital and technical know-how, they do offer potential for profitable investment.

In a typical deal, telecom companies investing in a country would fund the network and perhaps even run it for a number of years, getting in return, a guaranteed share of future revenues. This kind of arrangement is popular in many countries that cannot afford to upgrade their communications systems on their own. One problem is that some countries, perhaps understandably, are reticent about giving stakes in strategic resources to foreign companies. Plans are also currently being drawn up to lay an undersea cable to link Africa with the global telecommunications network. This should be up and running by 1999, giving African countries a direct terrestrial link to the outside world.

Despite signs of progress, there are a number of factors which make outside investors reluctant to commit themselves to sub-Saharan Africa. Many countries suffer from internal strife and serious economic problems. Even where the situation is relatively peaceful, there are risks involved. Long-term political stability can often not be guaranteed. A new regime that takes power may choose to suspend work on projects entered into by their predecessors, even where a contract has been signed. Other problems include currency depreciation, corruption, trade union disputes, upsurges in nationalistic sentiment and weak support infrastructures. Given these circumstances, and in an atmosphere of increasing competition for investment funds, Africa is tending to lose out to other parts of the world where there is a proven track record of growth and openings for new market entrants.

The responsibility for the future development of the telecommunications market in Africa lies firmly on the shoulders of national governments, and it is clear that they have a challenging task. There needs, in particular, to be a continuing reduction in legislative constraints in favour of a more open telecommunications market-place. Asia has shown the world that it is possible. If Africa can get its act together and welcome the new technological age with open arms, there is no reason why it should not become globally competitive as well.

The Courier

ANALYSIS

The case for a more sector-oriented approach to agricultural development

From sector objectives and strategies to investment programmes

by Uwe Werblow*

Within the framework of development cooperation between the EU and developing countries, agriculture and rural development have occupied a prominent place for more than 35 years. This has been particularly true of the Lomé Conventions. Under Lomé III, the ACP states put agriculture and rural development well ahead of all other sectors, allocating to it more than 60% of European Development Fund resources devoted to national aid programmes. The rural sector continued to predominate under Lomé IV although its overall share declined with the growing importance of the social sectors and structural adjustment support. Emergency aid and rehabilitation programmes are also increasingly competing with long-term development programmes.

In this context it is important to recognise how the role of the rural sector has developed over the last 20 years with important responsibilities being added to the initial economic goals in the shape of social and environmental objectives.

The prominent role of the rural sector

The economies of most sub-Saharan African countries are dominated by agriculture which is the largest private sector on the continent. Agriculture, agro-industry, livestock, fisheries and forestry, which contribute about 30%-35% of GDP, are the main source of income, and provide employment for more than three-quarters of the economically active population.

Unfortunately, agriculture and its related activities continue to face severe obstacles due to the erratic climate, rapid population growth and destruction of natural resources. Development efforts are frustrated by political strife, civil and ethnic confrontation, a hostile international economic environment and persistently unfavourable terms of trade. In addition to external factors, most analysts ascribe a large part of the weakness in African agriculture to shortcomings in internal policy and in the institutional framework.

Against this backdrop, agricultural production in sub-Saharan Africa grew at roughly 1.6% *per annum* between 1965 and 1980. Since then, the rise has averaged just 1.3%. This must be set against population growth averaging 2.8% a year over the last three decades. The result has been a growing food gap and ever-decreasing availability of food supplies *per capita*. The difference has been made up with increasingly large-scale food imports including significant amounts of food aid. Thus, structural food deficits have become a regular phenomenon in sub-Saharan Africa. Chronic food insecurity is widespread, affecting an estimated 25% of the population.

Looking more specifically at protein supply, animal production, which is already low, is falling further and further behind demand. Tsetse infestation still affects a third of the land surface of Africa, despite costly control efforts. Further major constraints to animal production include the prevalence of other infectious and parasitic diseases, and inadequate feeding practices. The availability of fish has also declined with the resources, both marine and inland, being close to full exploitation. Offshore and inland resources are heavily exploited and in several countries, effective management regimes are urgently needed to prevent stocks being run down.

To cope with continuing population and income growth, a 2% annual increase in agricultural output is likely to be needed over the next 25 years. This will have to be generated largely through new technologies and sustainable productivity improvements.

Changing the approach

Agriculture is, arguably, the most complex of the economic sectors. It involves millions of individual actors, many with little or no education or training. It is also an area where traditions that are unrelated to economic principles are commonplace. Unfortunately, the causes of the sector's relatively poor performance go well beyond poor management, extensive land use, low-level technologies and environmentally hostile practices. Agriculture is also particularly vulnerable to poor macro-economic management and, in most countries, it suffers from massive public intervention and poor sectoral policies. Even worse, in many ACP

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countries, the sector has historically lost out as a result of policies designed to achieve a variety of objectives with a clearly urban bias. These include measures to ensure price stability, consumer protection and the generation of foreign exchange. At the same time, agriculture suffers from direct discrimination, being subject to excessive import and export taxation.

Given the critical role of agriculture for economic growth, poverty alleviation, food security and sustainable resource management, we have no choice but to remain committed to the rural sector. However, there is an urgent need to shift the Community's strategy to a more comprehensive sector-oriented approach, with a two-fold objective. These are firstly, to take into account, on a systematic basis, the sector policy framework including the links to the macro-economic level and adjacent sectors.

Secondly, we need to define and design investment and aid programmes along sector and/or sub-sector and thematic lines as a logical result of sector analyses and agreed strategies.

A more sector-oriented and holistic approach in the Community's development cooperation, in contrast to the project/programme approach which still predominates, would allow us :

— to adjust sector policies and link the macro-economic environment more firmly with the sector-specific policy framework

— to understand, and address more effectively, the constraints in parallel sectors that affect agriculture

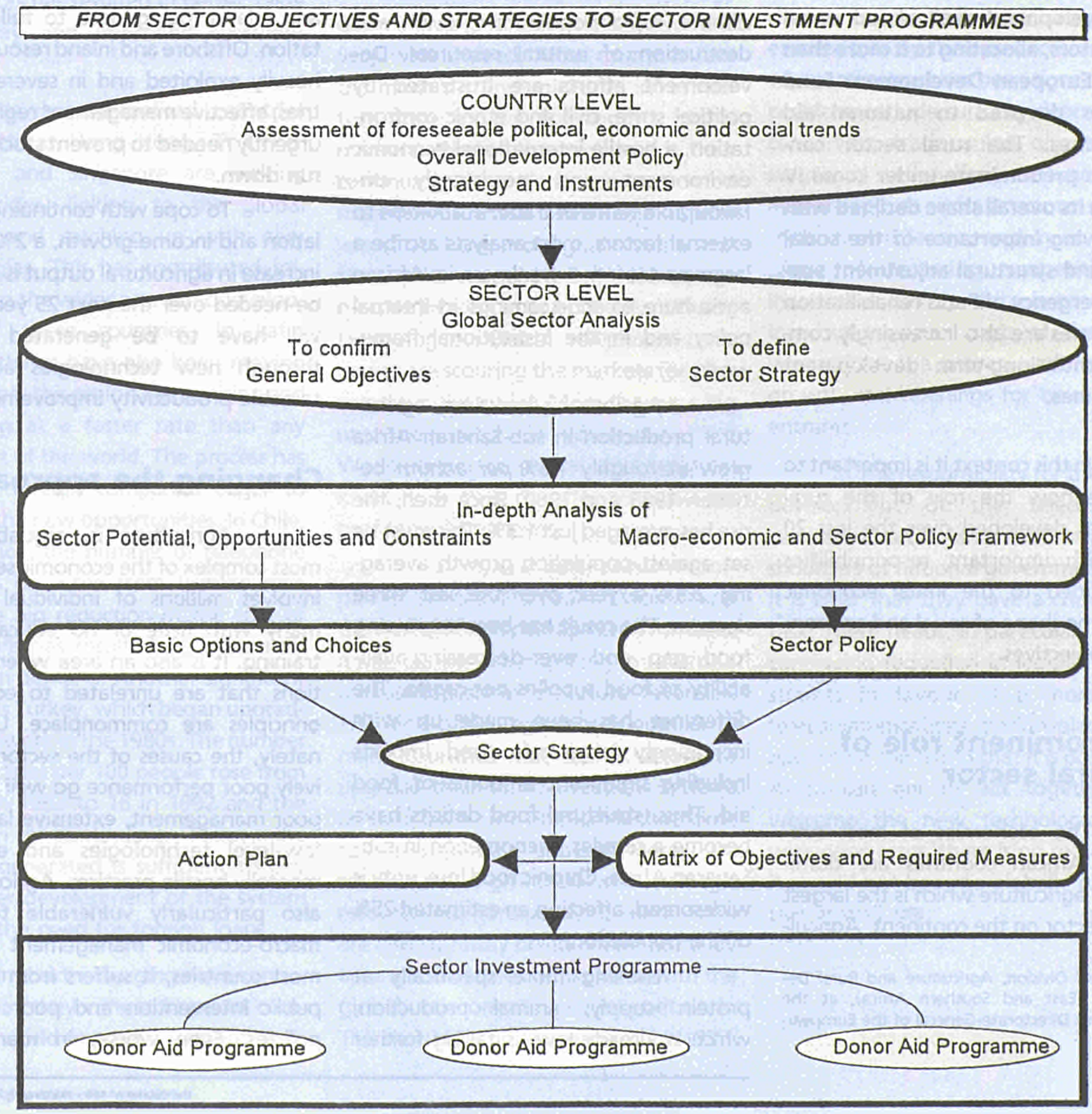
— to improve the coherence between sector objectives, policy framework, sector strategy and investment programmes

— to facilitate and enhance institution-building and reform

— to concentrate more effectively on long-term development efforts with the objective of increasing impact and sustainability

— to tackle primary development objectives such as sustainable production, conservation of natural resources, food security and poverty alleviation in a more effective manner through specifically targeted operations.

Concerning, more particularly, the issues of aid delivery, organisation and management, a more sector-oriented approach would also increase the



options for alternative aid delivery (such as budgetary aid). It would also reduce management and administrative requirements and facilitate government/donor and donor/donor coordination — bringing the different actors and resources better into focus so as to avoid duplication and the misuse of developing countries as development 'laboratories'.

From objectives and strategies to investment programmes

The sector-oriented approach to agricultural development is not a new one. In fact, it has had a growing role in recent years with a number of indicative aid programmes under Lomé IV already including a strong sectoral design. However, the development has been somewhat piecemeal.

A sector approach requires a thorough analysis at all levels as schematically set out in diagram 1. In-depth analysis of the sector's potential, and the sector policy framework, would provide the basis for identifying basic options and opportunities and defining the necessary set of reform measures (*the sector policy*), with the aim of removing constraints and mobilising potential.

The result of this exercise would enable strategic choices to be made and priorities to be set. It would also allow for the definition of the most effective combination of available resources (human, natural, financial) and instruments, with a view to achieving the objectives assigned to the sector (*the sector strategy*). The next stage of the exercise would lead to the establishment of an action plan (including the required reform measures and a time framework), and the definition of an investment programme for the sector. The donors would define their aid programmes for participation in the sector in the light of this.

In order to get the process going, we need to do three things. The first is to develop a *common methodology* for sector analysis and for the process leading from this stage to the establishment of sector investment programmes. The second is to identify and review basic options and trends for the various components of the *sector policy* framework. Finally, there must be a review of the *strategy options* for agriculture and rural development.

Methodology

As regards the methodology issue, we need to develop a kind of critical path analysis which could be derived from the Logical Framework. One of the key challenges for the sectoral approach is the setting of priorities and the definition of the most effective combination of resources and instruments (to be applied in what sequence) in order to establish the link between sector objectives, policies and investments. A matrix-based model, as a means of organising common thinking, would appear to be a suitable tool to illustrate the main relationships between specific objectives — such as factors affecting the growth of rural household production and income — on the one hand, and the range of available policy, institutional and service measures, on the other.

Sector policies

With regard to sector policies, it is important to realise that there is no unique blueprint to be promoted. Sector policy issues are highly country-specific and require tailor-made reform programmes. However, in drawing on the experience of a number of countries that have undergone the double process of structural and sectoral adjustment, we are able to identify a number of critical areas and specific policy options which have actually proved their worth. Agricultural sector reform programmes generally aim to achieve three things. These are: progressively to reduce large-scale public intervention in the sector —including institutional, legal, pricing and trade issues; to remove discriminatory policies — including monetary, fiscal and public spending policy; and to improve both the quality and availability of sector support services comprising research, training, extension, rural finance and input supply, as well as social, communications and transport infrastructures.

Strategy options

Concerning strategy options, we will have to review our experience of the past and link it to evolving objectives, both at the national and local level. There are a number of obvious areas and promising paths to be investigated.

In the first instance, with an ever-growing need to address poverty alleviation and food security, for both urban and rural poor, an authentic smallholder-oriented and labour-intensive strategy is required. To make this work, it is critical to invest more systematically in people in order to enhance skills and mobilise local initiative and leadership. At the same time, a political, economic and administrative environment conducive to effective local participation is vital. Moreover, there is a need to strengthen research, and technology generation and dissemination, in favour of the resource-poor farmer. Linked to this should be the establishment of the necessary research-extension-farmer links (working in both directions) with the aim of ensuring that the strategies are relevant, and of encouraging adoption of technological innovations. It must be stressed, however, that strategies which put more emphasis on the development of smallholder and subsistence farmers should not be seen as displacing the importance of the role of the commercial farming sector in certain sub-Saharan countries. On the contrary, they should be viewed as ways of supporting and complementing commercial farming activities.

Secondly, due to trends in population, migration and settlement, there is a need to enlarge our rural development focus to peri-urban areas, both with the objective of mobilising new production potential and of increasing effective demand for agricultural produce.

A third point is that innovative approaches need to be promoted in a number of critical areas. Some of these might be typical 'evergreens' such as rural credit, extension services and irrigated agriculture. Others, such as integrated pest management and biotechnology, are more recent, offering new perspectives for increased productivity, plant and animal protection and the reduction of post-harvest losses.

Fourthly, primary development objectives, such as sustained natural resource management and food security, need to be addressed in a more targeted way so as to tackle the root problems and bring about real and effective changes.

Finally, national policy and strategy planning must systematically keep in mind, and be linked with, the wider regional level — in particular, the regional markets. Constraints common to a number of countries, that are based, for example, on common natural resources and risk factors, can often be better and more economically dealt with at the regional level. Typical examples of this include animal health and crop protection, and food security.

Sector adjustment: a government-driven process

Policy and institutional adjustments and the definition of country-specific sector strategies will only be successful and lead to lasting results if governments are committed to the exercise and act as the driving force. They will also need to ensure local acceptance of the reform process.

Given the heavy dependence of developing countries on outside agencies for financial and technical resources, there is an obvious need for governments closely to associate donors in developing sector strategies and investment programmes. This would ensure a common basis for intervention in the sector and for meaningful government/donor coordination.

In carrying this out, a number of key issues need to be borne in mind, with recognition being given to past failures:

— A global sector analysis, including the policy framework and links to the macro-economic level and neighbouring sectors, would be the normal starting point for any major reform. In-depth analysis could, however, be limited to a number of key policy issues and priority sub-sectors (horizontal or vertical) to initiate the process:

— The definition of sector policies and strategies based on local analysis is highly country-specific. Donors can assist Governments in providing training and consultation, and sharing experience on basic options, trends and best practice.

— It is absolutely critical to define a pragmatic and coherent set of reform measures, concentrating on all essential policy and institutional issues and to adopt a realistic time-frame taking into account both immediate support requirements and long-term development objectives:

— Policy measures must be reflected in the government budget:

— In the particular context of the Lomé Convention, it is important to include all available resources and instruments in the programming process and to take account of administrative and management requirements in the design of sector support programmes.

Overriding anomalies and contradictions

Last but not least, governments and donors must be reminded of their respective responsibilities regarding fundamental political conditions overriding the whole issue. Currently, we can see that pressure on donor agencies to deliver rapid and tangible results forces them to accelerate the pace of development, by throwing money and expatriate personnel at problems and neglecting investment in people. Donor concerns to improve aid utilisation also contrast sharply with their willingness to remove structural obstacles to development, including trade and debt issues. Despite widespread macro-economic reform efforts and massive capital inflows since 1980, Africa's debt burden has increased from $85 billion to $215 billion. Without broader commitments on these issues, current reforms are merely short-term crisis management. Countries of the North will, therefore, have to reconcile development efforts on the one hand with trade and economic interests on the other.

Meanwhile, on the side of the developing countries themselves, problems in governance, increasing civil strife and persistent high population growth continue to undermine development efforts.

Initial experience

The agenda for agricultural policy in African countries has been profoundly affected by the external environment. Most fundamentally, the role of the state in the sector and the instruments and objectives of public policy are changing in response both to external influences and the recognition of past failures. These changes have important implications for donor policy and practice. During the 1980s, economic questions topped the agenda of most African countries. Political and institutional issues, to complete the policy framework, are now being progressively introduced.

So far, the response of agriculture to reform attempts has been slow and patchy. While reform measures have had some positive impact on incentives and production, the provision of services for smallholders remains extremely weak and the risks and transaction costs in production and marketing remain high. Long-term prospects for traditional agricultural exports remain weak, and concerns about environmental sustainability have increased.

Despite the fact that the results continue to fall behind expectation, there is no alternative other than to pursue the reform process — which is inevitably a long and laborious one requiring both patience and endeavour.

U.W.

ANALYSIS

Europe's preferred partners?

How the ACP countries should develop their trade

by Adrian Hewitt* and Antonique Koning**

Anyone addressing the trade provisions of the Lomé Convention with an open mind, as the EU and ACP negotiators did during the mid-term review of Lomé IV, has to confront the following question. How is it, when world trade has been buoyant, when trade has been the engine of growth of the 'tiger economies' of East and South-East Asia (and others besides), and when the EU has traditionally reserved its most generous developing country preferences for the ACP group under Lomé, that the ACPs have lost market share in Europe and, with only one or two exceptions, still fail to take full advantage of the privileged trade access which the EU offers?

These matters have become all the more important since the mid-term review coincided with the end of seven years of *global* trade negotiations to complete the Uruguay Round of the GATT. The resulting liberalisation and globalisation of world trade has tended to sideline regional preference schemes such as Lomé and has eroded the margins of preference which the ACPs enjoy. Added to this, the end of the Cold War has meant that the EU is, perhaps inevitably, sharing some of the special trade access privileges which remain among its eastern neighbours (many of them candidates for EU membership itself), and concentrating its attention on the Mediterranean region.

So has the world been turned upside down for the ACPs? Can the new trade regime still offer them opportunities up to the year 2000 and then beyond the expiry of the fourth Lomé Convention? The value of trade preferences in this changing international environment is the topic of a new report recently published by the Overseas Development Institute (ODI) in London in association with the European Centre for Development Policy Management (ECDPM) in Maastricht. The work is entitled: *'Europe's Preferred Partners? The Lomé Countries in World Trade'.* [1]

A disappointing record

Despite free access for industrial exports, and concessions on the protectionist Common Agricultural Policy for most of their agricultural exports, for more than two decades, ACP exports to Europe have been disappointing. Their share of the EU market has declined from 6.7% in 1976 to 3.4% in 1993, while developing countries which received less preferential treatment have performed more successfully. At the same time, ACP countries remain heavily dependent on the EU market and have failed to diversify their exports away from raw materials.

Success stories of export growth are scarce but some exist. Several exports which have enjoyed a relatively large preferential margin, such as textiles and clothing, canned tuna, and processed wood, have been able to expand, possibly because of their advantage in the EU market. However, rather than the general offer of complete duty-free access for ACP-made manufactures, probably of most significance to individual ACP countries have been the Lomé Protocols for sugar, rum, bananas and beef/veal, which offer generous prices and guaranteed access for specific quantities of those exports to the EU. ACP countries which have managed to diversify their exports into non-traditional products, or that have benefited from the Protocols, such as Mauritius, Côte d'Ivoire, Jamaica and Zimbabwe, may have gained from the Lomé arrangements. It may be, however, that good performances by those countries cannot be attributed solely to the Lomé preferences. They may have played a catalytic role but experiences in other ACP countries suggest that they may be neither a necessary nor a sufficient condition for developing a dynamic export sector. Otherwise, why did so many other ACP countries fail to develop (and restructure) their trade with the EU.

The lack of critical factors, such as adequate infrastructure, private investment, a well-developed financial sector and a good human resource base, may dampen the incentive role of preferences and limit the benefits that can be derived from them. Moreover, expectations for the expansion of ACP exports were probably too high: a majority of ACP exports do not have a relative preference because raw materials, the majority of their exports, enter most countries duty-free anyway; or else their preferential margin over other developing country exporters is nil. In addition, some potential agricultural exports are still suffering from restrictive quotas. Other factors hampering ACP trade are more germane to the implementation of the trade provisions: awareness of the Lomé preferences is still limited, and despite best efforts, procedures are still rather complicated and the rules of origin restrictive.

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[1] Michael Davenport, Adrian Hewitt and Antonique Koning: Europe's Preferred Partners? The Lomé Countries in World Trade (1995), Overseas Development Institute, £17.50, ISBN 0 85003 2180. Published in November 1995.

Gains and losses

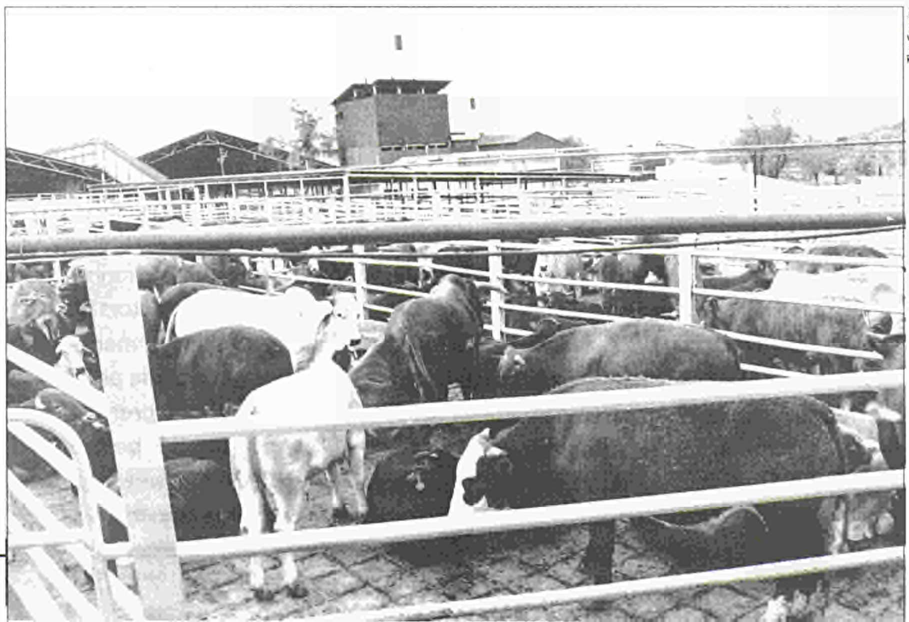
The fact that the ACP states have been exempted from the highest trade barriers that are being dismantled as a result of the Uruguay Round, on agricultural, textile and clothing exports in particular, means that they will not gain from the Round to the same extent as other countries — at least on their privileged European market. There, they are likely to lose out following the reduction of their preferential margin vis-à-vis other exporters. They may further lose markets to more competitive suppliers. The effect of the erosion of their preferences is small, however. Probably more significant for some countries will be the liberalisation of agricultural trade which is already increasing world market prices for agricultural exports and will negatively affect ACP countries that are among the net food importers. Beneficiaries of the Lomé Protocols, in particular for beef and sugar, will also face losses in the longer term because their prices are expected to decline as EU protection is dismantled.

In total, we calculate that the effects of the Uruguay Round on ACP export earnings from trade in goods on the European market are negative, though small (around 1.5%) because the level of their involvement in the international trading system is too low to allow them to gain or lose much from the Round. Of course, individual country losses will vary depending on their export structure and volumes traded. In contrast, the improved access to non-EU markets and the expected increase in global income and demand should benefit the ACP countries and result in net gains — if these countries are in a position to take advantage of the opportunities offered by trade liberalisation.

Future potential

These potential advantages are huge. World trade in goods is currently growing at 8% by volume (WTO estimate for 1995). It now totals $4000 billion and services trade adds another $1100 billion. ACP exports to the EU are only of the order of $25-30 billion, so they have enormous scope for expansion. Looked at another way, they can hardly be deemed seriously disruptive. However, special and non-reciprocal trade preferences such as those under Lomé are increasingly being challenged by the EU's other global trade partners, and in the WTO itself (which now has a much stronger disputes settlement arrangement). Although a derogation from the MFN principle has been granted to the EU up to the year 2000 for the Lomé preferences, internal and external pressures, including the banana dispute and possible qualified accession of South Africa to the Convention, are obliging the EU to consider carefully its policy towards its most preferred trading partners. It is possible that the 'post-2000 trade regime' for the ACP countries may have to be very different.

Cattle in Botswana destined for the dinner tables of Europe... but the privileged trade access is under pressure from wider global liberalisation


The Courier

Various scenarios for the future of the 'preference' countries can be envisaged. A first option might be that non-reciprocal preferential treatment might be withdrawn from some of the more advanced ACP countries. A second scenario might be to globalise the Lomé Convention to focus it on the world's poorest or least-developed countries, including those outside the current ACP Group (e.g. Bangladesh). This is likely to gain more sympathy from the other WTO members. A last and more radical option may be the establishment of Free Trade Areas between the EU and ACP countries or regions, implying the ACP countries have to offer reciprocity at the end of a transitional period. This is already being proposed at both ends of the African continent — though not yet to the ACP states which are mainly far too fragile economically to be able to compete under a full free-trade agreement.

In the light of the limited success of the Lomé Convention in improving ACP trade performance and the various perceived threats to its existence, the ODI publication reviews the policies which could improve the competitiveness of the ACP countries in order to enable them to face today's competitive trading environment. Recommendations are made aimed at the short term — for Lomé preferences are still providing valuable access opportunities — and at more general measures concentrated on changing the structure and diversifying the destination of ACP exports. For it is not just that preferences alone are insufficient to stimulate trade development (as the study has shown). Additionally, the regime of special preferences is probably not sustainable in a post-GATT world, so the EU and the ACPs are now entering a period of radical rethinking on trade policy matters.

A.H. & A.K.

ANALYSIS

International development cooperation

Towards a new world of partnerships

by Bruce Jenks* and Jessica Jeavons**

International development cooperation has come to a crossroads. The steady increase in official development assistance the world has known over the last decades has come under mounting pressure. Indeed, official ODA has declined in real terms in recent years. The next replenishment of IDA is imperilled by the US Congress. Bilateral flows are threatened by budget cuts. The difficulties experienced in negotiating the Lomé IV second financial protocol portend an increasingly complex challenge in the future. Finally the UN system for operational activities is facing serious difficulties in maintaining, let alone increasing, resource levels.

The reasons for this retrenchment have been analysed and debated by many commentators. There seems broad agreement about at least some of the factors. The end of the Cold War has deprived development cooperation of support based on *realpolitik* considerations. Indeed for *Keith Griffin*, 'without the Cold War, it would have been impossible to generate the domestic political support in the donor countries necessary to sustain foreign assistance for more than four decades.'

Linked to the end of the Cold War has been a significant rise in intrastate violence, leading in some cases to the disintegration of states and major ethnic strife. This has led to big increases in resources for peacekeeping and humanitarian assistance. The budget implications for the UN have been dramatic. Peacekeeping costs have risen in five years from $278 million to about $3.5 billion. Of the ODA channelled through the UN, the percentage spent on emergencies has gone from 25% to over 45%. These realities have clearly had a significant and direct pressure on resources earmarked for development budgets.

These budgets have, in any case, been faced with the challenge of the increasing fiscal austerity among donor countries as the latter confront deficits inherited from the free spending 1980s. At a time of cuts, funds earmarked for development are an attractive scapegoat for pressurised politicians. Another element is the increasing questioning of the case for development cooperation. There is disillusionment with the results. Has the money been well spent ? The cry is for trade, not aid ; democracy and free trade, so the argument goes, are the true harbingers of sustainable development.

The 'CNN' factor

A final element which compounds the others may be summarised as the 'CNN factor'. Instant images of human tragedies, flashed across the world, have arguably had the beneficial impact of mobilising public opinion in support of humanitarian intervention. In comparison to the immediacy of emergencies, long-term development challenges that take a sustained and patient approach fade from the popular imagination. The immediacy of the one becomes the unpopularity of the other. You cannot measure development — you cannot feel and see it — so why do it ?

The pressures are being felt by the entire development practitioner community. These represent challenges — but ones that can be met assuming an adequate international response. The end of the Cold War provides far-reaching arguments for boosting development cooperation, not weakening it. In the complex realities of the post-cold war period, investments in human security seem as vital as investments in national security were a decade ago. Squeezing national budgets cannot, in the long run, be translated into abdicating international responsibilities — not in a world where in the last 30 years, the ratio between the richest and poorest 20% of the world's population has increased from 30 : 1 to 60 : 1. The cry for trade and not aid is too simple ; both are needed ; they fulfil different and indeed complementary roles. And we must face the facts. In 1994, 75% of foreign direct investment went to just 12 countries. Only 6% went to Africa and just 2% to the least developed states. Finally images are just that — they need to be confronted with realities.

The issue today is not whether arguments exist to put development cooperation back on the international agenda. The arguments abound. The question is whether the international community will rise to the challenge. And to some extent the answer will lie in the approaches adopted by the various players —the bilateral donors, the Bretton Woods institutions, the EU, the United Nations and numerous NGOs among them. There has been a remarkable similarity in the responses of the various actors to date. The 1950s and 1960s were the heyday of decolonisation and development cooperation was largely seen then as a transfer of resources to newly independent countries. The colonial past entitled countries to these transfers and Cold War realities dictated the direction and volume of the flows. National development plans established priorities and resource transfers were provided to support these.

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While interdependence became an increasingly fashionable concept in the 1970s, globalisation had still not made it into the practitioners' daily repertoire.

The shift that began in the 1980s, and has since accelerated, can be traced in the evolution of development policy virtually across the board among donors. New keywords in the lexicon include *thematic focus*, *performance criteria* and *coordination*. The UNDP provides an excellent example of this evolution. The Programme was conceived in the 1960s and was very much a product of its time. It financed activities as requested by governments. Amounts called Indicative Planning Figures (IPFs) were preallocated according to objective criteria. There were no global thematic priorities to be applied. Coordination was, to a large extent, a function of government development planning.

The UNDP underwent a series of changes during the 1980s culminating today in a significantly different profile. Now, it is mandated with specific thematic objectives such as poverty elimination, women, jobs and the environment. Good governance is acknowledged as indispensable in the development process. Only some 30% of the UNDP's total core resources and under 20% of its overall resources are definitively committed to specific countries. Final allocations are now linked to programme performance on the basis of clearly defined criteria. This is neither 'politicisation' nor the imposition of conditionality on the Programme — but it does provide an incentive for substantive performance and ensures that resources get channelled to those best prepared to make optimal use of them. As a corollary, UNDP has increasingly focused on the need for a programmatic as opposed to a project approach and for increased coordination. It has become evident that the pursuit of thematic objectives requires such an approach, which involves coordination at a quite different level.

The EU's experience appears to have been similar. Here the drive for a more focused and coordinated approach to development was crystallised in the Maastricht Treaty. This firmly placed sustainable development, the integration of developing countries into the world economy, poverty alleviation and the consolidation of democracy at the heart of EU development strategies. It also concentrated the minds of legislators, policy analysts and practitioners alike on how different dimensions of these issues should be addressed. Reflecting a climate in which there is increasing pressure to boost the quality of ODA and render it ever more efficient, it also triggered the current emphasis on what Commissioner Pinheiro has called the 'the 3 C's' ; coherence, coordination and complementarity. In so doing, it signalled the potential for a new era of productive partnerships between development practitioners — at the level of policy coordination, in international fora and most importantly, in the field.

Policies converge

The UN and EU experiences have found similar expression in most if not all the major bilateral programmes. A quick review of these indicates a strong convergence on the thematic focus. Issues such as democracy, good governance, women, poverty elimination and the environment are found repeatedly. This is hardly surprising. In the end, it is largely the same governments, using the same taxpayers' money, that fund the various instruments — the EDF, the UNDP, the Bretton Woods bodies, the NGOs and the bilateral programmes.

Is this the answer then ? Has the case for development been remade ? Does the projection of global challenges and themes responding to the new realities suffice to ensure the future of development cooperation ? It certainly seems reasonable to assume that globalisation holds the key to the future. It is the implications of this trend on the ground that remain to be absorbed by the practitioners.

Our concluding proposition follows from the above. The adoption of a thematic focus requires new and strong development partnerships. This is the only way we can meet the challenges now confronting development cooperation. When a large number of agencies commit themselves to fighting HIV-AIDS, more than coordination is required. What is needed is a substantive programme partnership. When numerous donors want to support preventive diplomacy in a crisis area, there must be a concerted programme. And let there be no mistake — sustainability and capacity-building require full national and local participation in each one of these programmes.

Globalisation has thrown up global challenges — the response must be to forge global partnerships. If this does not happen, development cooperation will indeed become marginalised. This is the broader significance of the series of World Conferences that have taken place over the last five years — on Human Rights, Environment, Population, Social Development and Women. Global partnerships must be just that — between programme countries, interested donors and players in civil society, especially the private sector and NGOs. They must take account of actors at the global, regional, country, subregional and local levels. This is the only way that the case for development can be remade and we can realistically strive to achieve structural stability.

The experience with the Angola Round Table, held in Brussels in September, provides an excellent example. The successful outcome was due to the collective efforts of the Angolan Government, UNITA, the UN Secretary General's Special Representative, the European Commission, the UNDP, the Belgian Government and others. What happened was that each participating body made its own unique and vital contribution. And the whole turned out to be much greater than the sum of the parts. In short, the UN and EU both have indispensable and complementary roles to play if the emerging challenges to development cooperation are to be successfully turned into new opportunities. Unilateralism, in whatever form, will surely not be the rallying call for the new millenium.

B.J. & J.J.

The Coastal Communes programme in Côte d'Ivoire

A test for decentralisation

Planned long before the Lomé IV review process got under way, the Coastal Communes programme in Côte d'Ivoire may well serve as a test case for the concept of decentralisation as incorporated into the revised Convention.

Decentralisation is a policy of the Ivorian government, which is supported by the European Union and is reflected in the national indicative programme. It aims not only at ensuring a better economic balance between the capital, Abidjan, and provincial towns — thereby reducing migration pressures on the former — but also at maximizing the latter's contribution to national development. Indeed, decentralisation in this West African country is believed to have already reached a level that would enable the people of the communes to take effective control over their own economic destiny, provided they are given the necessary infrastructures and inputs.

258 projects in all

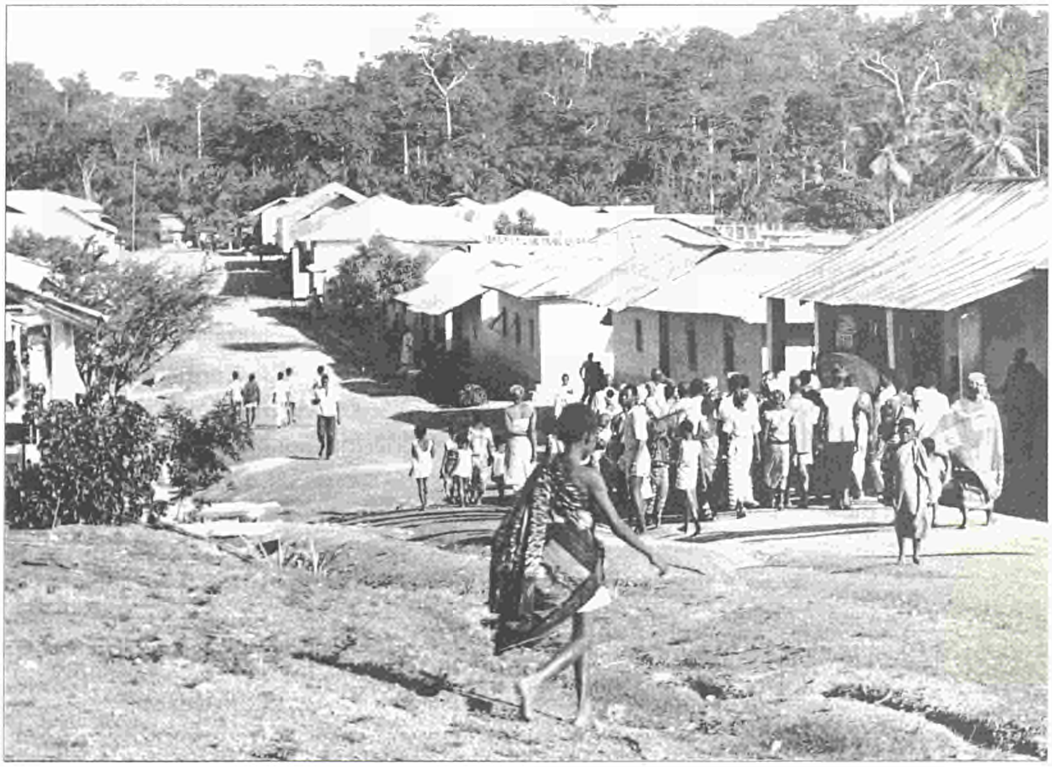
The Coastal Communes programme was conceived in 1991. It concentrates on the 16 coastal districts of the country which, taken together have a population of nearly half a million. In the past, these areas benefited least from public expenditure and they are the hardest hit in the current economic crisis. The programme aims to redress the situation somewhat through a variety of physical and non-physical projects — 258 in all — encompassing rehabilitation of existing infrastructures and the construction of new ones in a number of fields including sanitation, drinking water supply, health, roads and markets. It also includes the provision of equipment, studies, training and technical assistance. The total cost is put at ECU 30m of which ECU 28m is being provided by the European Development Fund.

The programme has three broad objectives. The first is to improve living conditions in the urban areas; reducing the economic costs of sickness and ignorance, and ensuring that the urban economy functions more efficiently. The second is to increase the planning, administrative and investment capabilities of the communes. This involves strengthening their treasuries by teaching them how to collect state revenues allocated to them as well as their own municipal taxes, balance their budgets and reduce bureaucracy. The third is to boost economic activity in the communes through funds being disbursed under the programme.

Given the multifarious nature of the physical projects, a two-pronged approach has been adopted for their realisation. High costs schemes, those involving technology beyond the capacity of the communes, and those not within the latter's area of responsibility — such as hospitals, tarred roads and sanitary systems — are being implemented by a central authority. These have been denominated 'Projects of Central Initiative', and 107 have been identified, the majority at the request of the beneficiaries. Those schemes initiated by the communes and within their ability are being left to them to implement. These are called 'Projects of Local Initiative' and total 151 altogether. Particular importance has been, and is still being, attached to the participation of the benefiting municipal authorities at the various stages in the process covering identification, planning and execution of projects.

Village in the coastal commune of Aboisso

The government's decentralisation policy is aimed at achieving economic balance between the capital and less developed regions of the country



VIVANT UNIVERS

Southern Côte d'Ivoire with the coastal communes benefiting from the programme highlighted

The general management of the programme is under the *Direction Générale des Communautés Locales* (DGCL), one of two local institutions identified by a working group during the preparatory period. The implementation of non-physical projects such as studies, production of technical documents, installation of computers, and supply of materials for environmental projects relating to domestic waste disposal, has been allocated to the *Direction et Contrôle des Grands Travaux* (DCGTx). The coordination of partnership activities between the Ivorian communes and local authorities in the European Union has been given to a specialised non-governmental organisation — *Cités Unies de Développement* (CUD).

Late start but implementation accelerating

Originally scheduled to be carried out over a four-year period, the programme did not start until the beginning of 1994, two and a half years after it was mooted. This is not unusual for a programme of this magnitude and, as a follow-up mission reported in 1994, the delay enabled adequate preparations to be made. The positive impact of these preparations are now beginning to be seen in the implementation phase.

By June 1995, a number of the physical projects, particularly those stemming from local initiatives, had been completed. Among these were the reconstruction of Abiosso motor park, the extension of Adiake's indoor market (including the building of a number of shops and the paving of the surroundings) and the construction of an abattoir at Anyama. Projects with an emphasis on school infrastructures included a school canteen and shelter at Alepe, a new six-room school in Bonoua and the establishment of a municipal living quarter for students at Sassandra, while extensive classroom renovation has also been carried out at Dabou (42 classrooms), Bonoua (18) and Tabou (14). Among the completed health sector projects are a maternity unit at Sassandra and a dental care unit at Tabou Hospital. Finally, work on San Pedro's Bardo market and cultural centre was far advanced.

Due to delays in the completion of studies entrusted to DCGTx, prolonged negotiations with the Health and Social Affairs Ministry, and difficulties in drawing up a convention with the Ministry of Equipment, Transport and Telecommunications, no major 'projects of central initiative' had been completed by June 1995. Since then, however, things have picked up with progress being made on several of the schemes under this heading.

As regards the 'non-physical' projects, two major developments are worth mentioning. In January 1995, the *Cités Unies de Développement* organised a seminar in Côte d'Ivoire which brought together representatives of Ivorian communes and their European counterparts. This was the first gathering of its kind and it is expected to lead to more frequent and direct contacts, and to specific activities in the area of 'decentralised cooperation'. A convention was also signed with the *Fonds Ivoirien de Développement et d'Investissement* (FIDI) to provide small and medium-sized enterprises with access to financial and technical assistance in evaluating, setting up and managing projects. By June, 261 loan requests had been submitted to FIDI.

A training seminar on 'the methodology of feasibility studies' was also organised for the heads of technical services and mayors of the 16 communes, while two pilot computerisation projects for the communes of Anyama and San Pedro, which have relatively large budgets, are being implemented.

The programme as a whole is now being implemented over two phases. The first, which began in January 1994, is expected to end in January 1996. An external evaluation mission will report on progress made under the first phase and the conclusions drawn will help to determine the course of the second phase.

A.O.

CLOSE-UP

A new look at ACP training opportunities

by Amin Kassam*

'I tried for about a year to get information on institutions in Africa where I could study but I couldn't get any. That's why I came to Europe,' says Alex Kyabowampi, a Ugandan student at the Institute of Social Studies in The Hague. Alex, who works with a Church-based rural NGO, says no programme focusing on rural development is available in Uganda.

This is a common complaint among ACP students who go to Europe for further studies. In some cases, however, courses of equivalent quality *are* available in other ACP states but students do not have access to sufficient information about them. Had the information been available, Alex would have chosen to study in a nearby country, to be nearer his wife and children — if, of course, he had obtained a scholarship. To meet this need for information, the EU is financing a project to produce a 'Directory of Advanced Training Opportunities in the ACP Countries' (DTOACP). Initially, the Directory will list post-secondary courses in three sectors: Rural Development, Communications and Transport, and Human Resource Development (General Management and Trainer Development only). The first edition will be published before the end of 1996 in English, French and Portuguese. In addition, an expanded DTOACP database will be available on CD-Rom. Later editions of the Directory will update the information and widen the coverage.

Not all institutions offering post-secondary courses in the focal areas will appear in the Directory. To qualify for inclusion, both institutions and courses will have to meet a set of objective quality standards on aspects ranging from course organisation to student facilities and services. Thus, Directory users will get an overview of the courses available, but also the studying and living environment at the institutions. The Directory will thus add to the information on ACP training institutions available from existing sources. There will also be briefing packs on individual ACP countries featured in the Directory, giving students some general information about the country where they will be studying and practical tips on matters such as health and visa requirements.

In 1994, 550 ACP students received EDF scholarships. Of these, 139 were for studies in the applicant's home country, 156 for courses in other ACP states, and 255 for study in Europe. The students in Europe mostly took courses in Finance, Economics and Statistics, Applied Technology, Management, Agriculture, and Health Care. It is this group that is expected to benefit particularly from the DTOACP.

Because of higher living and education costs, training in Europe is more costly than equivalent training in the ACPs. Thus, by using the Directory's information effectively, bodies that give scholarships should be able to help more students despite shrinking budgets. The database should also be useful to ACP governments by adding to sources of information already available to them for planning purposes. Institutions that provide courses of the right quality, and are thus able to attract foreign students (ACP and non-ACP), should benefit financially as a result of inclusion in the Directory.

The project is being implemented by a consortium of three Dutch institutions, which were awarded the contract, after an international bidding process. These are:

— *The Institute of Social Studies Advisory Service* (ISSAS) in The Hague, part of one of Europe's foremost centres for development research and training. The Institute of Social Studies runs some 15 teaching programmes, ranging from short diploma courses to PhD programmes. ISSAS has wide experience of advisory and consultancy work in more than 60 developing countries.

— The Netherlands Organisation for Cooperation in Higher Education (NUFFIC) in The Hague, which has a history of providing assistance for higher and professional training in the developing world. It has run more than 180 educational projects in 35 countries and also has experience in compiling training directories.

— The Development Research Institute (IVO) in Tilburg (affiliated to Tilburg University). It does development research and training, and is the European focal point for the International Development Information Network, set up by the OECD in 1976 to facilitate information exchanges on social science research and training as well as to foster regional and international cooperation.

The core project team comprises ACP and EU professionals. The project will also employ ACP nationals in their own countries and work at the regional level through suitable partner institutions.

Of course, some students may choose Europe because of a perception that the qualification gained will give them an edge in certain jobs. Bilateral programmes between individual EU and ACP governments will inevitably continue to cater partly to such students. Others may prefer a European course because their chosen institution is the best in a particular field. Obviously, DTOACP is not aimed at either of these categories. However, with the cooperation of ACP governments and institutions, it could make a difference to the others — those who seek quality education to enable them to help in their country's development and do not have a predisposition as to where they receive it.

A.K.

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The way ahead for Africa

The second plenary of the Global Coalition for Africa

Given the issue on the conference's agenda — Africa's political and economic future — and its reputation as a platform for expressing frank opinions, the roll-call of African leaders at the second plenary of the Global Coalition for Africa (GCA), which took place in Maastricht on 27-28 November 1995, was certainly impressive: Presidents *Robert Mugabe* of Zimbabwe, *Ketumile Masire* of Botswana, *Blaise Campaore* of Burkina Faso, *Isaias Afwerki* of Eritrea, *Alpha Konare* of Mali and Prime Ministers *Meles Zenawi* of Ethiopia and *Antoine Nduwayo* of Burundi. Also present were former Presidents *Amadou Toure* of Mali and *Julius Nyerere* of Tanzania.

If the turn-out indicated anything, it showed how at ease African leaders are now with reforms and underscored the seriousness with which they view the continuing difficult political and economic situation in the continent.

The GCA, it should be recalled, was set up in 1990 during a conference organised in Maastricht by the Dutch Government in the wake of widespread international concern over Africa's bleak economic prospects. It brings together personalities from Africa and the industrialised world and has been directed jointly over the past five years by President Masire of Botswana, the Dutch minister for development cooperation, *Jan Pronk*, and former World Bank President, *Robert McNamara.* Although serviced by a small secretariat based in Washington, the GCA is neither an organisation nor an institution: it is, as already mentioned, merely a platform for frank discussions. Through advisory committees and sub-committees, the Coalition has identified issues for debate from which, it hopes, consensus can be reached on strategies for political and economic reforms in Africa.

Since its inaugural Advisory Committee meeting in Paris in 1991, it has aimed at attracting participation from Africa at the highest possible level. There have been meetings in Kampala, Cotonou and Harare. The turn-out in Maastricht last November was a measure of the success of that policy.

The Courier

President Masire, Minister Pronk and Robert McNamara — the three 'guiding lights' of the GCA

Africa's future and the World (the title of the Maastricht conference), was organised to review the progress that has been made and to debate what needs to be done to rescue Africa from its seemingly inexorable decline. It took place during a season of African cultural events in the Netherlands and in the week prior to the plenary session, an Academic conference, an NGO meeting and the GCA's fifth Advisory Committee session were also staged.

The keynote address was delivered by President Masire. He told the conference that although there have been positive developments in some countries, Africa continues to cause serious concern, whether over the level of misery and poverty, denial of basic human rights or massive loss of lives and widespread displacement of populations. Given the fact that changes were taking place at a much faster pace than five years ago in international economic relationships, he observed, 'time is not on Africa's side. Consequently, the reform process, which is a prerequisite to Africa's full participation in the global economy, needs to be accelerated and extended to all those countries which are still lagging behind.' The globalisation of economic activities presented new opportunities as well as new challenges for the continent. He invited participants to 'examine carefully the policy implications of Africa's mixed performance and to forge a consensus for international cooperation.'

Three inter-related issues on which Africa's future depends — political reforms, economic reforms and external relations — were examined separately. Each subject was presented by two lead speakers and was then followed by a debate. Unlike the earlier academic conference, which was reportedly marked by acrimony and the characterisation of the GCA by some participants as 'neocolonialist', the plenary was civil and businesslike.

Political reforms

The lead speakers on political reforms were the British minister for overseas development, *Baroness Linda Chalker* and the speaker of the South African Parliament, *Mrs Frene Ginwale.*

Baroness Chalker spoke of Africa facing the 21st century at a crossroads. She noted that while Southern Africa was being transformed into a zone of peace and democratic governments, West Africa was descending into chaos with civil wars, lack of political reforms and too many cases of corruption. She referred in particular to the situation in Nigeria and the reaction of the Commonwealth and European Union, both of which have imposed sanctions. Difficult decisions, the Baroness said, have to be taken by those governments which have stalled reforms. They have to accept certain standards of good governance based on legitimacy, accountability, competence and respect for human rights. She emphasised the need for press freedom and eradication of corruption in the continent and expressed her conviction that Africa has the human and material resources necessary to eliminate poverty.

Mrs Ginwale dealt, among other things, with the issue of ethnicity which is often cited as a negative factor in democracy in Africa. She found the concept of pluralism in this regard something of a problem, coming as she does from a country where pluralism is often used to denote ethnicity as well as diversity — a concept that nurtured the racist perspective and apartheid in South Africa. She was not against ethnicity *per se*, Mrs Ginwale admitted. It was the negative use made of it that she deplored. The real challenge in constructing democracy, she said, was how to strengthen institutions within which to create the democratic culture. People were free to exercise their cultural rights and all other freedoms so long as they did not impinge on the rights of others.

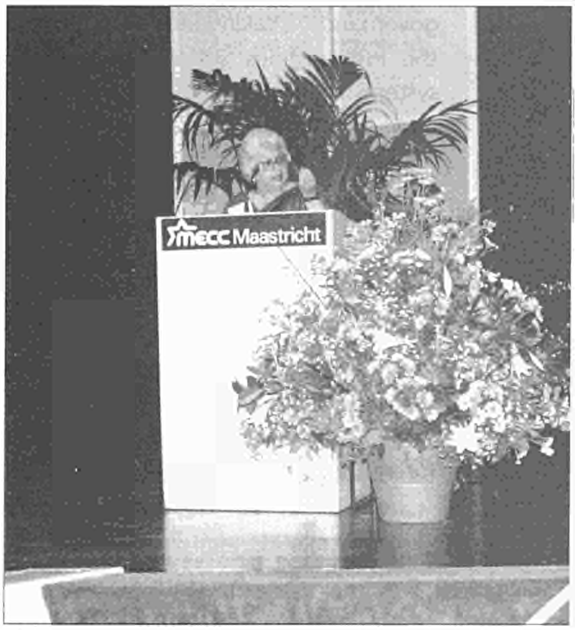
As was expected, a long and passionate debate ensued. President Campaore of Burkina Faso pointed out that what African populations needed above all was social peace, even if this meant living in poverty. They also wanted to have such basic rights as the right to life and to free speech. As he spoke, Burundi, Rwanda and other strife-torn countries were not far from the minds of participants and the intervention at this juncture of the former US President, *Jimmy Carter,* who had just flown in from chairing a meeting of the Great Lakes States, was welcomed.

Mr Carter told the conference that the Heads of State in the region had agreed on a number of important issues; among other things, to ensure that all refugees return to their homes (President Mobutu is said to have given an assurance, in this regard, to stop intimidation in the refugee camps), prevent cross-border raids, help bring the perpetrators of the recent genocide in Rwanda to justice and hold a conference on peaceful co-existence.

OAU Secretary-General, *Salim Salim* reiterated what the former American President had said. Intimidation was indeed occurring in the camps in Zaire and this needed to be stopped so that the refugees could return home. However, justice has to be done, and to be seen to be done, for the victims of the genocide. The tribunal set up to try those accused of perpetrating it needed resources which the international community should provide. Mr Salim recalled that African countries have always been willing to provide troops for peacekeeping, but have been prevented from doing so because of lack of logistic support.

On the issue of democracy, President Mugabe of Zimbabwe said that while there was general agreement that society must be governed in accordance with democratic principles, he objected strongly to those who spoke of minorities in terms of the right of groups to have their own political parties. 'We must stop the unleashing of undemocratic forces,' he warned. He criticised the campaign being waged in certain quarters in favour of groups such as homosexuals, whom he referred to as 'deviants'. There was no question of Zimbabwe granting political rights to such people, he added bluntly.

Because Southern Africa takes great exception to military dictatorship, it was coming out strongly against military regimes in West Africa, Mr Mugabe explained in answer to Baroness Chalker. He condemned in particular, the 'illegitimate' and 'barbarous' military government in Nigeria and restated his belief in the imposition of an oil embargo against the country. Mr Mugabe stressed, however, that the task of bringing about democracy in Nigeria rested ultimately with Nigerians.



The Courier

Frene Ginwale, Speaker of the South African Parliament
People are free to exercise their cultural rights as long as they do not impinge on the rights of others

The Zimbabwean President was followed almost immediately by the Nigerian Nobel laureat, *Wole Soyinka,* who was scathing about the measures taken so far against Nigeria by the industrialised countries. Although the reaction of the Commonwealth to recent executions was somewhat 'cheering', it was 'diabolical' to give the 'murderous' regime two years to change its ways. He did not understand why the measures actually taken did not reflect the moral outrage expressed by the Commonwealth and the EU over the execution of Ken Saro-Wiwa. He was sure Western ambassadors who were recently recalled from Nigeria will slip quietly back to their posts. Mr Soyinka insisted that any measures against Nigeria that did not include an oil embargo were bound to be ineffective.

With 'good governance' repeatedly coming up, the Dutch minister of development cooperation, Jan Pronk, who was chairing the session, called for the report of the preceding Academic conference on the subject. What the plenary heard was more moderate and sensible than expected. The academics, a spokeman said, had had to address one simple question, namely, 'whose governance?', taking into consideration the interruptions suffered by African systems of government over centuries due to interventions by European powers. Because the term lacked clarity, and in order to prevent it from being 'hijacked', there was a need for studies to be carried out on good governance by Africans themselves, especially at the local level.

An NGO conference, which was also held on the fringes of the GCA, came to a similar conclusion, the conference was told.

Economic reforms

Two African personalities with slightly opposing views on structural adjustment, *Dr Kwesi Botchwey*, Ghana's former Finance Minister, and *Ms Ellen Johnson-Sirleaf*, UNDP's regional director for Africa, were the lead speakers at this session. However, like everyone else present, they both agreed that reforms were necessary if Africa's economic recovery was to be assured. Where they disagreed was on strategy.

Despite his adherence to classical IMF structural adjustment, Dr Botchwey warned against 'undue haste' in making comparisons between reforming and non-reforming countries and 'drawing causal links between performance and adjustment or the lack of it.' He continued; 'It is important to remind ourselves of the specificities that characterise the countries in this vast region. Too much of what is specific in the experiences of individual countries gets lost in the averages and generalisations.' However, he continued, it ought to be recognised that there had been significant improvements in a number of countries in sub-Saharan Africa.

A few had achieved real GDP growth and a reduction in poverty through an increase in basic education. These achievements had not been sufficiently impressive, however, because of high population growth rates, which tended to depress *per capita* income. Africa, Dr Botchwey said, faced formidable problems of export promotion (its share of world trade shrunk to 1% in 1994), inadequate infrastructure which is constraining development, and foreign investment which had not been flowing in sufficiently despite new and attractive investment codes.

The former Ghanaian minister said he understood why instability should deter foreign investors from coming to Africa and suggested that the World Bank should instead step in to guarantee investments. As for the relationship between donor and recipient, which is increasingly being seen as paternalistic, he said that it ought to be redefined as one which respects integrity and is based on trust.

Africans, he recommended, should pay greater attention to domestic resource mobilisation and should recognise the connection between population, agriculture and the environment in poverty alleviation.

Ms Johnson-Sirleaf doubted whether the successes of certain African countries were really due to IMF-imposed structural adjustment. She warned African countries against adopting policy measures and reforms that are not consistent with their own agenda and out of line with the Lagos Plan of Action. They should carry out reforms because 'they are the right thing to do, not because they are what the World Bank and the IMF want.'

She also pointed out that in order to fight poverty effectively, there has to be a massive shift in resources away from areas such as debt servicing and defense procurement, to such sectors as education, food security and health.

Ms Johnson-Sirleaf wondered whether African countries were prepared to do this. As regards foreign investment, she said that if each of the African participants at the conference was prepared 'to invest in productive endeavour' in his or her own country, and live in his or her own country, 'then Africa is on the way to attracting the private investment and the private flows that will foster its development.'

Africa and the world

This theme of self-reliance and endogenous development was taken up by President Afwerki of Eritrea who emphasised that Africa must set its house in order and devise internal strategies for economic growth. 'Africans must stand on their own feet', develop their human resources and technology. He warned that the continent's future would remain bleak as long as it continues to copy foreign patterns of development.

It would only succeed if it embarked on homegrown strategies as Ms Johnson-Sirleaf had said. Africa must find the inner strength to relaunch itself on the path of development, eradicate corruption and establish good governance and accountability.

The continent clearly requires substantial support, but he agreed with Dr Botchwey that Africa must foster a genuine partnership based on respect. A clear distinction, Mr Afwerki said, must be drawn between conditionality and development assistance.

The Ethopian prime minister, Meles Zenawi, on the other hand, did not see anything wrong with conditionality. He could live with it as long as the IMF and World Bank kept out of micromanagement.

A large number of African countries, in the opinion of former Tanzanian President Julius Nyerere, are undertaking structural adjustment, not necessarily because they believe in it, but because they are compelled to do so, to

A well-equipped school in Namibia : but there are doubts about whether all African countries are prepared to divert spending towards education, food security and health

have access to funds. Others, he said, were simply doing so for ideological reasons, especially with regard to privatisation.

The IMF's managing director, *Michel Camdessus* observed that countries which are unable to integrate into the new world economic order risk being totally marginalised. He urged unsuccessful countries to learn from the successful ones, saying that there were certain unaviodable basic truths. To attract investment, a country must function well domestically and remove the environment of uncertainty and insecurity which scares away investors. It must restore and maintain financial stability by eliminating inflation. Mr Camdessus also agreed that Africa needs substantial external assistance — about 70% of its export earnings at the moment. But he was pessimistic that debt cancellation would make much difference. Debt servicing, he said, represented 20% of Africa's export earnings. If these were cancelled the continent would still need external assistance to the tune of 50% of its export earnings.

The IMF boss's statement underlined Africa's major problem — that of adverse terms of trade, which prompted ex-President Nyerere to raise the issue of compensation for the continent for agreeing to sign up to the WTO accord which 'everyone knew was to its disadvantage'.

Against this background of decreasing export earnings, a number of speakers decried the decreasing volume of international aid. They noted that only the Scandinavian countries and the Netherlands had maintained appreciable levels of bilateral assistance as recommended by the UN. The host country, whose bilateral assistance now hovers around 1% of its Gross Domestic Products, was singled out for particular praise. Given this situation, the current tendency by some industrialised countries to reduce their contributions to multilateral systems of aid in favour bilateral forms, which are seen as less effective, and are invariably commercially tied, was widely condemned.

The conference did not end the debate on Africa's relations with the outside world without examining the issue of corruption, which is having a deleterious effect on the continent's development. Huge sums of money are known to have been illegally acquired by some leaders and laundered in Europe and America — sums acquired through either commissions paid for contract awards or outright theft from the public purse. There was an urgent need, a number of speakers emphasised, for transparency in Africa's commercial dealings with the industrialised countries.

In this regard, *Mr P. Eigen* of *Transparency International* gave the conference an account of his organisation's efforts to have governments in the developed world enact legislation against bribery and corruption. It came as a surprise to many to learn that only the USA has such legislation. Commercial bribery, Mr Eigen said, was condoned wittingly or unwittingly through subsidies disguised as expenditure for commercial promotion.

Although the Global Coalition for Africa does not sing its own praises, it has made a tremendous contribution to the changes that have taken place in Africa over the past five years. It was pleasing to learn that its existence is assured, at least for the next five years, thanks to a pledge of continuing support from the Dutch government. Mr Robert McNamara is proposing to retire shortly and the Coalition plans to increase the number of chairmen to six. They will be predominantly Africans and half of them will be women, the conference was told.

Augustin Oyowe

The world's favourite drink

by Peter L. E. Jones*

***Foxy, stinker, earthy, pulping, liquoring*... These strange expressions are just a few of the many fascinating terms used by coffee growers and producers all over the world. There is a good chance that you drink and enjoy coffee every day, but what do you really know about the world's favourite drink?**

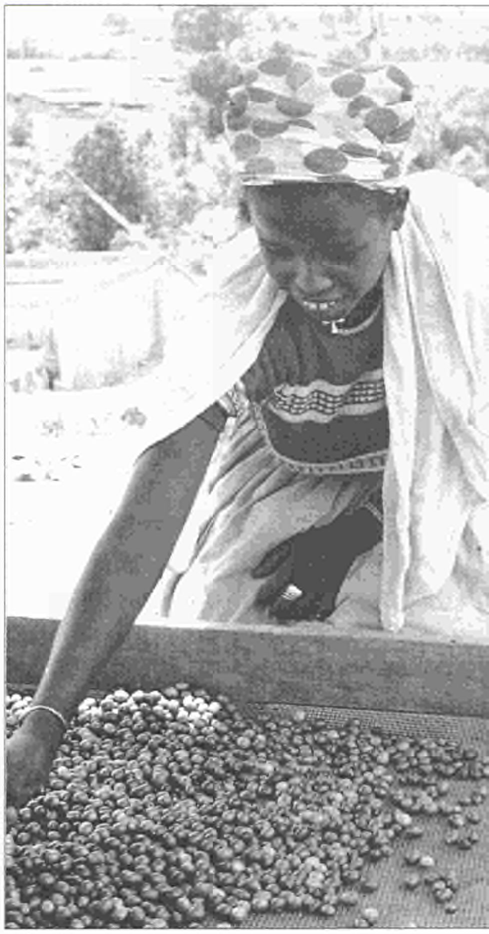
Arabica coffee trees, the first variety known to man, were originally discovered by travelling Arabs on the cool high plateaus of Ethiopia (Abyssinia). These produce a much sought-after, mild-tasting drink. *Robusta*, on the other hand, is a native of the hot humid forests of western Africa. It is, as the name suggests, a more robust coffee containing a much higher quantity of caffeine than Arabica. Robusta is used mainly for instant coffee. Nowadays, both types of tree are cultivated worldwide — in the Americas, Africa, Asia and Oceania.

Wild coffee trees can grow up to ten metres tall but most cultivated trees are pruned to grow no more than head height. Any taller, and picking the ripe clusters of bright red cherries at harvest would prove difficult. The sight of an Arabica coffee plantation at flowering time is one that is never to be forgotten. The trees, which are evergreens, are laden with white blossom and the air is filled with the perfume of jasmine. In most places where coffee is grown, harvesting the cherries is a family affair with neighbours also helping to gather the crop. Children are often excused from school to help with the cherry picking.

Pulping is the first of many processes to which the coffee bean will be subjected before becoming the fragrant and aromatic drink that so many people enjoy. This is carried out on the estates by machines designed to remove the sweet, pulpy substance found inside the cherries. What remains is two seeds, although these do not yet resemble the coffee beans that most of us are familiar with. Two more skins have to be removed, but first, the seeds have to be dried. This is done on long drying tables which can be seen set up around the houses in the mountainous villages where Arabica coffee is grown. The golden coffee beans are spread out to dry in the sunlight, before the onset of the rainy season. Over a period of several days, the beans lose most of their moisture and the golden outer casing becomes loose and brittle, like parchment in both colour and texture: hence the term *parchment* coffee which is used to describe the dried beans at this stage.

Some coffee farmers prefer to pulp their own cherries at home on a small hand or engine-driven *drum pulper*. Others take their crop to a central *pulpery*. This will use a much larger *disc pulper* which is usually owned by a cooperative group formed and run by the farmers themselves.

Ideally, the cherries should be pulped on the same day they are picked. Failure to do so can produce a smelly, fermented coffee bean known as a *stinker*. A professional coffee taster, known as a *liquorer*, would detect the presence of a stinker in a brew immediately. Only one stinker in a whole sack of perfect beans is enough to contaminate the batch. As stinkers adversely affect the taste and smell of the final cup of coffee, they have the effect of greatly reducing the price offered to the farmer at the coffee auction.



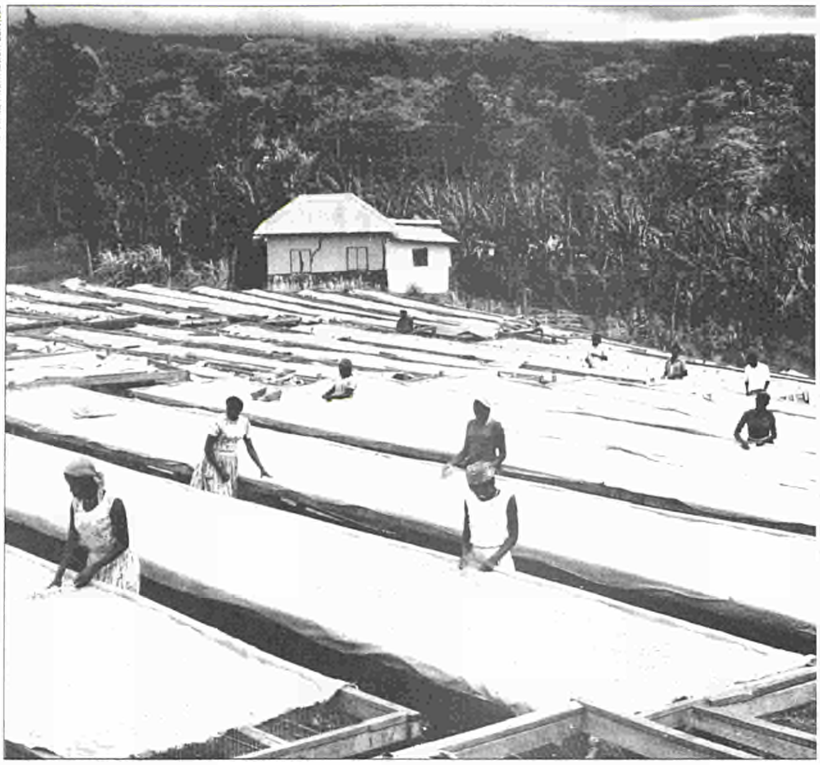
WFP/FAO — S. Pierbattista

Ethiopian woman grading coffee cherries

The drying complete, the coffee farmer can now arrange for his parchment coffee to be sent to the factory for milling. This is usually done by lorry with the vehicles often having to negotiate difficult roads. In many areas, the heavy tropical rains will have begun, making the journey even more hazardous. Once delivered to the mill, the parchment coffee will be weighed, recorded and stacked, awaiting the milling process.

If you grind a handful of parchment beans in your hands, the 'parchment' comes away easily. You will then see that the beans are covered with yet another skin — this time, a fine, transparent membrane — which isn't so easy to remove. This is called the *silverskin*. The main purpose of the milling process is to remove the parchment casing and the silverskin membrane.

Later, the same factory will grade the newly-milled coffee beans according to their size and weight.



Two of the early stages in processing coffee: pulping and drying

Broadly speaking, the larger and heavier the bean, the better the price it will make at auction. Before the milling process can begin, however, the parchment coffee has to be cleaned by special machines that remove all 'foreign' matter. Stones, nails, string and even pieces of metal can mysteriously find their way into the sacks — making them weigh heavier when delivered to the coffee mill weighbridge!

Once cleaned, the coffee beans are ready to be *hulled* — the process whereby the parchment casing is removed. This is done by centrifugally impacting the beans inside a machine rotating at high speed. The casings are discharged like flying cornflakes, blown from the mill by huge fans. Utilising friction, a machine called a *polisher* is then employed to rub off the silverskins. What then emerges is the familiar 'naked' coffee bean, now referred to as *green coffee*. Good quality green coffee has an intense green-khaki lustre. It is very hard to bite and has a bitter taste.

Grading — from 'elephant' to 'peaberry'

The beans are then graded according to size, a process which involves passing them over vibrating or rotating screens and allowing them to fall through holes of differing size. There are five categories: 'E' which stands for *elephant* followed by 'A', 'B' and 'C' in order of diminishing size. The fifth grade is 'PB' which stands for *peaberry*. A peaberry is a misshapen coffee bean in which the two seeds appear to have grown together. They are, nonetheless, capable of producing a fine cup of coffee.

The final stage at the milling factory is where the coffee beans are graded according to their weight. The principle is elementary. A simple machine allows the coffee beans to work their way along an angled and rapidly vibrating surface known as a *gravity table*. Due to their weight, the heavier beans vibrate up the table and fall through a collecting duct at the top. Medium weight beans follow in the same direction but, unable to make it to the top, they fall off to be collected at the mid point. The lighter beans move downwards to be collected at the bottom of the gravity table. The graded beans are collected and transferred by three conveyors to large storage silos.

Buying orders based on sample coffee sent to the auctions follow shortly afterwards. Specified lots of green coffee are then bagged as ordered, ready for export overseas. Sometimes, a buyer will ask the factory to *bulk* together different grades of beans before bagging them, to meet a specific customer's requirements.

Every coffee mill has a quality control department known as the *liquoring room*. Here, samples of coffee are roasted and ground to be infused into a black, sugarless brew. This is tasted (and spat out) by professional liquorers who are responsible for determining its quality.

Most coffee mills do not undertake the commercial roasting and grinding of coffee beans. Generally, the green coffee is exported for further processing at a factory in a different country.

In the international commodity league tables, coffee comes second only to oil. Throughout the world, the industry employs more than 20 million people. And more than four million tonnes of coffee is consumed every year — proving that coffee is still the world's favourite drink.

P.L.E.J.

The changing face of trade unionism in Africa

Two of Africa's leading lights in the trade union movement, *Hassan Sunmonu*, Secretary-General of the Organisation of African Trade Union Unity (OATUU) and *Andrew Kailembo*, Secretary General of the Africa regional section of the International Confederation of Free Trade Unions (ICFTU-AFRO) spoke to *the Courier* about the changing face of trade unionism in Africa in the wings of the annual meeting ACP/EU social partners meeting, held in Brussels on December 6-8 1995.

The wind of democratic change blowing through Africa has opened the door to a re-emergence of free trade unionism. On the other hand, an increase in violations of labour and trade union freedoms by governments has been seen. At the same time, structural adjustment and the devaluation of the CFA franc have set back union attempts to take advantage of political pluralism. Trade unionism was an important element in precipitating an end to one party regimes notably in Mali, Zambia and Malawi, and trade union pluralism has grown with the dismantling of one-party systems.

'In this democratisation process, some governments fear the role of the trade union movement. This is particularly so when they see that it is independent and working with a free press, conversing with society,' says Andrew Kailembo, who was elected head of the Nairobi-based ICFTU-AFRO in 1993. It has 44 affiliated organisations in 40 African countries and a membership of 27 million.

Hassan Sunumo renewed a four-year term as head of the OATUU (based in Accra) in May 1995. The Organisation claims to represent all trade union tendencies in Africa including the non-aligned. Its Secretary-General is confident that unions will have a strong voice in the continent in future. 'Governments in our countries have become intolerant as a result of the trade union movement leading civil society in a number of countries in demanding the restoration of the people's democratic rights. They used to feel that unions should only deal with bread and butter issues; but every human being is a political animal, and we have a right to air our opinions about the way our countries are run.' He adds: 'Trade unions are saying that they played an important role during the pre-independence period, fighting against the colonial past. Now they want to see that proper democracy is established. When you have democracy, you also have free and independent democratic unions.'

Both umbrella bodies are active in exposing violations of trade union rights and labour freedoms. According to Mr Sunmonu, 'we go to the governments to present the complaints of our affiliates and discuss them with officials. We don't simply attack violations out of hand. There is always another side to the coin. And countries are sometimes very embarrassed when they see the OATUU report on activities.' Both men make a strong call for greater dialogue with the IMF and the World Bank on the content of structural adjustment programmes.

Their fears that the 'social partners' are being ignored in the design of IMF and World Bank programmes are also underlined in a recent study by the Brussels-based ICFTU — which has 127 million members in 124 countries — of 13 French-speaking African countries. This study asserts that structural adjustment has set back trade unionism's ambitions of pluralism, as well as progress on labour rights.

The ICFTU report refers to the World Bank Development report for 1995 which says that structural adjustment poses a 'serious challenge'. The ICFTU goes on to recommend 'intervention in labour markets,' to 'reduce the bias against small and informal businesses and agriculture.' Public sector reforms are seen as 'crucial for increasing the quality of services offered' and a 'simultaneous reduction in public employment and a more competitive wage structure' is urged.

According to the report: 'Politicians are again tempted to employ repression in stabilising society so that the requirements of conditionality are accepted unopposed'. The offer of a 'docile workforce' facilitates external investment. It also claims that the 1960s scenario is being repeated. This was when the politicians' quest for centralisation to meet the goals of the initial five-year plans first destroyed pluralistic structures in French-speaking Africa. Trade unions, says the ICFTU, were swallowed up and private sector employers marginalised. The state assumed almost complete control of industrial relations.

The report stresses that 'the train of structural adjustment left the station some years ago and workers and their trade unions are on board. Today, the question is not when the trip begins, but where it is going and what route it will take. As political leaders examine (ways) of restructuring labour legislation and industrial relations, as part of an attempt to restart stalled economic growth, they are confronted by the conditions of the international financial institutions.' The study continues: 'Latent tensions have become transparent in the process of drafting new labour codes. Demands for 'flexibility' of employment and working hours have increased pressure in governments to impose fewer restrictions in areas such as employment contracts and procedures, authority of labour inspectors, dismissal for economic reasons and temporary work.'

And the 50% devaluation of the CFA franc in 1994 had a 'profound effect on wage earners and further undermined union credibility.' Trade unions were taken by surprise as no consultations had taken place prior to the devaluation. There were initial protest strikes and demonstrations in Benin, Burkina, Gabon and Niger. Other unions held meetings and demanded

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Andrew Kailembo, Secretary General of the African regional section of the ICFTU

wage increases ranging from 35% in Chad and 50% in Burkina, Mali, Senegal and Togo, to 100% in Gabon.

Whereas Andrew Kailembo speaks about the need for the IMF and the World Bank to engage in dialogue with social partners, Hassan Sunmuno regrets that the 'African alternative' to structural adjustment, endorsed by African nations in 1989, has never been implemented. 'What we are saying is that the World Bank is not restructuring in the right way because it is not involving the social partners. We believe there should be dialogue with the social partners,' he asserts. 'We criticise the World Bank in countries like Chad and Senegal because they have tried to impose expatriates on the governments who then encourage them to water down or abandon their labour laws. This is the business, not of the World Bank, but of the International Labour Organisation (ILO) which is the specialised agency for labour legislation.' This year, the ICFTU has organised seven structural adjustment workshops in Ghana, Chad, Senegal, Gabon and Uganda. Participants have included Ministries of Finance and Economics, representatives of civil society and officials of the World Bank and IMF.

'Why,' asks Mr Kailembo, 'should the Ugandan government announce that it is going to retrench 10 000 people, without ever discussing the matter with the social partners ? The key question is how you retrench. There should be a safety net for those moving into the informal sector, so that they have something to live on. If you retrench overnight, you create chaos. In the African continent, where you have no social security, if you take away one person's livelihood, you are effectively retrenching 10-20 people.' He claims that the IMF and the World Bank are now beginning to take note of their concerns.

Mr Sunmonu stresses the African alternative : 'What does structural adjustment mean ?' he asks. 'Well, it certainly means sacrifice but how can we share the fruits of that sacrifice equitably. At present, less than 2% of the people — who have not made any sacrifice — are reaping 98% of the fruits.'

Both organisations are committed to wide-ranging education schemes, not only about trade union freedoms and labour rights, but also on economic integration in Africa. The OATUU is holding worker education programmes based on popular participation, empowerment, accountabilty of leaders, human and trade union rights, economic and social growth, and the pillars of the Treaty of the African Economic Community adopted in July 1990.

Hassan Sunmonu advocates human resource development and capacity building for unions in each country and talks about organising a sub-regional seminar winding up with a continental meeting. The ILO has pledged funds for three such meetings in Nigeria, Tanzania and Guinea bringing together trade union leaders, general secretaries of affiliates, women's organisations and research and education officers. 'We are also pushing African governments to develop the necessary political will for the integration of their economies through the establishment of the African Economic Community', he says.

But his organisation has ambitions too of being a 'creator of employment' through such things as investment in small and medium-sized enterprises. He points out that in Tunisia, for example, one affiliate owns an insurance company while another runs a hotel.

The organisation is hoping to attract EDF backing to build a new African Labour College in Ghana and a new Secretariat. The Chinese government has already offered some funding.

The Courier

Hassan Sunmonu, OATUU Secretary General

Both men feel Europe can also directly support labour rights in Africa by linking it with trade. The idea is that if labour standards are not respected, sanctions may follow — the much-discussed 'social clause' to trade agreements. 'We think the EU could help us by sanctioning countries where trade union rights are not respected', argues Mr Kailembo.

Hassan Sunmonu notes, on this issue, that 'difficulties will arise over who is the accuser and who is the judge. You need a mechanism akin to that of the ILO, where, if a government breaks the rules, you can make a complaint about the violation, and there is a committee which judges the case on the basis of international labour standards. We want transparency and justice, and the application of universal standards in areas such as the use of child labour.'

Both men talk animatedly about the future and echo the thoughts set out at the end of the ICFTU study. This says that 'Africa is on the threshold of a new political, economic and social era where trade unions can once again play the positive role they once enjoyed in the struggle for independence. If the challenges of this altered environment are to be met successfully, a new vision is needed to guide the leadership, allowing for workers to go beyond past restraints in forging an innovative, truly African style of dynamic trade unionism and industrial relations.' D.P.

'A sin against the future'

The Courier speaks to leading international penal reformer, Vivien Stern

Penal Reform International

Improvement of human rights and strengthening of democracy are now firmly on the agenda of many developing countries. Within the human rights field, one area of concern which is sometimes neglected is the treatment of offenders. In January, we interviewed Vivien Stern, who is the Secretary-General of Penal Reform International (PRI) — a organisation with a particular interest in this issue. We began by asking her about the structure of PRI.

— It is a non-governmental organisation (NGO) which was set up in 1989. As it happens, it was founded on the day the Berlin Wall came down which is symbolically significant because decent penal systems are connected with democracy and the recognition of the rights of each citizen. It has 400 members in 80 countries throughout the world. It is a membership organisation; a network of the energy and commitment of penal reformers throughout the world. Its main way of working is through local NGOs, strengthening their capacity to reform systems in their own countries.

■ *What are its objectives?*

— In the first place, to ensure that international human rights norms and guidelines for the treatment of offenders and the operation of criminal justice are implemented in all countries. We are also seeking the elimination of discrimination in penal measures. In terms of the prison population, minorities are disproportionately represented in every country I can think of. Women too tend to suffer worse prison conditions. Our other targets are the abolition of the death penalty and a reduction in the use of imprisonment throughout the world. We put a considerable amount of our campaigning effort into this last aspect; the use of non-custodial sentences which include people in society rather than excluding them.

■ *In which ACP states are you working?*

— In the Caribbean, we are running an EU-funded project which is now in its third year. This pays for a lawyer to help prisoners on death row. It allows cases to be taken to the Judicial Committee of the Privy Council in London, or perhaps to an international court of some sort or to one of United Nations bodies, where unfair trials and verdicts can be taken up. There have been some very clear results. We receive letters from people whose death sentences have been commuted and this brings a real feeling of achievement.

We have also been working for five years on improving prison conditions. They are mostly very bad, particularly for long-term and death-row prisoners. Similarly, we are working to change the system for juveniles who are often taken away from home and placed in centres that are badly equipped and poorly managed — and which do not solve their problems.

We have a larger programme in Africa and are working in Zimbabwe, Zambia Uganda, Kenya, Malawi, Burkina Faso, Guinea Bissau, Senegal, Cote d'Ivoire, Burundi and South Africa.

There are two main thrusts to our policy in Africa. The first is to strengthen human rights machinery such as the African Commission for Human Rights, by enabling local NGOs to put pressure on the Commission to take prison conditions seriously and live up to the international guidelines that countries have signed up to. Many of the people who are prison in Africa and elsewhere in the world should not be there. Having so many people in prison is a barrier to development. People who are locked up are not growing food or working to support their families. There also tends to be rapid spread of disease in prisons which is often passed on back home — that is if the inmates survive to their release time.

■ *So why do so many end up in prison, especially in developing nations?*

— The main problem is the pre-trial system and underfunded, poorly-functioning legal systems. These mean that people can end up being held in prison for months, or even years. One very important aspect of reform is to check the paperwork. There is often not enough paperwork for people to get a proper trial. Another difficulty is that imprisonment is often seen as the only penalty available — for example, for someone who steals a chicken and is not able to pay a fine.

There is a major and exciting project being implemented in Zimbabwe where the EU has very wisely agreed to fund a pilot Community Service scheme. This has been very successful in our view, because it is a low cost model, which could be replicated in other developing countries. It brings community benefits and makes a substantial contribution to democracy and human rights. This is because it responds to people's criminal acts, not by increasing suffering, but by asking the offenders to recompense society and reintegrate into it. In the first year of the programme, 682 community service orders were approved in Zimbabwe instead of prison sentences. The figures were 2494 and 3344 for the second and third years respectively. And the result is that the prison population has stabilised.


Penal Reform International

The Community Service scheme in Zimbabwe
Responding to people's criminal acts, not by increasing suffering, but by asking offenders to recompense society and reintegrate into it

What kind of donor support are you getting?

— More and more governments are showing interest. But we also have a message for the donors which relates to the impact of their policies on criminal justice systems. Not all of these policies are beneficial, particularly where you get a lack of coordination. For example, donors may say, 'We can only spend money on one thing'. They then agree to help reform the police, which is fine. But if the police service is reformed and they go on to catch more offenders, while the rest of the system remains unchanged, you just get a bigger prison population and the problems at that level multiply. You need a coordinated approach if you are to reconstruct a criminal justice system. Otherwise, you simply get distortions which will probably make the problems worse.

Another message for donors is that Western models of penal system are not helpful in any case. In general, we do not think it is a good idea even in rich western countries, but it is extremely bad in developing countries. Prisons absorb sparse resources in a negative way. The money is needed for education and health, yet you are spending it instead on something that damages the health of society. Once you have locked up the few who are really violent, the rest could just as well be doing something for the community, feeding themselves and not living in such close proximity that disease spreads rapidly. Prison tends to make people more likely to commit crime.

What future goals has PRI set itself?

— The ultimate objective is to have a strong and confident penal reform NGO undertaking a range of work. It is very important to engender public debate about the penal system, so that the public understands they are not getting good value for money by imprisonment of offenders — and that it doesn't help with crime prevention. And we must ensure that those in prison are treated with humanity. There are a number of things that NGOs can do to ensure that prisons are properly staffed.

We must also start a public debate about the ways we are dealing with crime and the dangers of the world narrowing its response by putting more and more people in more and more prisons. A famous American professor said that the way we are dealing with crime has become a 'sin against the future'. We are taking large numbers of people — usually young men, the unemployed and minorities — and locking them up for the productive period of their lives. We are depriving them of their youth and placing them with a group of people whose only knowledge of life has been learned behind a prison wall. This is very bad for the future of society and will certainly not help us to solve the crime problem. People who come out of prison often only see one way of life for themselves — and that is a criminal one.

There are other ways of dealing with crime. We have a very exciting project being funded in Addis Ababa, where young people under 18 from a very poor and crime-ridden neighbourhood are setting up cooperatives. They are making and selling things and earning an income. Since the programme started, not one has gone back to crime. They look forward to a normal life: getting married, having children and being a part of society. That's what will prevent crime, not just locking up more and more people.

Interview by D.P.

Femmes, d'Afrique

by Françoise De Moor*

'Although it is still our duty to pay homage to the peasant woman, wife, mother and cornerstone of the family, other, myriad destinies are also struggling into the limelight.'
(J.-P. Jacquemin)

Women of Africa, staged by the Belgian NGO, Cooperation through Education and Culture, is a travelling exhibition, consisting of 28 movable panels, which uses images and words to illustrate the exemplary lives as historical figures of African women from both black Africa and North Africa, from ancient times to the present day[1].

This exhibition stems from the fact that while little is known about the major male figures in African history, even less is known about their female counterparts. The reason for this lack of knowledge stems partly from the misogyny which has long prevailed in the study of history in general but also from the fact that the history which is taught in schools is still, first and foremost, Eurocentric. It fails to give an objective account of matters concerning non-Europeans and, more particularly, the pre-colonial and colonial history of black Africa.

Admittedly, a non-specialist could, without too much hesitation, name perhaps ten symbolic figures in Europe who embody the female struggle for recognition of women's rights through the centuries. But the same cannot be said in an African context, despite the work of a new generation of historians who are attempting to demonstrate the significant role played by women in the Third World, both in ancient and in contemporary societies.

During our research, however, we actually found ourselves confronted with an embarrassment of riches — queens, prophetesses, legendary heroines, founders, political activists, committed feminists and so on — to be found in all eras of African history. We have had to limit the selection but have not simply plucked the names from the air. The aim was to make the list as eclectic as possible. Our first objective was to use this presentation of extraordinary women to make the general public want to learn more. And although the selection was inevitably

Illustrated figures included in the exhibition

HATSHEPSOUT - Egypt - XVth century BC
THE QUEEN OF SHEBA - Ethiopia - Xth century BC
LA KAHENA - Maghreb - VIIth century
YENNEGA - Burkina Faso - XIIth century
CHAJAR AD-DURR - Egypt - XIIIth century
RUWEJ - Zaïre - XVIIth century
NZINGA - Angola XVIIth century
LALLA KENATHA - Morocco - XVIIIth century
BEATRICE OF THE CONGO - Zaire/Angola - XVIIIth century
QUEEN POKOU - Côte d'Ivoire - XVIIIth century
SARAN - Mali - XVIIIth century
GANKABI - Zaire - XIXth century
RANAVALONA III - Malagasy Republic - XIXth century
SARRAOUNIA - Niger - XIXth century
KANJOGERA - Rwanda - XIXth century
MEKATILILI - Kenya XXth century
HODA CHAARAOUI - Egypt - XXth century
ALINSIITOWE - Senegal - XXth century
FUNMILAYO KUTI - Nigeria - XXth century
DJAMILA - Algeria - XXth century
ANUARITE - Zaire - XXth century
ALICE LAKWENA - Uganda - XXth century
HELEN SUZMAN - South Africa - XXth century
ELLEN KUZWAYO - South Africa - XXth century
NAGA (Amazon) - Benin - XIXth century

This is not a comprehensive list! Quite the reverse. There are plans for new figures to be added, symbolising each country that stages the exhibition. The idea is that these should become permanent additions, thereby enriching the material on display.

* Art historian, organiser and researcher at Cooperation through Education and Culture — ASBL, the Belgian NGO and non-profit-making organisation, and member of the AIFF's cultural section

[1] Exhibition staged by *Cooperation through Education and Culture*, Rue Joseph II, 18, 1040 Brussels, Belgium, Tel. 32 2 217 90 71), with support from the Cultural and Technical Cooperation Agency (Paris), the Continuing Education and Equal Opportunities Services of the French Community in Belgium and of the French Community Commission (Brussels)

Contemporary bronze, Côte d'Ivoire

Queen Pokou
The sacrifice of a child on the banks of the Comoë River

The exhibition at the Botanique Cultural Centre, Brussels

subjective to some extent, we were guided by a need to take spatial and temporal account of the cultural diversity of this vast continent. At the same time, we wanted to highlight the model role that some women have been able to play by becoming, on occasion, the symbol for a country, a region or a people fighting for emancipation or for the recognition of their basic rights.

Among the most well known, we can cite the examples of the *Queen of Sheba*, the inspiration for King Solomon's Song of Songs, or *Hatshepsout*, the Egyptian queen. But we have also discovered less familiar figures, such as *Queen Nzinga*, the Angolan warrier who fought the Portuguese until they were compelled to admire her, or even those closer to us, such as the *Djamila*, the bag carriers who became the heroines of the war in Algeria.

Throughout this gallery of portraits — which is rich in detail, anecdotes and stories from history — the image we have is of capable, courageous and determined woman who are revealed in their historical context. They help to place in perspective the role that the new generation of African women have to play alongside men, and enjoying equal rights with them, in the development of their societies.

To get away from the stereotypical cliché of the African woman, we preferred to choose, as the illustration for the exhibition's poster, the unusual image of the Amazons of Dahomey, even if this illustration is occasionally seen by some as representing 'extreme' feminism.

Women of Africa was created in Brussels for presentation at a series of events dealing with African women. Since 1993, the exhibition has been available for hire in a plasticised version intended for circulation in Belgium and abroad. It has been exhibited at the Second International Women's Conference on Security and Cooperation in Europe and several times in different locations at events linked to International Women's Day.

Under the aegis of the AIFF (International Association of French-Speaking Women — see box) and with the aid of the ACP/EU Foundation for Cultural Cooperation, the exhibition was staged in 1993 at the Port-Louis Museum in Mauritius to provide a female presence at the fringe activities of the fifth Francophone Summit.

It has also been displayed the ACCT (Cultural and Technical Cooperation Agency) headquarters in Paris and, more recently, at French cultural centres in Bangui, Malabo and Bata as well as in Karlsruhe. In March 1996, *Women of Africa* will be shown in Kigali and Butare before beginning a tour which will probably take it to Bujumbura, Nairobi, Kampala and Djibouti. At the instigation of the AIFF, Dakar and Nouakchott have also been proposed as future venues. F.D.M.

Giving the French-speaking world its essential female dimension

Set up in 1987, the *International Association of French-Speaking Women* is a friendship organisation, providing cultural exchanges and solidarity between women in the French-speaking world. It aims to bring about a better mutual understanding and recognition of the universal identity of women as citizens, wives, mothers and guardians of cultural values.

The Assocation offers a source of reference and advice for all governments in the French-speaking world and the latter's partners. It seeks to collaborate with all French-speaking organisations that have programmes aimed at promoting women with a view to integrating them into the development process, enabling them to take part in the work of world solidarity. The Association wishes to instigate an era of equality, genuine democracy and peace throughout the world, with a particular emphasis on the emerging countries of the South.

The founding president of the AIFF is *Aïssata Kane*, General Secretary of the African Organisation for the Family. She was formerly Minister for Protection of the Family and Social Affairs in the Mauritanian government.

(Address: BP 71, Nouakchott, Mauritania. Telephone and Fax 222-2 510 80)

CTA-BULLETIN

Fighting the foe and befriending the friend

by Sarah Reynolds

In a natural environment, plants and insects tend to be closely associated and insects, even in a natural setting, can be very damaging to certain plant species. Plants have therefore evolved a number of defence mechanisms to try and prevent or minimise this damage. In order to overcome these defence mechanisms, insects also evolve and there is a constant co-evolution, and therefore a balance, between insect and plant populations. When man interferes by simplifying the natural environment with agricultural crops, and by improving individual plant species for his own purposes, it is only the insects which can then evolve. This is why insects are winning the 'arms race'. In an agricultural setting, it is the job of the plant protection specialists to redress the balance.

Integrated pest management (IPM) is recognised as the most sensible approach to controlling pests on agricultural crops in both developed and developing countries. In many ways, developing countries have the most to gain. Heavy reliance on chemical control is too costly for countries short of foreign exchange and, too frequently, its use is damaging to the health of the user and to the health of the environment. While few would suggest that chemical control should not be used under any circumstances, most people agree that greater emphasis should be placed on cultural practices which reduce damage from pest attack, biological control and plant breeding for resistance. The term 'integrated' pest management implies the need to understand the interactions between plant, pest, pest control, and environment or agricultural setting. How can pest management be integrated effectively unless these interactions are fully understood.

Two heads better than one — provided they study together

Two of the major disciplines that have an effect upon pest control are, by and large, pursued independently and single-mindedly; plant breeding and entomology. Plant breeding for resistance to insect pest damage is only one of the many routes to the objective of breeding better varieties for farmers. But how seriously do plant breeders consider the mode of action, and the effect, of the host plant's resistance to insect pest attack? Even more important, and even more likely to be neglected is the effect of the host plant's resistance on the insect pest's natural enemies.

Entomologists approach the challenge of insect pest damage to crops by studying the life cycle of the insect pest, its predators, parasites and pathogens, and they use this knowledge to reduce crop damage. But do entomologists take the specific variety of the crop they are trying to protect sufficiently into consideration? Scientists are discovering that host plant resistance and biological control may, contrary to expectation, interact to the disadvantage of the farmer rather than to his or her benefit.

Your friendly natural enemy

Decades of plant breeding have failed to produce varieties totally immune to insect damage but high levels of resistance in some crop varieties to some insect pests have been achieved. However, high levels of resistance may not be the best objective. If the majority of the insect pest population fails to survive, the population of that pest's natural enemy will also decline. The farmer loses both friend and foe. Moreover, high levels of resistance, particularly to such insects as leafhoppers, white flies and aphids, quickly breaks down. This is because new insect biotypes develop from those insects that survive despite the host plant's resistance. Populations of these surviving insects can multiply very quickly and the virulent insect pest destroys not only the farmer's crop but years of plant breeding effort and cost.

Biological control seems to work most effectively where host plant resistance is only partial. Some resistance is valuable because it lowers pest populations to a level at which a predator natural enemy can make a real impact on crop yields by reducing damage to an acceptable minimum. It is important that sufficient numbers of both the pest and its natural enemy remain at the end of the crop season so that the balance between plant, pest and predator is such that the farmer derives maximum benefit as early as possible in the next season.

These interactions are complex and depend upon many factors. Pests which encounter crop varieties that are less favourable to their taste may 'wander around' far longer from hatching to feeding site, presenting an agreeably slow-moving food source for a predator. On the other hand, a virus

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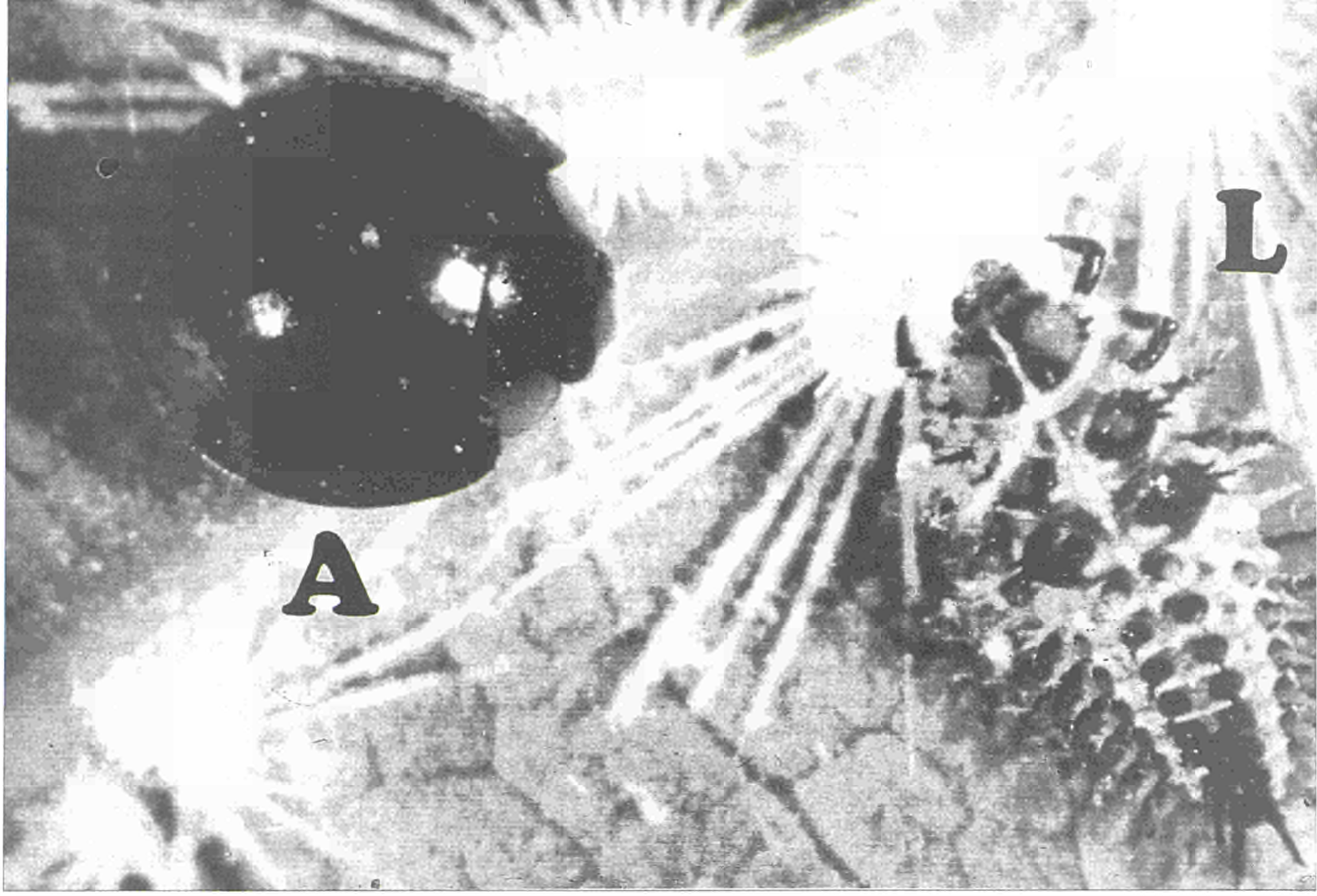


Larva (L) and adult (A) of the indigenous ladybird (*Exochomus flaviventris*) devouring the mango mealybug (*Rastrococcus invadens*) in the Congo

disease may be spread more quickly if the host plant is resistant to the insect which transmits the disease. This is because the insect moves quickly from plant to plant as it seeks a more favourable feeding site, spreading the virus as it goes. The architectural structure of a plant may be significant. For example, insect pests that encounter a smooth and shiny leaf may be more likely to fall off the host plant, to be consumed by predators on the ground. A hairy leaf may have the same effect. But a hairy leaf or stem may also make it more difficult for a carniverous natural enemy to move about in search of an insect that is devouring the plant under a hairy canopy of protection.

Plant breeders, as well as entomologists, need to understand these interactions if IPM is to be successfully applied. To ignore them may result in plant breeders discarding material with characteristics of use to the natural enemies of crop pests and, therefore, indirectly of use to farmers. Why destroy a pest with an insecticide when, with constructive help from plant breeders and entomologists, your friendly natural enemy can do it for you, for no cost, season after season?

One of the disadvantages of chemical insecticides is that they are a crude weapon in the fight against pests, causing untold lateral damage. But it seems that plants themselves induce a form of chemical control for their own protection in a way that is far more sophisticated that the simple release of distasteful toxins. Whenever plant cells are broken down, chemical volatiles are released. Newly mown grass, with its unmistakeable smell, is an example that most people are familiar with. But in addition, some varieties of plants, when (and only when) attacked by a herbiverous insect pest, have the ability to release additional chemicals which can be picked up by any organism in the environment.

A chemical cry for help

Carniverous insects can pick up the signal and identify it as indicating a potential source of food. In effect, the plant is issuing a cry for help or, in other words, doing what we as humans do: 'making friends' with the enemy of the enemy. What is even more remarkable is that the chemical composition of the volatile released by the plant can vary depending on the insect species which is causing the damage, thereby ensuring that only the natural enemy of that particular insect will be attracted to the plant under attack. Plant varieties vary in their ability to use this sophisticated form of protection but it is an aspect that must be of considerable interest, especially to those forward-thinking plant breeders sympathetic to the concept of IPM. If the effectiveness of this chemical signal is included among the selection criteria used by plant breeders to evaluate new crop varieties, some of the work of pest control could be undertaken by the plants themselves. This would reduce the need for further human intervention for pest control during the crop's growing season with, for example, commercial insecticides.

It can take many years for a plant-breeding programme to produce results in the form of varieties available to farmers but the benefits of better cooperation between plant breeders and entomologists will surely come in time. However, it would be wrong not to pursue the opportunities that are available today. There may be varieties already developed and available to farmers which have the valuable characteristic of being able to release their own SOS signal. All that is necessary is to identify which they are. Even without specially developed varieties, there are many other IPM strategies which can be put in place which enhance the biological control of insect pests by their natural enemies.

One of the main issues which concerns the agricultural research community is how to ensure that the fruits of their research are implemented at farmer level. Scientists can no longer wash their hands of this responsibility because the funding of their research programmes increasingly depends on it. Since IPM is an approach to pest control rather than a technology, much depends on education. In some ways, farmers are ahead of the scientists because, to a certain extent, they are already practising IPM. Naturally, farmers grow their crops in a way that, to the best of their knowledge, will reduce yield losses from pest and disease. Their survival has depended upon their doing so. Building upon this knowledge, and understanding the mechanisms involved, should help farmers avoid practices that are counter-productive, such as unwittingly destroying natural enemies of pests.

Farmers' field schools

There is a natural tendency for farmers to believe that all insects are pests and that the larger the insect, the more damage it does. There is often little understanding of the role of natural enemies. In southern Ghana, a scheme to help farmers understand the role of pests on their rice crops has resulted in the setting up of farmers' field schools. Teams of five farmers met once a week for a complete season in order to study the insect pest complex and the effect on yields of an IPM approach to crop protection. Control plots, on which insecticides are sprayed at the first sign of pest damage (in accordance with usual practice) are grown alongside IPM managed plots. Pest levels, natural enemy levels and the health and yield of the rice crop are monitored throughout the season.

Insects found on the crops are caught and caged together so that farmers can tell by the survivors, which are the pests and which are their predators. Healthy plants are deliberately cut down by as much as half in order to simulate pest damage. The ultimate yield is then measured to assess whether such pest damage would have had a serious effect. Farmers discover that the yields are much the same from both the IPM and the control plots. However, the cost of inputs on the IPM plots is much lower and farmers learn that IPM can result in significant savings.

Seminar participants hunting for pests on tef, the cereal grain of Ethiopia

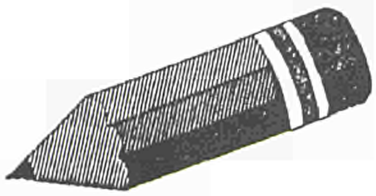
CTA

The situation on farm is, of course, very different and very much more complicated than the artificial, isolated environment of a research institute. Nevertheless, there may be varieties which are currently in use which interact positively with natural enemies. Others may be far less efficient or may interact negatively. Although the agricultural setting is complex, there are still fundamental interactions which take place and which are important to understand and appreciate if yield improvement and security of food production is to be achieved in the future.

It was to provide a forum to discuss these ideas, within the context of smallholder farming systems in Africa, that the CTA sponsored a seminar entitled *Insect pest control for smallholders: integrating biological control and host plant resistance*. This took place in Addis Ababa, Ethiopia from 9 to 13 October 1995. The seminar was organised by CTA with the Institute of Agricultural Research, Ethiopia, and the International Institute of Biological Control (IIBC). Participants included plant breeders and entomologists from 28 countries and they debated a specially prepared paper on the seminar topic, written by *M.B. Thomas* of Imperial College and *J.K. Waage* of the IIBC.

It may be many years before the goal of sustainable food security is achieved, and it will take much more than an integrated approach to plant breeding and pest control management to achieve it. But it makes sense to make use of all allies in the fight to protect crops against insect pest damage, whether those allies are the natural enemies of the pest, or even the plant itself.

S.R.



Criteria for Country Reports

Thank-you very much for reinstating the Courier's Mailbag. I hope you will allow me, through your columns, to express my views on your Country Reports.

In the time that I have been reading the Courier, I have not seen any report on Cameroon or Nigeria and I would be interested to know the criteria used by the editorial board in deciding which countries to cover in this section. Is your decision based on the extent of development in the country, the state of democracy or some other factor?

In addition, the Courier seems to be paying less attention to African countries at a time when I think a greater focus on the continent is merited. If you consider the problems of instability, dictatorship, poor human rights and economic underdevelopment, there are a lot of issues which could be covered.

I would be grateful if you clarify this for me. I would also suggest an increase in the number of countries covered in each issue.

Emmanuel N'Buba, Nkambe, Cameroon

The aim of the Courier's editorial team is to achieve a fair balance in its Country Reports. With 70 ACP States, we would like, ideally, to cover each country every five to six years and when the annual programme is being drawn up, we always look first at when countries were last featured. There are, however, other factors which we have to take into consideration. The extent of a country's development is not one of these, but we do consider human rights and democracy issues.

Where democracy is completely lacking and widespread human rights violations are occurring, we take the view that it would not be appropriate to publish a Country Report, although we may feature the state in question elsewhere in the magazine (for example, in the 'Close-up' section). Despite what you say in your letter, this fortunately is not the situation in most ACP countries, even if some face practical difficulties in their democratic transition.

We should stress that the above policy is not due to a wish to avoid critical reporting. Indeed, readers will be aware that we regularly interview opposition spokespersons as well as other economic and social actors in the countries that we visit, with a view to providing a fair overall picture, including constructive criticisms of government policy. We do not believe it is possible for us to do justice to a country where we are able to speak only to people who offer the 'official' line.

I am afraid that, for personnel and budgetary reasons, we are not able to expand the number of Country Reports in each issue.

Cameroon is due to be featured in The Courier later in 1996. We do not currently have any plans for a Country Report on Nigeria.

Democracy and refugees

Your informative Dossier on refugees last year highlighted, among other things, the problem of wars in Africa in which many innocent citizens are dying. What is the role of the OAU in this area? I have not seen a conflict on the continent being solved by the OAU. Instead, the parties tend to turn to developed countries for solutions.

I believe that to tackle the refugee problem in Africa, it would be helpful if African Heads of State learned to accept defeat in elections, and to hand over power peacefully when this happens. This would surely help to avoid civil wars and thus, cut down on the number of people fleeing from their countries.

Tengeg Peter Tendon, North-West Province, Cameroon

Conflicts and their causes

I enjoy reading the Courier because, as a teacher, I find it very informative and educational. However, I suggest that you further enlighten your reading public by covering 'world conflict areas'. We hear of many countries plagued by civil wars, but it would be interesting to learn something about the causes of these conflicts, and about any peace efforts that are being made.

C.B. Semetey, Obawale, Ghana

Europe on top?

Why, in the inside cover page of every issue of The Courier, do you put the map of Europe above that of Africa? Is it due to geography or for some other reason?

Anand Shukla, Bilaspur, India

The ACP countries are all south of Europe and the map page reflects this reality. The design is not intended to have any political significance.

BIBLIOGRAPHY

Corruption, Democracy and Human Rights in East and Central Africa

Edited by Ayodele Aderinwale, Published by Africa Leadership Forum, P.O. Box 2286, Abeokuta, Ogun State, Nigeria. 1995, 167 pages.

This book is a compilation of contributions made at a seminar in Entebbe, Uganda, in December 1994. Organised by the Africa Leadership Forum in collaboration with Transparency International, the seminar was sponsored by the European Commission. It brought together African personalities with democratic credentials. These included two former military Heads of State who handed over power to democratically elected governments: General Olusegun Obasanjo (a founder of the Africa Leadership Forum, who was arrested by the Nigerian military regime for alleged involvement in a coup plot on his return from the conference) and Pierre Buyoya of Burundi. Other participants included human rights campaigners such as Raila Odinga and Gitobu Imanyara of Kenya.

Despite the book's title, which suggests a regional focus, it is in fact about corruption, democracy and human rights in Africa as a whole. The book analyses the problems, demonstrating that they are interlinked; each feeding on the other in a vicious circle of greed within leadership groups while grinding poverty persists among the general population. Corrupt leadership induces the collapse of institutions designed to contain corruption. Lack of democracy and transparency mean that corruption thrives. And the determination of leaders to remain in power in order to grab more of the nation's wealth leads to violations of human rights. Poverty drives those 'on the margins' who are offered no 'example' from the leadership, to 'engage in petty corruption simply to survive.' The level of personal standards of honesty is thus lowered considerably everywhere.

The book highlights the role of industrialised countries in promoting corruption is Africa. Governments in the developed world turn a blind eye both to companies which bribe officials and military officers in order to win business on the continent, and to African leaders who salt away their ill-gotten gains in European and North American banks.

The seminar proposes a number solutions. These include civic education — at family, school, community and national levels, and the need for the media to be strengthened not only in their civic education role but also in exposing corruption in high places. It also stresses the promotion of democracy, transparency and respect for human rights, and the need for a vigorous international campaign against corruption, especially at the level of the OAU. A.O.

Publications received

La délocalisation off-shore *(Locating offshore)*

By Raymond-Marin Lemesle. Editions Presses universitaires de France. 'Que sais-je ?' collection. (108, boulevard Saint-Germain, F-75006 Paris). 1995. 128 p. ISBN 2-13-047136-6.

The author, who is a doctor in the sociology of organisations, sets out to analyse the phenomenon of locating offshore which is an increasingly popular industrial strategy. He highlights the factors which make it worthwhile, the forms which it takes in the host country, the sectors affected and the negative results which it can have. He concludes that the adverse effects of offshore location could be tackled 'if steps towards the implementation of a global social system... were to be implemented'.

Le Livre noir de l'Algérie *(The Black Book on Algeria)*

Documents collected by 'Reporters sans frontières' (5, rue Geoffroy-Marie, F-75009 Paris), with the financial support of the European Commission. Preface by Marie-Claire Mendès France. 1995. 224pp. 80 FF. ISBN 2-908830-19-1.

RSF (*Reporters without frontiers*) is an independent organisation which defends journalists who have been imprisoned, and press freedom, throughout the world. In this work, they have brought together texts relating to the situation in Algeria which have been published in their own annual reports (1993-1995) alongside reports produced by Amnesty International, Human Rights Watch and the US State Department. What emerges is a picture of increasing violence by armed groups in Algeria — violence which indiscriminately affects civilians including women and children.

Blue Papers of the United Nations

Published by the Information Department of the United Nations Organisation, 2 UN Plaza, Room DC2-853, New York N.Y. 10017

Seven volumes are available in this series (in English and French). The purpose is to offer research instruments and essential reference documents to those who seek a better understanding of the workings of the UN:

1. **The United Nations and Apartheid 1948-1994**

This retraces the international campaign against apartheid in South Africa, bringing together key UN documents, relevant international legal instruments and the texts of historical declarations by personalities such as President Mandela and Oliver Tambo.

2. **The United Nations and Cambodia, 1991-1995**

3. **The United Nations and Nuclear Non-Proliferation**

4. **The United Nations and El Salvador 1990-1995**

5. **The United Nations and Mozambique, 1992-1995.**

The story of one of the UN's most complex operations which laid the foundations for a peaceful future in Mozambique. The publication contains key documents including, for example, the text of the Peace Agreement signed in Rome in 1992.

6. **The United Nations and the Promotion of Women 1948-1995**

7. **The United Nations and Human Rights, 1945-1995**

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* ACP : see Regional Cooperation and ACP-EU Cooperation column.

IN BRIEF
A bold and innovative approach to future ACP-EU relations

The Dakar Plan of Action adopted by the Joint Assembly (February 1995) and the various speeches made during the conclusion of the Mid-term Review negotiations in Mauritius (November 1995) call for an innovative approach to future EU-ACP relations. As a contribution to this, the European Centre for Development Policy Management (ECDPM, Maastricht) has launched a programme to stimulate the debate on the future of ACP-EU cooperation.

The mid-term review negotiations of the Lomé Convention clearly indicate that the partnership in aid and cooperation between the EU and the countries of Africa, the Caribbean and the Pacific is under severe pressure. The reluctance of several Member States to provide sufficient resources to the new European Development Fund is the expression of a much broader shift in European development policy. Traditional EU approaches towards foreign policy, security, aid and trade are being reviewed. European geopolitical interests are shifting to the Mediterranean region and Eastern Europe. Trade relations are threatened by increased economic liberalisation and development aid is all the more scarce and subject to conditionalities. In short, the Lomé Convention seems no longer to be a political priority for the EU and its relevance and viability beyond 2000 is openly being questioned.

This scepticism about the 20 year-old privileged cooperation is based on the persistent view that Lomé funds and trade preferences have had little impact on development in the ACPs. It is also felt that these special relations have lost much of their initial relevance today.

While the EU and its Member States are starting to reflect on how best to manage their future relations with ACP countries, the latter must not be onlookers to this process. In the run-up to negotiations for a possible 'Lomé V' they need, as *Sir Aneerood Jugnauth* of Mauritius has suggested, 'a bold, innovative approach; an approach which requires vision and daring'.

Redifining Lomé will not be an easy task. The Convention has been in existence for over 20 years and, in spite of four revision processes that have tinkered with procedures and added ambitious goals, it has never been subjected to an in-depth redefinition. An effective post-Lomé IV construction needs fresh ideas from ACP actors (governments, regional organisations, private sector, NGOs, academics) as well as receptive European decision-makers.

Hence, the time is ripe to start a constructive debate on the future of development cooperation between the EU and the countries forming the ACP group. How do different actors in ACP societies perceive their future relations with Europe? What are the common interests on which a more solid partnership can be built? What principles or mechanisms should be preserved from the current Lomé Convention? What have been the bottlenecks of EU-ACP cooperation and what are the examples of positive impact? An unbiased reply to these questions is needed to launch the redesign of ACP-EU relations.

Against this background the ECDPM, as an independent foundation with links to both the ACP and the EU, has begun to canvass ACP views on the future of Lomé and to feed them back into the on-going European debate. The objectives of such an exercise are threefold:

— to promote an ACP-driven debate on the future of ACP-EU relations,

A flood of questionnaires

We have had a tremendous response to the questionnaire which appeared in the issue no 152 of *The Courier*. Ten years ago, when we last carried out an exercise of this kind, 2200 readers responded. This time we have received more than 3700 replies... and forms are still coming in!

Most of the questionnaires have already been analysed and we have introduced some changes in this issue to take account of your concerns. A significant number of respondents were unhappy with the size of the print so we have decided to increase this slightly to make the text more readable. The reorganisation of our cover pages has allowed us to print extra colour photographs as well as introduce a more 'reader-friendly' contents page. And we have reorganised the News Round-up in response to numerous requests for more short 'news' items. These are now grouped together in the first part of the 'yellow pages' while, in the second part, we continue to provide basic information about the EU's 'official' activities (notably funding decisions).

We have not changed the actual content of the magazine, the overwhelming majority of respondents having expressed broad satisfaction with the current mix of articles. However, we will be looking at possible further improvements once the full analysis of the questionnaire responses is available. A more detailed article on the most significant findings to come out of this exercise will appear in the next issue of The Courier.

Simon Horner

thus facilitating ACP agenda-setting for ACP-EU negotiations.

— to encourage linkages between different sources of expertise on Lomé (NGOs, economic sectors, experts, research institutions) in ACP countries and in the EU

— to mediate between these sources of expertise and the policy-makers.

In pursuing these objectives, the 'beyond Lomé IV' exercise comprises a number of activities. Consultations with ACP institutions and organisations have taken place through field missions in Africa, the Caribbean and the Pacific regions. Close linkages have been established with EU institutions and Member-States as well as joint EU-ACP fora (Joint Assembly, Annual meeting of Social and Economic Representatives). Inputs of all these actors are sought and will be further discussed at a conference in Maastricht on 26-28 June 1996, that will gather a broad and representative mix of ACP and EU actors. The role of ECDPM in this programme is as informer (about the state of the debate in Europe, and in the ACP), coordinator (by organising the different activities foreseen) and broker (between the ACP actors and their European counterparts and between the development actors and researchers and the policy-makers). The substance of the post-Lomé IV debate will be provided by the stakeholders and participants in the initiative.

The reflection on the future of EU-ACP relations is starting. It is essential that different organisations working on this topic join forces and keep each other informed about new thinking and options. The ACP-EU Courier will, of course, be one of the major information tools in this context. From the ECDPM side, we will also be publishing a quarterly newsletter entitled *Lomé 2000* — designed to highlight some of the issues at stake and serve as a written forum for debate. This and other relevant material, will be accessible on Internet.

For more information about the 'Beyond Lomé IV' initiative, please contact ECDPM, Onze Lieve Vrouwe Plein 21, 6211 HE Maastricht, the Netherlands, tel: +31-(0)43-325 51 21, fax: +31-(0)43-325 36 36, e-mail: akg ecdpm.org, internet: http://www.oneworld.org/euforic

NGOs lobby IGC on development issues

The Brussels-based Liaison Committee of Non-Governmental Organisations (NGOs), the European umbrella body for development NGOs, is lobbying for greater 'coherence' between the EU's development policy and other policies, such as agriculture. This is one of the key elements in a statement * drawn up for the Inter-Governmental Conference (IGC) of EU leaders.

It is widely acknowledged that significant reforms of EU institutions will be on the agenda of the IGC. The NGOs, however, are fearful that development policy may be left out of the discussions. It is worth recalling that the Maastricht Treaty introduced reforms in this area. Title XVII, on development cooperation included commitments to promote:

— the sustainable economic and social development of the developing countries and more particularly the most disadvantaged among them;

— the smooth and gradual integration of the developing countries into the world economy;

— the campaign against poverty in the developing countries.

But the NGOs regret that Maastricht has 'not led to any decisive improvement in the impact of the Union's development programmes on the intended beneficiaries.' An example of such lack of coherence, they say, is the harm done to local producers by 'dumping' of EU subsidised beef on West African markets.

The ICG, they argue, provides an opportunity to place relations with the developing world 'nearer the centre of Europe's legal and institutional foundations'. They add that it could be used to eliminate the 'contradictions' arising from practices in other important fields of Union policy, which, they insist, undermine the effect of agreed and established development policy. The NGOs believe that it is important to reiterate the basics of Community development policy at the level of the European institutions. This is necessary, they argue, to avoid a further 'shift' in priorities towards the Commonwealth of Independent States, Central and Eastern Europe (where some countries are already candidates for EU accession) and the Mediterranean.

The report points out that 'many of the (Union's) potential new members currently have little involvement in development cooperation focused on Africa, Asia and Latin America' and that they are 'mainly concerned with their own economic transformation.'

The paper's main recommendation to the IGC is that there should be a strengthening of Title XVII of the EC Treaty to include references to women and development, 'partnership', the budgetisation of Lomé, emergency aid, rehabilitation and disaster preparedness, and coordination with international bodies.

It also calls for better conflict prevention, with the creation of a 'conflict planning cell' and the implmentation of an arms export policy.' The first step towards an effective policy in respect of the arms trade would be for the EU Council of Ministers to make export controls subject to a joint action procedure, with the adoption of an enforceable code of conduct involving 'the highest levels of control.'

The text underlines the need for coherence, not only with agriculture

* Position Statement on the Intergovernmetal Conference, Liaison Committee of Development NGOs to the European Union, Square Ambiorix 10, Brussels 1040 Belgium.

policy, but also in the context of areas such as immigration and asylum policy. It recommends a progressive transfer of competences to the Union in the latter fields with a view to establishing common policies that are based on realistic limits and humanitarian considerations.

European development NGOs will hold a think-tank on scenarios for development policy and the IGC on April 19-20, directly following their annual general assembly. A Summit of EU leaders to launch the IGC will be held in Turin, Italy, on March 29 1996. D.P.

Italy: orientations for a new development cooperation policy

In 1995, the Italian Government updated the aims of its development policy to take account of its commitments under the Maastricht Treaty, international trends, the evolution of Italy's own foreign relations and the domestic budget situation.

The underlying goals of the country's cooperation policy remain largely unchanged. These include participating in international efforts aimed at helping developing countries, contributing to the fight against poverty and pursuing humanitarian objectives. The Italian authorities stress that budget restraints at home should not interfere with the pursuit of these goals although they are looking to integrate their activities more closely with those of the broader international community. Understandably they are also keen to focus on countries or regions whose situation may impact directly on Italy's own security. In this regard, they plan to concentrate their efforts in defined geographical areas which include the Horn of Africa, Southern Africa, ex-Yugoslavia, Albania and the eastern Mediterranean.

Italy's new emphasis on coordination and complementarity within the EU (and indeed with other donors), is very much in keeping with the spirit of the Treaty on European Union. So too is its express desire to improve the transparency and efficiency of the aid that it makes available. In this context, the government is updating its procedures for identifying and implementing development initiatives —the latter to include a 'project cycle' model setting out the different phases for correct management.

In concrete terms, the Italian authorities plan to focus their support on a number of key areas namely, environmental protection, democratic stabilisation, regional integration, education, the fight against drugs/organised crime and the fight against AIDS. ed S.H.

Suspension of aid to Nigeria....

Following the announcement of the execution in Nigeria of political leaders recently condemned to death, Professor João de Deus Pinheiro, the Commissioner responsible for relations with the ACP countries, made the following statement (dated 12 December 1995):

'The European Commission is horrified by the execution of the writer Ken Saro Wiwa and eight other leaders from the Ogoni minority. In the Commission's view, this decision, which comes after a deeply flawed legal procedure, is a clear sign of the contempt of the Nigerian regime for human rights and merely highlights its lack of commitment for a return to democracy and legitimate government, a wish expressed as recently as 1 October by General Abacha.

'In the light of this event, the European Commission has decided to take the necessary measures to suspend development cooperation with the government of Nigeria and to recall the head of the Commission's Delegation in Nigeria.

'The Commission will propose to its partners that they take additional restrictive measures, to include consolidation of the measures which have been in existence since 1993'.

In a similar vein, on 20 November the Council adopted a common position confirming the following measures adopted in 1993:

— suspension of cooperation;

— restrictions on the issuing of visas to members of the military or to members of the security forces and their families;

— suspension of military visits;

Death of the first Secretary General of the ACP Group

The first Secretary General of the ACP Group, Mr Tiéoulé Mamadou Konate, died on 27 October 1995 at the age of 52.

A former Finance Minister of Mali, Mr Konate assumed responsibility for the ACP Secretariat in Brussels in 1976. During his four years in the post, he guided the new institution through its early teething problems, as well as coordinating negotiations for the Second Lomé Convention.

At the end of his term in office, Mr Konate went on to apply his experience in the GATT, where he was Special Adviser to the Director General, and subsequently, Director responsible for technical cooperation and training.

He then returned to Mali, where he stood in the presidential election, being defeated in the second round by the current president. He continued, thereafter, as a leading figure in the party he had founded, and had expressed an interest in taking part in future elections.

All those who knew him will remember him as a courteous man who respected the opinion of others. He will also be remembered as a negotiator of extraordinary skill.

— restrictions on travel for all Nigerian military personnel ;

— cancellation of training courses for all Nigerian military personnel ;

— suspension of all non-essential high-level visits both to and from Nigeria ;

The Council has now adopted the following supplementary measures :

— restrictions on the issuing of visas to members of the Provisional Government Council and of the Federal Executive Committee and their families ;

— an embargo on arms, munitions and military equipment.

Development cooperation is suspended, although exceptions may be made in respect of projects and programmes promoting human rights, democratisation and poverty alleviation.

The General Affairs Council on 4 December decided to add further sanctions to the measures already adopted. It agreed that the European Union would strive to obtain a resolution on Nigeria at the 50th UN General Assembly, and to have the situation in Nigeria added to the agenda of the Human Rights Commission of that organisation.

The supplementary sanctions are as follows :

— in accordance with their national legislation and their own immigration procedures, the non-admission by EU Member States of members of the Nigerian military and security forces (and their families) in possession of long-term visas ;

— expulsion of military personnel attached to Nigeria's diplomatic missions in EU States and withdrawal of military personnel attached to the diplomatic missions of EU Member States in Nigeria ;

— the breaking-off of all sports contacts by refusing to grant visas to official delegations and to national teams ;

These measures are applicable for six months from 4 December 1995 and may be renewed.

At the end of the six-month period, if a general analysis of the situation in Nigeria reveals that the authorites have taken no steps to promote a rapid transition towards democracy and to guarantee respect for human rights, additional sanctions will be envisaged.

... and Niger

In the wake of the *coup d'état* which took place recently in Niger, the European Union has decided to suspend aid to this country. The text of the declaration adopted by the General Affairs Council of the EU may be found in the second part of this News Round-up ('The Institutions at Work')

Development Council looks at new aid budgets

The biannual Council of Development Ministers, which was held on 20 December 1996, was largely taken up with discussion on the management procedures for new Commission regulations on budget lines benefiting all developing countries. Hitherto, there has been something of a legal vacuum in this area.

The Council was chaired by Spain's Minister of State for International Cooperation and Latin America, Jose Luis Dicenta Ballester.

In keeping with the EU's policy on transparency, defined on July 17 1995, ministers held a public debate in the morning on a new food aid security regulation involving some ECU 500 million per annum. The regulation groups all existing provisions in a single instrument and covers financing of new areas such as allocation of inputs, seeds, stocking and rapid alert systems.

Projects such as support for food security, the setting up of alert systems to identify risks such as drought, and stocking programmes designed to avert crises in certain countries that suffer structural food shortages, are eligible to receive funds. These include the possibility of direct support to the private sector.

Ministers agreed that such aid should be integrated as fully as possible with the development policies and food strategies of the countries concerned, without negatively affecting local markets.

The Commission can decide on projects costing less than ECU 2 million : above this amount they still have to go to the Council of Ministers for approval by the EU Member States.

Many ministers underlined that EU aid should not harm the interests of local populations. 'Anyone who has been to Tanzania has to be struck by the (negative) effects on the local population of massive international efforts', claimed Joan Burton, Ireland's Secretary of State for overseas development aid.

Another text was adopted on the management of humanitarian aid under the auspices of the European Community Humanitarian Office (ECHO). In 1994, this type of aid reached ECU 765 million. From now on, ECHO itself can take decisions on projects under ECU 10 million, without consulting Member States.

The Council agreed on the management of an annual aid sum of ECU 125 million (ECU 500m between 1995-1999) for South Africa — although the Commission did not agree with the common position. This will now be forwarded to the European Parliament under the cooperation procedure.

Member States were unable to reach agreement on rules concerning co-financing with NGOs and decentralised cooperation. A regulation on rehabilitation aid for developing countries was accepted, although the Commission disagreed with its content. Any project costing over 2 million ECU must be submitted for the approval of Member States. And ministers moved closer towards consensus at the meeting on a regulation on refugees in developing countries in Asia and Latin America. This budget line covers self-sufficiency and re-integration of displaced persons.

Texts on the general principles of cooperation to be followed by the EU to promote equality between the sexes, and on priorities to be given in EU aid to conserve tropical forests in developing countries, under a four-year, ECU 200 million programme (1996-1999), were adopted.

The text dealing with tropical forests spells out what type of projects can be funded. A point worth noting is that governments are not the only potential beneficiaries. Decentralised bodies, regional organisations, public agencies, local and traditional communities, private operators, cooperatives, NGOs and associations that are involved in forest conservation and represent forest dwellers may also have access to funds.

The EU is particularly keen to back projects which conserve or renew tropical forests, contribute to sustainable development, encourage certification systems, help forest dwellers with training, management and research, reinforce legal systems, encourage conservation research projects, and create special conservation zones for forest regeneration.

The development ministers also agreed on the text of a declaration concerning Burundi which called for a Christmas cease-fire 'from December 24 to January with the possibility of prolongation.' The Council recommended the appointment of a special EU mediator to engage in dialogue with the refugee populations in Rwanda and Burundi and their respective governments, as well as with neighbouring countries.

There was also discussion of the European Commission's trade talks with South Africa which, it is hoped, will be concluded during 1996. Britain's overseas development minister, Linda Chalker, remarked: 'It is important for us and other European nations to have access to South Africa just as it is important for them to have access to our market.' D.P.

Development Council discusses the role of women

During the same session, the Development Council acknowledged — in a resolution on sexual equality — that the elimination of current disparities between women and men is an essential aspect of development from the standpoints both of aid effectiveness and social justice.

The Council undertook to give priority to the participation of women in development. This was one of the many undertakings made in Peking at the World Conference on Women in September 1995, and followed the Commission's recommendations on the subject.

The Ministers set out the general principles which must, in future, guide the establishment of development cooperation. Integral to this is the notion of sexual equality, at the level of both the EU and its Member States. The Council stressed that any measure should apply across the board, both in the formulation of development policies and in negotiations with partner countries.

It also called for 'positive action' aimed at ironing out disparities between men and women. The important role of non-governmental organisations in this area was emphasised and reference was made to the possibility of support for women's organisations and networks.

In addition, the Council thought there was a need to strengthen the Commission's and the Member States' internal capacities in these matters. This would entail special training for personnel working in the development field, priority integration of sex equality issues in emergency, crisis prevention and poverty alleviation operations, and the establishment of a monitoring system.

Finally, in calling for closer collaboration between the Community and the Member States, the Council invited the Commission to undertake collaborative actions with the Member States and to draft specific proposals on common factors and criteria. The aim is for the Commission to report on progress made in this area at a future Development Council meeting.

Fighting racism, xenophobia and antisemitism: the EU's role

As signalled in issue no. 154 (News Round-up, p. III), the Commission adopted a communication (the first of its type) on December 13 1995, on the subject of racism, xenophobia and antisemitism. It also proposed to the Council that 1997 should be designated as 'European Year Against Racism'.

The document is aimed essentially at coordinating the Commission's activities with the global strategy of the Union and its Member States in this area. In addition, it responds to urgent appeals made by the European Parliament. In the document, the Commission stresses in particular, that:

— the fight against racism cannot be dissociated from the European identity;

— the EC's commitment to respect for fundamental rights is henceforth enshrined in the Treaty;

— the increasing prevalence of racist and xenophobic attitudes goes against the principle of entitlement to equal treatment and to freedom from discrimination;

High priority for human rights

In a recent communication to the Council, the Commission presented an analysis of the instruments available to the European Union for improving human rights. It pinpointed the following priorities in this area:

— systematic and ongoing cooperation with certain countries to assist them in improving their human rights situation;

— providing additional finance, principally to those countries making considerable efforts to improve such rights;

— providing wider support for electoral and democratic reforms;

— support for actions having a multiplier effect on human rights, such as the promotion and independence of the media;

— mobilisation of international institutions, governments and NGOs, encouraging them to act in concert with the European Union.

The new impetus given by the Commission to its human rights policy, and its desire to refine and consolidate its strategy in this area, stem from an undertaking made by Commission President Jacques Santer, to the European Parliament, and from the subsequent decision to incorporate the subject in the Commission's 1996 work programme.

The communication represents a first step, designed to serve as a basis for other specific actions during the term of the current Commission. It is designed to give a high profile to the European Union's relations with third countries, while emphasising the human aspect of such relations.

The document also provides an opportunity to reflect on possible ways of using financial resources more efficiently, and on the scope of the political instruments available to the Union in this sphere.

Under the European Community budget, financing for human rights has grown consistently since 1978. In 1995, the sum allocated was ECU 65 million, as compared with ECU 59.1 million the previous year.

A cornerstone of the European Union's strategy in the field of human rights consists in being able to anticipate events rather than merely having to react to them. ■

— EC legislation must be applied without discrimination;

— the Commission must have a role in certain fields (freedom of movement of people, guarantee of economic and social cohesion, promotion of quality teaching, etc).

The communication goes on to list seven principal fields of application:

— promotion of integration and the opening-up of ways of achieving integration;

— promotion of equal opportunities and the struggle against discrimination;

— making the general public more aware of the situation and combating prejudice;

— prevention of racist behaviour and violence;

— identifying and punishing racist crimes;

— cooperation at an international level;

— adaptation of European legislation.

In respect of the last-mentioned point, in the short term, the Commission will, where appropriate, include in future legislative proposals in areas of Community competence, a non-discrimination clause based on Article 14 of the European Convention on Human Rights. In the medium term, the Commission will recommend the inclusion in the EC Treaty of specific powers in the field of combating racial discrimination. This subject which will be dealt with at the next Intergovernmental Conference.

Humanitarian aid for the former Yugoslavia and the African Great Lakes region

Two large-scale humanitarian aid plans have recently been adopted by the Commission. The first involves the sum of ECU 110.38 million which is being provided for the former Yugoslavia. The intention is to ensure that refugees and displaced people, estimated to number 3.6 million, can survive the winter. ECU 70 million has also been allocated for Rwandan and Burundian refugees numbering approximately 2 million, who are scattered throughout Zaire, Tanzania, Uganda and Rwanda. A considerable portion of this aid will be devoted to measures for monitoring repatriation and to the survival of people in the refugee camps. In Rwanda, a portion of the funds will be used to improve living conditions in prisons and to overhaul the judicial system. In Burundi, where the security situation is deteriorating, the aid will be concentrated on targeted projects implemented by non-governmental organisations.

Humanitarian Summit in Madrid

Representatives from the ten main humanitarian agencies and of the principal donors (the European Union and United States) held a summit meeting in Madrid on 14 December 1995.

A declaration was issued at the end of the meeting. In this document, the summit participants pointed out that humanitarian aid nowadays exceeds four billion dollars a year, but that it is 'neither a solution nor a panacea for crises which are principally caused by man.' Emphasising that too often, the causes of humanitarian disasters are deeply rooted in the social and economic injustices which exist within nations and between nations, the signatories (who included Emma Bonino on behalf of the European Commission) called upon the international community as a whole:

— not to use humanitarian aid as a substitute for political action;

— to set up a global system for preventing crises;

— to make a greater commitment to development aid;

— to guarantee food security and access to drinking water at affordable prices for the poorest sections of society;

— to support measures to prepare for disasters, particularly natural ones, which encourage local autonomy and reduce aid costs;

— to provide assistance in forgotten crises (those mentioned were Afghanistan, Northern Iraq, Liberia, Sierra Leone, Tadjkistan and Sudan);

— to take measures urgently so that civilians are no longer deliberate targets (this entails, among other things, ensuring responsibility of all the parties to a conflict, and providing the means necessary for the proper functioning of the international tribunals on the former Yugoslavia and Rwanda);

— to establish guiding principles for assisting refugees and according them their rights, including guaranteeing their entitlement to seek and obtain asylum;

— to acknowledge the essential role of women (linked with the organisation of aid so that it reaches the most vulnerable);

— to consolidate the links between and monitoring of humanitarian aid and development aid;

— to guarantee the independence and security of humanitarian work.

Mediterranean Europe: a new era

Although the European Community has, since its inception, enjoyed a privileged relationship with countries on the south side of the Mediterranean Basin — through cooperation agreements and financial protocols — this cooperation has nevertheless had only limited success over the past three decades. Today, the EU is the main partner of the Mediterranean countries, responsible for more than 50% of the commercial exchanges that these countries are involved in — but the region only accounts for one third of the EU's total extra-Community trade.

The respective economic weights of the two zones partly explains this imbalance. Nonetheless, Europe's share of trade with the Mediterranean countries has barely changed over the last 20 years.

Upheavals in Europe following the fall of the Berlin Wall, which have prompted an opening-up towards countries in central and eastern Europe, could also have the effect of exacerbating the imbalance.

Aware of this situation, the Heads of State and Government meeting in Corfu in June 1994 reaffirmed the strategic importance of the Mediterranean Basin, thereby providing the political impetus which led to the Interministerial Conference in Barcelona on 27 and 28 November 1995.

This conference brought together the Foreign Ministers of the 15 EU countries and of 12 other states around the Mediterranean (Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria, Tunisia, Turkey and the Palestinian authorities). This was an event of major importance, both because it brought together some countries which are still in conflict with one another, and because it laid the foundations for a new 'Euro-Mediterranean partnership'.

The Declaration which was unanimously adopted at the end of the Conference views such cooperation from three angles:

— a political and security partnership intended to define a common area of peace and stability based on democracy and respect for human rights;

— an economic and financial partnership aimed at constructing a zone of shared prosperity;

— a partnership in the social, cultural and human fields to permit development of human resources, and to promote understanding between cultures and exchanges between civilian societies.

It should be pointed out that one of the most tangible aspects of progress made at the Conference, in an economic context, was the progressive establishment of a free-trade area, which the partners aim to create by 2010. This will cover the bulk of their trade, taking into account World Trade Organisation obligations.

In their determination to give concrete expression to a Euro-Mediterranean partnership, the ministers also adopted a working programme aimed at translating into reality the objectives defined in the Barcelona Declaration. In addition to the free-trade area already mentioned, economic cooperation will also aim to eliminate obstacles to investment, to assist in the modernisation of industry and to develop competition. The plan is that such cooperation should extend to the fields of agriculture, transport, energy, telecommunications and information technologies, regional planning, tourism, the environment, science and technology, water supplies and fishing.

From a social, cultural and human angle, the aim of cooperation will be to develop human resources (covering education, training, the role of women, etc.) and to establish a close association between regions and local districts. It will also promote dialogue between cultures and civilisations, particularly between the various religions present in the region, as well as media interaction, youth exchanges and exchanges between representatives of civil society. Other areas of interest include Social development and health, as well as cooperation in combatting terrorism, drug trafficking, organised crime and illegal immigration.

As stressed by Vice-President Manuel Marín, who represented the Commission at the Barcelona Conference, it will not be easy to achieve everything envisaged in the new partnership accord. Mr Marín characterised the EU's efforts as 'catalytic', although he added that they would have no effect if they were not translated into concrete action by the Mediterranean partners. He assured his audience that the Commission would do everything in its power to help those who were prepared to take on this challenge.

The closing speech was given by the Spanish Prime Minister, Felipe González. He confirmed that Barcelona represented 'the culmination of long-held aspirations and the point of departure for a new partnership which will benefit 800 million people'.

It should be recalled that, to support the reforms involved, EU leaders decided, at the Cannes summit in June 1995, to give their Mediterranean partners financial aid amounting to ECU 4.7 billion for the period 1995-1999. A further ECU 5 billion (approximately) will be available in loans from the EIB.

Professor Pinheiro in Southern Africa

Commissioner Pinheiro, accompanied by the Commission's Director-General for Development, Steffen Smidt, and other officials, attended the SADC Consultative Conference on Trade and Investment which took place in Johannesburg from 31 January to 2 February.

Since 1987, SADC has organised an annual conference to discuss key areas of policy and to articulate strategies for addressing the specific constraints to development in the region.

It is intended that mechanisms be set up for permanent, ongoing dialogue between SADC government policy makers and the private sector. These will entail a direct contribution from the latter in policy development concerning trade and investment in the region — a clear indication of the fact that the private sector is viewed as the principal engine of growth.

This year's Conference was important for a number of reasons. It is the first time that the meeting had been held in South Africa, which joined the organisation in August 1994. It is also the first time that Mauritius has taken part, this country having acceded to SADC (which now has 12 member states) in August 1995. With the two new members, SADC now has a population of more 130 million. It also generates 60% of sub-Saharan Africa's GDP.

The participation of the private sector was also a 'first', coming at a time which sees the transition to a market economy under way in countries such as Tanzania, Mozambique and Angola. The organisation is also in the process of formulating a trade protocol with the ultimate objective of creating a regional common market.

In his speech, which followed the opening presentation delivered by President Mandela, Professor Pinheiro emphasised how important it was for Southern Africa to increase intra-regional trade and investment flows. He reaffirmed the European Union's commitment, first made at the SADC/EU conference in Berlin, to support the region's efforts, and laid particular stress on the trade protocol, which would be the first of its kind in Africa.

In the course of his visit to South Africa, the Commissioner also signed an agreement with President Mandela for a human rights programme. This will have a budget of ECU 15 million covering a three-year period, and will be implemented by NGOs. Their task will be to help create a human rights 'culture' in the country through actions designed to give the people wider access to fundamental rights, and activities aimed at increasing public awareness of the subject.

Professor Pinheiro also took the opportunity to visit Angola. where he had discussions with President José Eduardo dos Santos. He met with a high level UNITA delegation (although Mr Savimbi was not present), and with Maître Beye, the Special Representative of the UN Secretary General in the country. The Commissioner had two useful meetings with the EU Ambassadors, during which he underlined the important role which Member States have to play in Angola.

Professor Pinheiro's visit came at a time when further support for the peace process is thought to be needed. The importance of convincing the parties to implement all aspects of the Lusaka peace accord is widely recognised. The Commissioner's visit coincided with those of Brian Attwood, of USAID and Boris Kolokolov, the Russian Deputy Foreign Minister. The Portuguese President, Mario Soares, and Madeline Albright, the US Ambassador to the UN, had also recently been to the country.

Professor Pinheiro participated in a special meeting — organised in his honour — of the Joint Commission in charge of the follow-up to the Lusaka Peace Protocol. No decisions were expected of such a meeting, but the formal declarations of commitment to the Protocol undoubtedly had a positive impact, not least because of the extensive media coverage given to the event. Participants included representatives of the Angolan government, Unita, the Troïka (USA, Portugal and Russia) and the UN.

Two financing agreements were signed in the course of the Commissioner's stay in Angola. These were for a total of ECU 63.24 million of which ECU 55 million is to support the reconstruction programme that was put forward by the government at the Brussels Round Table in September 1995. This is one of the largest contributions of its kind and underlines the Commission's commitment to the country. The Commission is relying on the Angolan parties, for their part, to continue working for good governance and to respect fully the Lusaka Protocol.

THE INSTITUTIONS AT WORK

COMMON FOREIGN AND SECURITY POLICY

Within the framework of its Common Foreign and Security Policy (CFSP), the European Union has recently issued a number of statements, details of which are set out below :

EU expresses serious concern over political prisoners in Nigeria

Declaration of 20 October 1995

The European Union, in its General Affairs Council on 2 October, was pleased to hear that the Head of State of Nigeria, General Abacha, had announced on 1 October his decision to commute the sentences of those accused of the failed coup d'etat.

However, the EU would like to express its disappointment about the severe sentences announced for the alleged coup plotters. The EU is also concerned about the lack of transparency over the legal process during their trial. The EU deplores the continued use of secret military tribunals and the suspension of habeas corpus.

Among the guiding principles of the EU's common foreign policy are the defence of democracy and respect for human rights. The Union believes that upholding these principles in Nigeria is one of the pillars of peaceful coexistence in the country and an essential factor in the development of good relations with the European Union.

The EU notes that General Abacha has set out a three-year timetable for a transition to civilian democratic rule. The EU hopes that he will accelerate that programme, and allow a rapid resumption of political activity leading to free and fair elections. The release of all political detainees will be an essential step in that process.

The Central and Eastern European countries associated with the Union align themselves with this statement.

... appeals for clemency

Declaration of 9 November 1995

The European Union expresses its grave concern about the confirmation by the Provisional Ruling Council of the death sentences passed on Ken Saro-Wiwa and others accused of the murders of Ogoni leaders. The European Union notes the harshness of the sentences, the lack of a right of appeal, and of basic legal rights for the accused during the whole process.

The European Union appeals to General Abacha to exercise his right of clemency in this case.

The European Union also regrets the lack of respect for the basic rights of the population that has led to the present situation in Ogoniland and other minority areas of Nigeria. In its last declaration published on October 20, the European Union made public its disapproval of the growing use of special tribunals and secret proceedings and the lack of guarantees for detainees and accused in Nigeria.

The European Union reminds the Nigerian Government once again that Nigeria is obliged to abide by the provisions of the international treaties on human rights to which Nigeria is a party and signatory. Respect for human rights is a basic and unavoidable principle for internal policies and international relations and is an essential criterion in determining the level of cooperation between the European Union and Nigeria, which will be subject to evaluation in the light of events.

The EFTA country members of the EEA, the Central and Eastern European countries associated with the European Union and the associated countries of Cyprus and Malta align themselves with this declaration.

... and condemns executions

Declaration of 10 November 1995

The Council has heard with shock the news of the execution of Ken Saro-Wiwa and his co-defendants.

The Council condemns this cruel and callous act carried out in contempt of the appeal of the European Union made on 9 November and those of the whole international community.

The Union will consider the immediate steps it will take in its relations with Nigeria and also asks the Commission to make appropriate proposals in particular in relation to Community development cooperation.

Satisfaction over conduct of elections in Tanzania...

Declaration of 21 December 1995

The EU would like to express its satisfaction at the holding of the first multi-party presidential and parliamentary elections in Tanzania. They constitute an important step forward to the consolidation of the democratic system in the country.

The EU notes in particular that, despite difficulties in ensuring that the electorate had the opportunity to express their choice, which required reruns in Dar Es Salaam constituencies, the final outcome of the union elections fairly reflects the will of the Tanzanian people. However, the EU remains concerned about the disputed results of the Zanzibar presidential elections and hopes that the authorities concerned will draw appropriate conclusions to ensure a transparent democratic solution. The EU appeals to all parties to sustain their commitment to avoiding any recourse to violence.

Finally, the EU looks forward to working with the new Union government on the political and economic reform process and calls on all parties to work together constructively to promote further development of democracy throughout the Union.

The EFTA country members of the EEA, the Central and Eastern European countries associated with the European Union and the associated countries of Cyprus and Malta align themselves with this declaration.

...and in Haiti

Declaration of 11 January 1996

The European Union congratulates Haiti and expresses its satisfaction on the holding of free and fair elections, which represents a further step towards consolidation of democratic institutions in the country. The European Union looks forward to the transfer of office from one democratically elected president to another, which will be an unprecedented event in Haiti's history.

The European Union congratulates President-elect René Préval and trusts that he will be able to complete the work of his predecessor, Mr Jean-Bertrand Aristide and, with the support of the Haitian people, achieve, in a framework of national reconciliation and justice, continued progress in human rights and social and economic development.

The Central and Eastern European countries associated with the European Union and the associated countries of Cyprus and Malta align themselves with this declaration.

Burundi: concerns over violence

Declaration of 16 January 1996

The European Union remains deeply concerned by the continuing violence in Burundi. In this context, it supports the declaration by the United Nations Security Council on 5 January 1996. It is particularly disturbed following recent statements by persons in senior positions. The European Union hopes that a spirit of reconciliation can be renewed in Burundi, as proposed by the President of Burundi in his New Year statement.

The Union welcomes the appointment of M. Marc Faguy as the United Nations Secretary-General's special representative for Burundi. It will continue to support the efforts undertaken by the United Nations to resolve the crisis in that country.

The European Union welcomes regional efforts and, in particular, the action undertaken by the Organisation of African Unity in Burundi and will continue to support them.

The European Union emphasizes that it is willing to assist in the recovery of Burundi, in particular by supporting the specific measures to promote peace and reconciliation between the various groups due to be implemented by the Burundi authorities, as provided for in the Government Convention. It would point out that only political solutions will enable a permanent end to be put to the conflict in that country.

The Central and Eastern European countries associated with the Union, and the associated countries of Cyprus and Malta, align themselves with this declaration.

Coup d'Etat in Sierra Leone

Declaration of 24 January 1996

The European Union was concerned to hear that a coup d'état had taken place in Sierra Leone on 16 January 1996. This runs counter to the expectations of the international community even more since the country is plagued, inter alia, by a deteriorating humanitarian situation to the detriment of the civilian population.

The EU also took note of the public commitment made by Brigadier Bio, Chairman of the NPRC, to continue with the democratic transition process. The EU hopes that the recent events will in no way compromise free and democratic elections, which are scheduled to take place on 26 February 1996. The EU is convinced that a democratic system in which all political factions participate, and a fully accountable civilian government which respects human rights, remain the best guarantee of stability and prosperity for the people of Sierra Leone. This in turn is an important element in the stability of the entire region of West Africa.

The EU will continue to monitor the situation and expects that all necessary measures will be taken to enable the democratisation process to go ahead according to the stated intention.

The EU's continued support for this process will be assessed in the light of progress made in this regard.

The Central and Eastern European countries associated with the European Union and the associated countries of Cyprus and Malta align themselves with this declaration.

Aid to Niger suspended following coup

Declaration of 30 January 1996

The European Union condemns the coup d'état that took place in Niger on 27 January 1996, interrupting abruptly the process of democratisation launched in 1993 with legislative and presidential elections. The EU deplores the decision of the military to take over power, to overthrow democratically elected authorities and to suspend the constitution and political parties.

The perpetrators of the coup will be held responsible for the safety of the members of the legitimate authorities who are currently being detained. The European Union demands their liberation and the restoration of constitutional law.

In accordance with Article 366a of the Lomé Convention, the European Union has decided to suspend its development cooperation with Niger for a period of six months, except for humanitarian assistance and aid directly benefiting the poorest sections of the population.

VISITS

The Prime Minister of Côte d'Ivoire

On a visit to Brussels on 26 and 27 November, Prime Minister Kablan Duncan had talks with Professor João de Deus Pinheiro, the Commissioner responsible for relations with the ACP countries and South Africa. This meeting followed a working session with the relevant services of the Development Directorate General. Mr Duncan also met Yves-Thibault de Silguy, the Commissioner reponsible for economic and financial affairs.

In the course of these meetings, which were characterised by an amicable working atmosphere, the Ivorian Prime Minister spoke, in particular, of the positive development outlook now prevailing in his country. He underlined his determination to pursue a number of objectives. These included political stability (both international and regional), adjustment, and the economic and social reforms needed to encourage investment and private initiative on the 'long march' to growth.

He spoke of his desire that Côte d'Ivoire should receive external assistance in financing this programme, and laid particular stress on the need for his country to sustain and improve its trading position in the European markets. He expressed gratitude for the help provided by the European Community, which he described as 'discreet, but significant and effective'.

For his part, Professor Pinheiro stressed that it was important for the European Community, at a time when aid was being closely scrutinised by donors, to identify reliable countries where the private sector was successfully assuming the role previously played by the state. This was the way to ensure that cooperation succeeded, he argued, and noted that it was happening in Côte d' Ivoire thanks to that country's traditions, performance and future ambitions. The Commissioner went on to emphasise the importance of the role that West Africa would have in the coming years in the development of the continent as a whole and said that Côte d'Ivoire should continue to act as the motor for development in the sub-region.

At the end of the meeting, Commissioner Pinheiro accepted an invitation extended by the Prime Minister, on behalf of the President, to visit Côte d'Ivoire at the beginning of 1996.

He also stated that steps were being taken to involve Côte d'Ivoire in the reflections currently under way concerning ACP-EU relations in the next century.

The President of Burkina Faso

Blaise Compaore, the President of Burkina Faso, had meetings in Brussels on 30 November 1995 with Commission President Jacques Santer and Professor Pinheiro.

An exchange of views took place on the political situation in Burkina Faso and West Africa more generally and the opportunity was also taken to discuss the broad political and economic orientation of the EU.

President Santer underlined the successful approach of the President of Burkina Faso both in respect of domestic policy (democratisation and the pursuit of economic development) and at the international level (mediation in regional conflicts and economic integration in West Africa) and confirmed that the Commission was keen to maintain an effective partnership.

Discussions with Professor Pinheiro focused on the political situation of the African continent and regional integration. There was particular emphasis on facilitating the emergence of West Africa as a pole of economic development, which entails creating the right conditions for investor confidence and strengthening the dialogue between the key political and economic actors in the region.

The signature, during the President's visit, of three financing agreements involving a total of ECU 55 million, provided evidence of the deepening partnership between Burkina Faso and the EU. This sums breaks down as follows: ECU 29 million for the maintenance of a number of key roads, ECU 15 million for a geological mapping project aimed at assessing the country's mining potential and ECU 11 million for the rehabilitation of the Poura mine, which is Burkina's first commercial gold mine.

Welcoming these concrete commitments, President Compaore reaffirmed the willingness of his country to take part in the joint reflections currently taking place on the future of cooperation 'taking into account the evolution of international economic relations, and in particular of the World Trade Organisation.'

The Prime Minister of Fiji

The Prime Minister of the Republic of Fiji, the Right Honourable Major-General Sitiveni Rabuka, visited Brussels from 27-30 January, where he paid a courtesy call on the Commissioner for Development, Professor João de Deus Pinheiro.

In talks with Professor Pïnheiro, the Prime Minister underlined the great value Fiji attached to its association with the ACP Group of countries and to the cooperation relationship it enjoyed with the EU. Approaching the conclusion of the review process of the Fijian Constitution in July 1997, he said that Fiji would adopt a resolute, outward-looking attitude and foster and strengthen its cooperation both within the Pacific Region and with the ACP-EU family as a whole.

Professor Pinheiro raised the issue of the future of Lomé and indicated that the particularities of the different regions could become an important issue which would have to be considered. It would be helpful, he said, if the regions could provide their own input into this debate, by indicating their specific characteristics and special concerns. Fiji, as a key player in the region, could take on an important role in initiating this process in the Pacific.

The Commissioner also indicated that he would participate in the forthcoming ACP-EU Ministeral Meeting to be held in Western Samoa on 26-28 June, 1996.
Prime Minister Rabuka was to continue his tour with a visit to Washington before returning home to Fiji.

EUROPEAN DEVELOPMENT FUND

Following, where required, favourable opinions from the EDF Committee, the Commission has decided to provide grants and special loans from the 5th, 6th and 7th EDFs to finance the following operations (grants unless otherwise stated). Major projects and programmes are highlighted.

Economic and social infrastructure

Angola: ECU 55 million for a rehabilitation programme aimed at improving the living conditions of the people in the provinces of Benguela, Bié, Huambo and Huila. The programme is designed to increase agricultural production and food security, to improve water/energy supplies, health provision and education, and to assist in reintegrating displaced people and demobilised soldiers.

Benin: ECU 20 million for improvements to the Sémé-Porto Novo road.

Cameroon: ECU 14 million for an access route to the Tikar Plain, a key area linking the Adamaoua, North West and Western provinces.

Comoros: ECU 5.6 million to rehabiltate the Mutsamudu-Sima-Pomoni road at Anjouan.

Mozambique: ECU 5.6 million for a social reintegration programme focusing on improving health and education services and supporting agriculture in Zambezia and Niassa provinces.

Mozambique: ECU 8.24 million to rehabilitate an agrarian institute (IMAT) in Tchivinguiro through the provision of resources necessary for training agricultural technicians and managers.

Namibia: ECU 1.8 million towards a sanitation project in the former 'townships' of Etoshapoort/Outjo and Usab/Karibib, with a view to improving the living and health conditions of the population.

Namibia/Zambia: ECU 23 million for improvement works on the regional Trans-Caprivi Highway which links Ngoma (Zambia) with Rundu (Namibia)

Trade promotion/ structural adjustment

East Africa: ECU 1.93 million to support the Regional Telematics Network Services (RTNS) in Djibouti, which will give access to global information allowing for participation in international trade and for the exchange of business information.

Kenya: ECU 4 million for a programme to develop exchanges. The object is to stimulate the export sector by strengthening commercial services offered by the private sector to exporters.

Lesotho: ECU 4.1 million for the third structural adjustment support programme (1995-1996).

Mauritania: ECU 13.3 million to support the 1995-1996 structural adjustment programme.

Mozambique: ECU 15 million for a general import programme in support of structural adjustment.

Guyana: ECU 2.1 million to support the structural adjustment programme (third general import programme)

Trinidad & Tobago: ECU 4.3 million to support the structural adjustment programme (second general import programme). ■

Agriculture

Cameroon: ECU 10.2 million to improve living conditions for the people of the Tikar Plain. The aid will be used to support autonomous development with a focus on three areas — intensifying production systems, improving equipment and safeguarding natural resources.

Mali: ECU 4.5 million to help improve agricultural and livestock systems. The project will involve strengthening the responsibility of the local people and promoting their economic activities.

Zimbabwe: ECU 10 million for a demining programme covering an area of almost 11.5 million square metres in the north-east of the country. The aim is to increase agricultural production and improve veterinary controls in respect of livestock.

Enterprise

Burkina Faso: ECU 15 million in Sysmin funds to assist the mining sector through the setting up of a geological mapping system.

Burkina Faso: ECU 11 million in Sysmin funds for the rehabilitation of the Poura gold mine.

Mali: ECU 3.75 million to support CISA (Crédit Initiative SA), a financial institution recently set up to provide credits for small and medium-sized enterprises.

Health

Kenya: ECU 14.8 million for a family health programme, with a particular focus on promoting and improving family planning services.

Mozambique: ECU 22 million to help in the rehabilitation of the health system in rural areas of Zambezia province.

Education

Namibia: ECU 5 million to extend the Namibia Broadasting Corporation network and provide equipment for the production of educational programmes for radio and television.

British Virgin Islands: ECU 2.4 million to support the improvement of the education and social system, through the establishment of a multi-functional educational documentation centre at the Hamilton Lavity Stoutt Community College.

Environment

Seychelles: ECU 650 000 for the management of a depot capable of dealing with solid wastes and for the rehabilitation of a main road on the island of La Digue.

Institutional support

Kenya: ECU 1.4 million to help improve the implementation of national strategies, in particular through the creation of a department for managing projects in the Ministry of Planning and National Development.

Namibia: ECU 1.7 million to support the Ministry of Agriculture in the area of water resources and rural development with a view to strengthening the national development policy vis-a-vis cooperatives.

EUROPEAN INVESTMENT BANK

The Bank has recently decided to provide the following loans from its own resources:

Côte d'Ivoire: ECU 6.95 million of which ECU 6 million is for the construction and modernisation of two cocoa factories, with ECU 950 000 being provided for the expansion of a plastics factory in Abidjan.

Côte d'Ivoire/Burkina Faso: ECU 3.6 million and ECU 9.8 million respectively to establish an electricity supply interconnection.

Botswana: ECU 40 million towards the North South Carrier Water Project which is designed to provide new water supplies for the South East of the country (including Gaborone). The works will include the building of a dam at Letsibogo in the north, the laying of a 360km pipe and the construction of pumping and water treatment stations.

Burkina Faso: ECU 6 million for the development and modernisation of rural and urban telecommunications networks.

Ethiopia: ECU 21 million to modernise Addis Ababa International Airport, including the installation of security facilities, and for the development of six regional airports.

Ghana: ECU 1 million to finance credits to SMEs in the private sector.

Guinea: ECU 25 million for the Garafiri hydro-electric project. The aim is to develop the country's long-term capacity for electricity production and the project will involve the construction of an earth dam and associated works, the provision of equipment and the bringing on line of a power station with a generation capacity of 75 megawatts.

Haiti: ECU 4 million for Sofihdes (The Haiti Financial Development Company) for the promotion of investments by SMEs in the manufacturing, agro-industrial and tourism sectors.

Mauritius: ECU 28 million, of which ECU 16 million is for the renovation and extension of waste water collection and dispersal systems, while the remaining ECU 12 million is for improvements at the Port Louis container terminal.

Mozambique: ECU 3 million to a private company for the construction of a cashew nut processing factory.

Namibia: ECU 920 000 for the extension of a tannery.

Swaziland: ECU 5 million to the Swaziland Industrial Development Company for loans and investments in small and medium-sized enterprises.

Zambia: ECU 10 million for thee commercial banks.

Zimbabwe: ECU 13 million for the modernisation and restoration of hydro-electricity installations.

Bahamas: ECU 14 million for the development and restoration of water supply systems.

Guyana: ECU 7.8 million for the restoration of the water supply system.

Fiji: ECU 8 million for the extension and modernisation of the national telecommunications system.

Papua New Guinea: ECU 46 million for the development of a gold mine and the construction of treatment facilities.

AID FOR REHABILITATION

The Commission has taken decisions to finance the following projects under the special budget line for rehabilitation in Southern Africa:

Angola: ECU 800 000 for a professional training programme for the war-wounded in Benguela province.

Angola: ECU 40 000 for a social centre for young refugees in Cacuaco, Luanda

Angola: ECU 310 000 for a basic health and veterinary programme in Huila, Cunene and Namibe provinces.

Angola: ECU 848 000 for a primary health care assistance programme in favour of refugees and displaced persons in the Rangel municipality of Luanda.

Angola: ECU 844 000 for a project to help victims of mines and handicapped people in the Benguela region.

Angola: ECU 792 000 for a project to help victims of mines and handicapped people in the Lubango region (Huila province).

Mozambique: ECU 380 000 for a rehabilitation programme and the provision of basic sanitary arrangements for refugees in the Beira region (Sofala province).

Mozambique: ECU 560 000 to provide professional training for demobilised soldiers in Zambezia province.

Mozambique: ECU 310 000 towards the rehabilitation of the Cuamba High School (Niassa province).

Namibia: ECU 832 300 for the construction of a new village for fish farming, the development of agricultural production and a literacy programme aimed particularly at former combatants.

Tanzania: ECU 720 710 for the rehabilitation of a youth development centre in Didia (Shinyanga municipality).

Zimbabwe: ECU 228 000 for the rehabilitation of a rural health centre in Buhera municipality.

Within the framework of the EPRD (European Programme for the Reconstruction and Redevelopment of South Africa), the Commission has recently decided to finance the following projects:

South Africa: ECU 11 million for a land reform pilot programme (in the context of the national programme for land redistribution) to be carried out initially in 9 'pilot' areas. The aim is to reduce rural poverty and tackle the injustices resulting from apartheid.

ECU 18 million for a programme to assist the Ministry of Water and Forests. The goal is to reform the institutional arrangements in the Eastern Cape — the second poorest province in the country —where water supplies are insufficient.

ECU 12.6 million for a microproject programme, providing essential equipment to 180 local communities in the Eastern Cape province.

ECU 11 million for an SME development programme encompassing a lending facility for micro-entrepreneurs, a credit scheme to be undertaken in collaboration with private banks and institutional capacity building with long term assistance for the formation of a wholesale financial institution.

ECU 11.4 million for a programme of assistance for university libraries, covering supply of textbooks, support for library collections, automation, professional networks, training and human resource development.

ECU 3.6 million towards phase II of the University of the North project. The aid will provide for a one year foundation programme in mathematics and science, with English and study skills, for disadvantaged students wishing to enter science-based degree programmes at the University.

ECU 15 million for an assistance programme for NGOs.

ECU 1.22 million to cover the administrative costs of the Kagiso Trust, one of the most important NGOs in the country.

HUMANITARIAN AID

The Commission has recently taken the following decisions in the field of humanitarian aid (including emergency aid and food aid):

ACP countries

West Africa (Benin-Mauritania-Togo): ECU 700 000 to provide essential products for some 100 000 people affected by the floods in July, August and September.

Cape Verde: ECU 200 000 for an integrated anti-cholera programme covering general sanitary measures, an information campaign and a vaccination programme for the inhabitants of the island of São Tiago.

Cape Verde: ECU 120 000 to continue the anti-cholera campaign.

Côte d'Ivoire: ECU 1 million to help tackle the cholera epidemic on the western frontier of the country where there are now 300 000 Liberian refugees.

Ethiopia: ECU 236 000 to provide aid for a ten month period for women to look after themselves and their children.

Liberia: ECU 200 000 for anti-cholera measures in the Monrovia area where 1 million people are threatened by the epidemic.

Liberia: ECU 500 000 to help counter malnutrition among children in Lower Bong County.

Liberia: ECU 700 000 for a yellow fever vaccination campaign in Monrovia

Niger: (Tuaregs): ECU 100 000 to provide essential medicines for some 200 000 nomads in the north of the country.

Sierra Leone: ECU 250 000 for a treatment centre in the capital, Freetown, in the context of the anti-cholera campaign.

Somalia: ECU 2.8 million for a programme encompassing nutrition, health care and the distribution of seeds to displaced people.

Sudan: ECU 11.45 million for a global aid programme covering some 4 million people. In the South of the country, affected by civil war, drought and floods, the priorities are food and medical aid, health care and food security projects. In the North, assistance will be directed towards medical and sanitary programmes that are needed in refugee camps.

Haiti: ECU 5 million for medical assistance, food aid, and improvements to the drinking water supply.

Netherlands Antilles, Anguilla & Montserrat: ECU 1 million for medical assistance and a reconstruction programme for the victims of Hurricanes Luis and Marilyn that struck the islands in September.

Non-ACP countries

Colombia: ECU 320 000 to provide logistical support and hygiene products for the victims of floods that destroyed 35 000 dwellings and resulted in the displacement of 150 000 people.

Colombia: ECU 600 000 to provide food and sanitary aid for marginalised and impoverished people in the municipality of Apartado, an area suffering from drug-related violence.

Peru: ECU 220 000 for the fight against malaria in Loreto province and against cholera in the province of Coronel Portillo

Peru: ECU 220 000 for emergency shelters and health provision for displaced people who are returning following ten years of violence in the country.

El Salvador: ECU 750 000 to provide shelters, food and medical aid for people in the south-east of the country affected by the flooding of the Lempa River.

Mexico: ECU 430 000 for medical and sanitary aid to vulnerable sections of the population in Chiapas state.

Mexico: ECU 360 000 for food and sanitary aid to people affected by the earthquakes and hurricanes which struck Mexico in September/October.

Albania: ECU 1 million for emergency logistical support (heating in schools), food aid and medical assistance, directed in particular towards psychiatric and other hospital facilities in Elbasan and Tirana.

Romania: ECU 500 000 to provide food and medical aid for hospitals and health institutions housing orphans and elderly people.

Armenia-Azerbaijan-Georgia-Nagorny Karabakh: ECU 22.32 million for a range of coordinated programmes designed to cover the health, sanitary and food requirements of the populations concerned over the winter period.

Armenia-Azerbaijan-Georgia: ECU 17.4 million for refugees, displaced people and vulnerable sections of the population. The assistance will cover a range of aspects including food aid, health care, medicines, fuel, prefabricated housing and the restoration of water distribution systems.

Belarus-Russia-Ukraine: ECU 2 million for a screening and surveillance programme for people who have been exposed to the effects of the Chernobyl nuclear disaster.

Kirgizistan/Tajikistan: ECU 2.8 million for the most vulnerable victims of the civil war taking place in these two countries. The aid will take the form of food supplies, medicines and housing reconstruction.

Kirgizistan: ECU 1.8 million for emergency food aid in favour of victims of the recession affecting this country.

Russia: ECU 1.3 million to help the homeless and tuberculosis sufferers in Moscow and St Petersburg, and for a vaccination campaign against tuberculosis in Voronej.

Russia (Chechnya): ECU 6 million to provide food supplies, medicines and water to victims of the conflict.

Russia (Siberia): ECU 300 000 to provide medicines and treat the growing number of tuberculosis victims.

Tajikistan: ECU 3 million to provide emergency food aid for victims of the serious recession affecting this country.

Algeria: ECU 2.5 million in emergency food aid.

Algeria: ECU 1 million in additional emergency food aid for some 150 000 people whose survival depends almost entirely on international assistance.

West Bank-Gaza (Palestinians): ECU 3 million to provide medical aid for a six-month period in the form of medicine supplies for hospital laboratories and health centres, together with a training and vaccination campaign.

Gaza: ECU 350 000 for hospitals specialising in the treatment of handicapped people.

Iraq: ECU 12.1 million for a programme designed to provide for the essential needs of victims of the war. The priorities are food aid, the rehabilitation of water supplies and schools, health care, agriculture and the return of displaced people.

Iraq: ECU 1.12 million for emergency food aid in favour of children suffering from malnutrition in the centre and south of the country.

Iraq: ECU 6 million for a global plan aimed at encouraging displaced people to return to their villages. The priorities under the plan will be demining, the provision of food aid to the Atrush camp which currently holds 14 000 refugees, primary health care, and the restoration of essential services.

Lebanon (Palestinians): ECU 450 000 in medical aid.

Lebanon (Palestinians): ECU 100 000 to provide medical aid for the camps in Tripoli, Sidon and Tyre, with a particular focus on pre- and post-natal care and the treatment of chronic illnesses.

Yemen: ECU 200 000 for a vaccination programme (in particular, against measles) for 70 000 children under the age of two.

Afghanistan: ECU 4.7 million to rehabilitate essential services in the capital, Kabul, which is seeking to reintegrate between 250 000 and 300 000 displaced people.

Afghanistan: ECU 950 000 to provide food aid and basic materials for the most vulnerable sections of the population in the capital.

Bangladesh: ECU 700 000 for food aid, medical assistance and essential products to help flood victims. 7.6 million people have been affected by the recent flooding.

Cambodia: ECU 500 000 for emergency food aid and a housing programme for flood victims in the north-western provinces of the country.

Cambodia: ECU 1.8 million for the removal of land mines in agricultural areas of the Phnom Voart region.

North Korea: ECU 290 000 for a logistical and medical programme in favour of flood victims.

India: ECU 19.5 million for a project to tackle poverty in the states of Gujarat, Karnataka, Maharashtra, Rajasthan and Uttar Pradesh. The project is aimed at improving the lot of lower 'castes' by encouraging remunerative activities, strengthening the role of women and establishing a health programme.

Indonesia: ECU 100 000 to provide essential equipment for earthquake victims in the province of Jambi on the island of Sumatra.

Laos: ECU 800 000 in emergency aid for flood victims, in particular in the provinces of Vientiane, Khammouane and Borikhamsay.

Laos: ECU 380 000 in emergency food aid for people in the province of Vientiane whose harvests have been destroyed by typhoons.

Pakistan: ECU 200 000 for the distribution of essential equipment to flood victims in Punjab and Sind provinces.

Philippines: ECU 1 million in emergency aid for typhoon victims.

Philippines: ECU 1 million in additional aid for typhoon victims, notably in the form of sanitary works with a view to combating the epidemics that have broken out.

Sri Lanka: ECU 1 million in medical and logistical aid for between 300 000 and 400 000 people who have fled to the east of the country to escape the fighting.

Sri Lanka: ECU 1.5 million to provide food aid and basic products to people displaced as a result of the conflict between Government forces and Tamil rebels.

Thailand (refugees): ECU 800 000 for food and medical aid for the Karen peoples who have fled from Myanmar.

FOOD AID

The Commission has recently taken decisions to finance food aid as set out in the chart which follows:

Country/ Organisation	Cereals (tonnes)	Vegetable oil (tonnes)	Beans (tonnes)	Other (tonnes)
Angola	50 000	3 000	4 000	221
Eritrea	20 000	1 000	—	—
Ethiopia	75 000	—	—	—
Cape Verde	5 000	1 400	—	—
Namibia	10 000	—	—	—
Zambia	40 000	—	—	—

PARTNERSHIP

Information Bulletin from the Centre for the Development of Industry

CDI

Increase in the Centre's Activities

In 1995, all the indicators of CDI activity recorded a substantial increase compared to 1994. The number of interventions by the Centre rose by 60% and the amounts committed in favour of ACP-EU industrial partnership projects grew by 52%. This growth was a result in particular of the reorganisation of the Centre's services following the appointment of the new Directorate.

This reorganisation strengthened the team of geographical officers in the Centre's "Projects and ACP Network" Division, enabling them to deal more quickly with a larger number of dossiers. The speeding-up of the procedure for evaluating requests for assistance also bore fruit, whilst rationalisation of the handling of information on projects allowed problems to be identified more effectively and greater attention to be given to resolving them.
The proliferation of ACP/EU industrial partnership meetings organised by the Centre in ACP countries was another factor behind the growing number and quality of requests for assistance: meetings were organised in - among others - the Côte-d'Ivoire (tropical fruit), Zimbabwe (leather shoes), Senegal (industries related to cattle and poultry feed), Surinam (wood) and Ghana and Togo (fruit juice packaging).
The Centre also developed its policy of publishing Technical Guides: there are now 14 titles in the series.
The number of requests for assistance received by the Centre in 1995 was 1,251, i.e. 217% over 1994. Over 400 interventions were approved for assistance by the Centre during the course of the year and 362 new interventions were committed against the budget, representing over 60% more interventions then in the previous year. These figures bear witness to the growth in demand for the services offered by the Centre.
From the budgetary point of view, the total amount of commitments made in 1995 was 7.6 million ECU, up by 52% on 1994 and representing 99.54% of the available budget.
In Europe, an important event was the accession of three new countries to the European Union: Austria, Finland and Sweden. The Centre has signed co-operation agreements with development co-operation institutions in each of them.
Full detailed information on the Centre's results in 1995 will be published in the Annual Report which is in course of preparation.

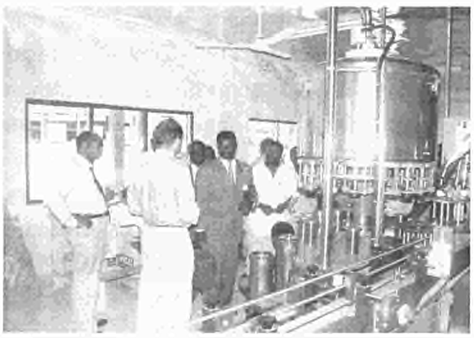
Contents

Notice to readers: for reasons beyond the control of the CDI, this Partnership No. 23, which normally should have appeared in January 1996, has been delayed until now, March 1996.

DOSSIER

Packaging of tropical fruit juice

Sales of fruit juices and nectars on local markets represent a promising outlet for tropical fruit in Africa. However, the development of this activity is being hindered by what is both a technical and an economic obstacle: the problem of packaging. A double seminar meeting on this question, organised by the CDI in West Africa last October, tried to come up with some suitable solutions for local entrepreneurs.



Participants in the Accra meeting familiarising themselves with the features of a Tetrapak packaging line in action during the visit to the manufacturing unit run by Astek, the Ghanaian leader in fruit juice production and exports.

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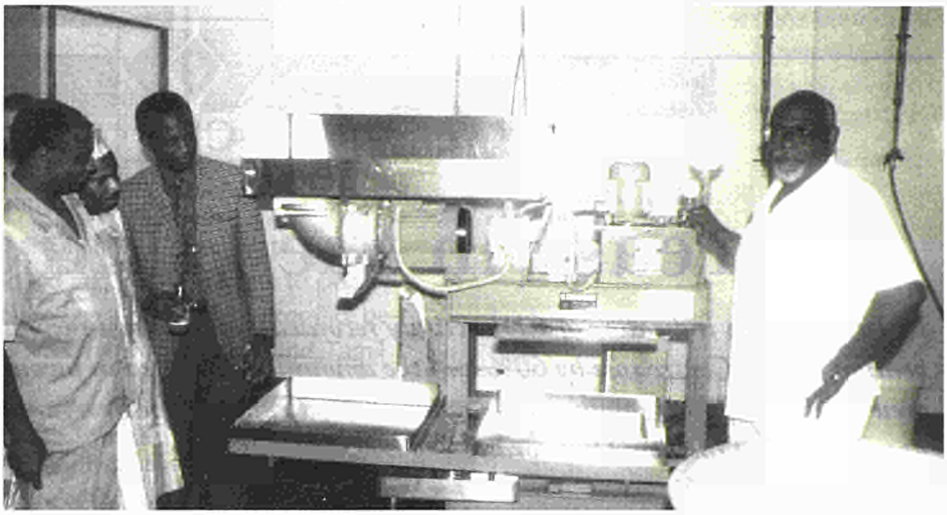
Not so long ago, it was not considered that there was a market with significant potential for tropical fruit juices and nectars in Africa, where fizzy drinks are everywhere. But things are changing. For a decade now, small local production units have been demonstrating that there are consumers on the spot who are interested in this type of drink. Originally looked upon as luxury products, fruit juices and nectars are gradually finding favour with a wider public, making inroads into middle-class society. This activity has various advantages: it only requires fairly simple technology and modest investments, it helps African economies and employment, it uses abundant and cheap local raw materials and it offers consumers drinks that are both healthy and "home-grown". Today, many small businesses in the region have started producing tropical fruit juices and nectars in what is now a rapidly expanding sector.



Doypack pouch technology, suitable for average production volumes (100,000 to 200,000 litres a year), was also the subject of a demonstration during the visit to the Akramang company in Ghana.

I. Spin-off from the meeting in Abidjan

In June 1995, the CDI organised the first industrial partnership meeting in the Côte d'Ivoire, dedicated to the tropical fruit juice sector in West Africa (see dossier in Partnership No. 20). Particular emphasis was placed on the tremendous potential for fruit juice and nectar production for local markets with their rapidly growing demand. But the meeting also pinpointed one of the factors holding back the expansion of this market: packaging. It was seen as a sufficiently important issue for the Centre to decide to organise a second industrial partnership meeting to deal specifically with this problem. The meeting was split into two sessions, both held in October: the first, in English, took place in Accra, Ghana, with the second one, identical but in French, arranged in Lomé, Togo.

Sixteen producers of fruit-based drinks from Ghana, Nigeria and Gambia were present in Accra. Seventeen other entrepreneurs from Benin, Burkina Faso, Cameroon, Côte d'Ivoire, Mali, Niger, Senegal and Togo took part in the session in Lomé.

Packaging technology suppliers invited to the meeting included three European companies: Tetrapak (Sweden), Thimonnier/Doypack (France) and Variopak (Netherlands). There was also a glass bottle manufacturer from Ghana, Tropical Glass Co. Ltd., and a businessman from Gambia, Mr A. Jeng of Jengs Electrical Co. Ltd., who has developed a packaging process (plastic pouches) meeting the needs of small local producers targeting a rural clientele. Several packaging and marketing experts coordinated the discussions, giving advice and helping the entrepreneurs to define and formulate their needs.

As has become customary at the professional meetings organised by the CDI, plenty of time was given over to business contacts, either between African companies interested in regional cooperation or with European technology suppliers. Participants in the Accra meeting also had an opportunity to see at first hand the solutions applied, with CDI assistance, by two Ghanaian producers during highly appreciated visits to the Astek (see inset) and Akramang factories.

II. Packaging supply situation in West Africa

The difficulties in procuring packaging supplies encountered by producers of fruit-based beverages are often due to the necessary materials and equipment simply being unavailable in their locality.

In Africa, drinks are traditionally sold in glass bottles. In most African countries, however, the glass-making industry is underdeveloped, whilst countries like Benin, Burkina Faso, Mali, Niger, Senegal and Togo have no bottle-making plants at all. And even in producing countries such as Cameroon, Côte d'Ivoire and Ghana, supply is not always in keeping with the requirements of fruit-juice producers (standardised and over-expensive models), who are thus forced to import their bottles. In circumstances like these, packaging costs can account for up to 50% of the selling price of the product, which is a serious handicap when trying to market processed agricultural products in Africa.

Big producers sometimes acquire their own moulds so that they are sure of having the right sorts of bottles available, but purchases like this are beyond the reach of entrepreneurs working on a small scale, the category in which we find most fruit-juice producers. Furthermore, bottle manufacturers often make these small companies buy a minimum quantity of bottles, which ties up a good part of their financial resources.

Recycling empty glass bottles is therefore the most common practice, but apart from being unreliable, this source of supply often poses specific problems: clean-

ing difficulties, labelling and often damaged tops (in the case of screw-tops).
These problems inherent in supplies of glass bottles finally led some fruit-juice producers to turn to alternative containers, mainly those offered by the plastics industry. However, this sector is characterised by a lack of flexibility which restricts its ability to adapt to changing demand. In fact, users often have no choice in the models of bottles or jars that they are offered. This type of packaging also has some more serious drawbacks. A recent study carried out in Ghana found that plastic bottles are not the best alternative to glass containers. The most frequent criticism concerns the unsealed closure systems, which can often leak, lend themselves to pilfering and falsification, and do not offer sufficient protection against contamination.
All these considerations show just how difficult it can be for fruit-juice manufacturers to find appropriate solutions to their packaging problems, solutions allowing them to obtain economical containers guaranteeing better conservation, upgrading the product and making it easier for the consumer to purchase, carry and consume.
Below, we sketch out five solutions meeting specific needs as presented by the CDI to the African businessmen attending the professional meetings.

1. TETRAPAK

■ Classic Tetra Brik.

Technology suitable for a minimum production of 1.5 to 2 million litres of juice a year.

Technical characteristics: laminated carton, hot filling; the walls of the carton are sterilised by the heat of the product. The cartons are then sealed and cooled. Pasteurisation after filling is not possible. The system has the drawback of a high initial investment.

■ Tetra Brik Aseptic: the container, sterilised in advance, is filled in an aseptic atmosphere with thermally treated and cooled juice. With this process, it is necessary to have suitable equipment to cool the product quickly before filling.

Capacities: 15 cl to 2 litres. >>>

CDI assistance

"Refresh" fruit juices, Astek's flagship brand, in their "Tetra Brik" cartons. The CDI provided technical assistance to help start-up the packaging line.

The tropical fruit sector is a priority field of intervention for the CDI. Several ACP fruit-juice producers have already received assistance from the Centre, especially in order to develop the packaging side of their business, a key factor if they are to be commercially successful. Kellam and Astek are two typical examples of CDI action, one being a young company that has acquired Doypack technology and the other a large firm which has opted for a Tetrapak line.

KELLAM
Start-up Assistance

Kellam is a small Togolese company producing fruit juices, launched in 1992. The firm had found that putting its products in reusable glass bottles of 33 cl was holding back sales on certain markets. Kellam therefore decided to adopt the Doypack system (individual portions in pouches) for wider distribution. Since this Doypack unit was the first to be installed in Togo, there was no expert on the spot to take charge of start-up and monitoring. Kellam therefore asked the CDI for technical assistance. The Centre's intervention comprised assistance with the installation and start-up of the equipment, staff training and expert advice in reformulating the juices. By investing in this Doypack unit, Kellam was able to triple its output, now producing and packing 100 litres of juice an hour.

ASTEK
Industrial Development

Created in 1982, Astek is a Ghanaian private company specialising in the processing of tropical fruit. In 1994, its production reached 4,000,000 litres of "Refresh" fruit juice and 900,000 litres of pineapple juice. Astek employs 80 workers full-time and the same number on an occasional basis. It is also estimated that there are some 5,000 self-employed street hawkers who make a living from selling fruit juice made at this factory. Astek has won 80% of the domestic market, which used to depend on imports, and exports 50% of its production to West African and North African countries. The CDI has advised and assisted Astek on several occasions over a period of 6 years. In 1989, the CDI financed an initial study on raw material supplies and a search for partners. In 1992/93, support from the Centre allowed an expatriate production manager to spend five months on site, to supervise the modernisation of the plant and the start-up of a packaging line supplied by Tetrapak Alfalaval, the first in the country. Packing in "Tetra Briks" has enabled Astek to increase its production and sales fivefold and to develop its exports.

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Contact:
TETRAPAK UK,
Mr S. Greaves and Mr G. Mayfield (Tetrapak West Africa)
1 Longwalk Road - Stockley Park
Uxbridge - Middlesex UB11 1DL
United Kingdom
Tel.: +44 1895 868 027
Fax: +44 1895 868 223
Contact can also be made via Tetrapak subsidiaries in other countries.

2. VARIOPAK

Technology suitable for a minimum production of 750,000 to 1 million litres of juice a year.
Technical characteristics: laminated carton, filled hot, sealed and cooled. Sterilisation of the pack by the hot product is not necessarily guaranteed. The pack is not strong enough for pasteurisation after filling.
Capacities: 15 cl to 5 litres.

Contact:
VARIOPAK S.A.
Mr N. Martinet
161 rue Saint-Honoré - 75001 Paris - France
Tel.: +33 1 470 334 30
Fax: +33 1 470 334 55

3. THIMONNIER - DOYPACK System

Technology suitable for minimum production of 100,000 to 200,000 litres of juice a year.
Technical characteristics: multi-layered pouch of polyethylene/aluminium/polyester. Hot fill after pasteurisation (up to 90°C), ensuring extreme stability of the product in time, with no added preservatives.
Sizes: 8 cl to 4 litres. Individual portion packs of 20 cl are the most commonly used for fruit juices and beverages.

Contact:
THIMONNIER
Mr F. Beroud
11 avenue de la Paix
69650 St Germain-au-Mont-d'Or - France
Tel.: +33 720 81 919
Fax: +33 720 81 900

4. TROPICAL GLASS CO. LTD.

Technical characteristics: glass bottles, hot fill, closure and then sterilisation by keeping the container at the filling temperature (about 85°C) for a few minutes before cooling.
Capacity: 33 cl (standard size). For special sizes, a financial investment is required if a mould has to be manufactured.

Contact:
TROPICAL GLASS CO. Ltd.
C/O TMCC Ltd.
Mr Ch. E. Quist
Heavy Industrial Area - P.O. Box B151
Tema - Ghana
Tel.: (0221) 4294-5
Fax.: 233-221-2645

5. JENGS ELECTRICAL CO. LTD.

Maximum production capacity: 5,000 pouches an hour with 8 workers.
Technical characteristics: individual plastic pouches. This equipment - part electric and part manual - is easy to use, for filling and sealing individual portion packs (plastic pouches).
Sterilisation possible.
Capacity: 14 cl.
Cost: this system requires only a very small investment. The aim of its designers is to offer a product that can be purchased by entrepreneurs with only limited resources.

Contact:
JENGS ELECTRICAL CO. LTD.
Mr A. Jeng
P.O. Box 434
Banjul
Gambia
Tel.: (220) 392 148
Fax: (220) 339 28 66

III. A few conclusions...

For small-sized companies (annual production of 25,000 to 50,000 litres), i.e. the vast majority of the participants in the professional meetings, the European suppliers did not offer appropriate solutions, except for the Doypack system, whose technology is fairly suitable and cost is affordable.
The laminated carton used by Tetrapak and Variopak could come into the reckoning if its strength was improved so as to allow sterilisation after filling.
The use of plastic bottles poses serious problems to producers. Fruit-juice producers and packaging suppliers should work together, possibly with the Centre's help, and try to solve these problems.
Despite their drawbacks, glass bottles therefore remain the logical choice for small producers. The situation could be improved significantly if they could set up a producers' association and invest together in the necessary equipment, whilst conducting a coordinated search for solutions to the problems raised by packaging.
The process proposed by Jengs Electrical Co. is simple and allows a cheap product to be made for the general public. And the first machine was sold to another participant during the meeting. This equipment could be much more widely used.
Clearly, the two industrial partnership meetings organised by the CDI revealed that whilst solutions exist to the packaging problems encountered by African producers of fruit juices and drinks, there are many different possible solutions and a personalised approach is essential, looking at all the characteristics of each producer and his market.

Contact at the CDI:
Mr Tommy Pedersen, sectoral expert.

■ PACIFIC.

A CDI mission went to the Pacific in January on the occasion of the meeting in Fiji of the Centre's regional antennae and area network, covering eight countries. Mr Fernando Matos Rosa, Deputy Director of the CDI, was accompanied by the Regional Coordinator, Mr Peter Alling, by Mrs Vana Catsica, Country Officer, and by sectoral experts Mr J. Tió Rotllan (wood) and Mr Jan Baeyens (non-metal minerals). The participants, welcomed by Mr B. Vunibobo, Fijian Minster for Planning and Financial Affairs, were able to update their information on the assistance possibilities offered by the CDI to entrepreneurs in the Pacific and on the procedures for submitting requests for aid. They also approved a working programme for 1996, which includes assistance for twenty-four projects in the region. The European Commission, the Forum Secretariat and the SPPF (South Pacific Project Facility) were also represented at this event. The meeting was organised with the support of the Fiji Trade and Investment Board. The Deputy Director took advantage of this opportunity to meet high-ranking officials from several countries and the Secretary General of the Forum Secretariat in order to study the possibilities of developing support for the private industrial sector within the framework of their National Indicative Programmes.

Two thematic seminars coordinated by the Centre's sectoral experts demonstrated the CDI's know-how and assistance possibilities in the wood and non-metal minerals sectors, two fields with significant development potential for a number of countries in the region. The experts then continued their mission with visits to various companies in order to identify their precise needs with a view to the forthcoming industrial partnership meetings to be organised by the CDI on a specific regional basis.

The regional and sectoral experts also visited other ACP States in the Pacific to identify new projects that could benefit from the Centre's assistance and to follow-up projects already in hand.

■ FINLAND.

At the end of November 1995, the CDI held a presentation and contact seminar in Helsinki with companies, consultants and representatives of various bodies interested in the prospects of cooperation with ACP countries, which have been enhanced by Finland's recent accession to the European Union. This meeting, jointly organised with the EU coordination unit of the Finnish Ministry of Foreign Affairs and the national Chamber of Commerce, consolidated the cooperation links established last August between these institution and the Centre (see Partnership No. 22).

Mr Fernando Matos Rosa, Deputy Director of the CDI, and Mr H. Toivola, Adviser for the Ministry of Foreign Affairs, described the Centre's tasks and the kind of practical assistance that it can provide for partnerships between Finnish and ACP companies. The participants were also informed by Mr H. Järn, manager of FINFUND (Finnish fund for industrial cooperation) of the cofinancing possibilities offered by his institution for actions assisted by the CDI. During the second part of the seminar, industrialists were able to talk individually about their concrete projects to the CDI representatives present in Helsinki.

■ CÔTE D'IVOIRE.

The CDI has appointed Mr Jean-Marc Hasle, a financial economist, Director of the ASE (Appui et services aux entreprises), the new Management Advisory and Technical Support company (MATS) that has just been set up in the Côte d'Ivoire under the direction of the CDI. He took up his duties last February. In addition, the ICEX (Instituto Español de Comercio Exterior), the Centre's partner institution in Spain, has decided to finance a post of junior expert within the ASE. Miss Christina Bataller-Catala is to start her new job on March 25th 1996.

Madagascan essential oils in Istanbul

The CDI financed the participation of five Madagascan producers of essential oils in the Istanbul Congress.

Thanks to the creation of the professional association of producers of aromatic, food and medicinal extracts of Madagascar - the SYPEAM - five Madagascan companies were able to take part last October in the 13th International Perfumes, Aromas and Essential Oils Congress in Istanbul - one of the sector's leading professional meetings around the world.

The stand, which was visited by lots of potential buyers, 75% of them from Europe and 19% from the United States, was financed by UNIDO. For its part, the CDI financed the participation of the Madagascan industrialists and the expert help that they received from Claudie Briand, who specialises in essential oils.

One of the reasons for the success of the Madagascan stand was the quality of its products, both traditional, like the pepper or the ylang-ylang, and new, like the essence of geranium Madagascar-style, essence of vetiver or other essential oils used in aromatherapy such as cinnamomum camphora, niaouli, cypress, helichrysum, etc.

A sales figure of almost 150,000 ECU was achieved over the three days, with promises of purchases in the near future totalling some 300,000 ECU.

For its part, the SYPEAM is to develop and extend its activities upstream: ten other countries on the island are considering joining the association. This swelling of its ranks will enable it to provide local producers with technical and financial aid for training courses, trade missions, etc. An action programme is being elaborated for the coming months.

First EU-ACP get-together in the "Building materials / buildings and public works" sector

The second Regional Industrial Forum organised by the European Commission following a "sectoral" formula (1), MAT-CONSTRUCT '95 held at the end of October 1995 brought together 70 Central African enterprises and 45 European companies operating in the main "building materials/buildings and public works" sectors. It is estimated that in the short-term 30% of the contacts made should result in technical or financial cooperation agreements.

The merits of this new, sectoral-targeting formula for ACP/EU Industrial Forums were amply confirmed at MAT-CONSTRUCT'95 in Libreville (2), Gabon. The CDI was represented there by a large delegation of sectoral experts and consultants headed by Mr Fernando Matos Rosa, Deputy Director of the Centre. "Everything has become more efficient", observed Mr A. Adade-Helledy, CDI regional coordinator for Central Africa. "Preparations and the work itself are much more thorough. The participants speak the same language, and they were able to step up contacts in their sector significantly. The ACP entrepreneurs also had a chance to discover the opportunities for commercial or technical exchanges with companies in their own region. I am thinking in particular of the example of the Chad company manufacturing aluminium/zinc sheets, which has signed contracts with several firms in neighbouring countries which until now have been forced to obtain their supplies on faraway markets, inevitably incurring high transport costs".

Participants in the Forum also visited some local enterprises. Here, from right to left, Mr Fernando Matos Rosa, Deputy Director of the CDI, Mr L. Ritto of the European Commission and Mr A. Adade-Helledy, CDI regional coordinator, listen to explanations from a manager at the Regabon factory.

Three CDI workshops

Apart from cofinancing the participation expenses of ACP and European industrialists, the CDI also organised three thematic workshops on several production sectors in which the Centre has acquired sound experience and know-how.
These workshops, based on analyses of concrete cases of partnerships supported by the CDI, looked at several manufacturing fields: compressed earth blocks and cement tiles, timber processing, the cement industry and concrete components.
The Forum also comprised an exhibition organised with the CRATerre company (France), on techniques for producing compressed earth blocks (see inset).

Close follow-up

In the short term, it is planned to set up a programme of CDI assistance for some 25 projects presented at the Forum. For the other projects at the Forum there was a major innovation as regards utilisation of the results of this meeting. The European Commission and the CDI have signed follow-up contracts with the various consultants who prepared and directed the participation of ACP companies in the different events in Libreville. They will be responsible for helping local industrialists to compile dossiers with a view to the development of their activities.

In addition to a forthcoming CDI industrial meeting in Cameroon in April 1996 that will deal with the problem of standardising compressed earth blocks (see inset), several ACP entrepreneurs who were met in Libreville were invited by the Centre to participate at the end of February 1996 in the specialised exhibition Interco, concentrating on building materials in particular, organised in France by the Aquitaine Region.

Contacts at the CDI:
Mr A. Adade-Helledy (regional expert) and Mr S. Boubekeur (sectoral expert)

(1) The 1st Forum of this type, focusing on the development of the mining products industry in Southern Africa, was organised in Lusaka at the end of 1994.
(2) MAT-CONSTRUCT '95 was organised by the European Commission in conjunction with the UDEAC (Central African Customs and Economic Union) and with the collaboration of the CDI.

"Compressed earth blocks" sector

In the rural areas of developing countries, raw clay is a particularly common building material. It is used in various techniques: clay and straw mortar, cob, wattle and daub, pisé, adobe, etc. The advantages of this material are that it is readily available, cheap and easy to extract. But it has the drawbacks of a low water resistance and the fact that it needs repairing after each rainy season.

For fifteen years or so, the use of compressed earth blocks stabilised by incorporating a small proportion of binding material (lime or cement) - which greatly improves its water resistance - has been growing considerably. This is a **modern approach** to the use of clay, offering inexpensive products of a quality meeting the needs of part of the construction industry in ACP countries. This technique also allows different manufacturing processes in which the degree of mechanisation and level of investment can be adapted to meet individual requirements.

The CDI has been conducting a sustained promotion campaign in favour of the "compressed earth blocks" sector for several years. In particular, the Centre has produced a technical guide that is available on request, in French or English. This practical work of 150 pages presents in detail the product, the technologies, the supplies available from ACP-EU industrialists, the criteria for selecting equipment and the methodology for carrying out a feasibility study on development of the product.

As part of the follow-up to the MAT-CONSTRUCT Forum in Libreville, the Centre is organising another industrial partnership meeting in Yaoundé (Cameroon) from April 23rd to 27th 1996, intended for professionals in Central Africa and focusing on the standardisation problems affecting the successful marketing of this product. A new CDI technical guide on this problem of standards is also in course of preparation.

Information from the CDI:
Mr S. Boubekeur

Sectors to be developed

Development of the "building materials / buildings and public works" industry is a vital issue in ACP countries. This sector meets the growing needs both of the population in general and of economic operators, it makes good use of local resources which are generally affordable, it involves only modest technical skills and, finally, it helps cut down on imports and thus improve the balance of payments.

That, in short, is the analysis introducing the sectoral study carried out by the European Commission and the CDI within the context of the organisation of MAT-CONSTRUCT '95 in Libreville.

In the first part, this study examines the technical and economic problems in the four main sectors of interest for the countries of Central Africa, namely:

■ **Cement.** The heavy investments that are essential to produce cement presuppose substantial domestic and regional markets which only a few countries are able to offer. One solution for a country with no mineral resources of its own is to install imported clinker crushing units. An interesting activity for smaller new companies is the manufacture of concrete components.

■ **Rocks and aggregate.** Sand and gravel are essential ingredients in the production of concrete and mortar. Extraction of Central Africa's geological resources, too often dedicated exclusively to the interests of the mining industry, does not take sufficient account of outlets in the civil engineering and construction industries. There is a considerable potential in this sector.

■ **Clay.** Apart from the development of modern techniques using raw clay (see other inset), some countries have craft or semi-industrial traditions of varying quality in the field of baked clay. The competitiveness of this product is conditioned by high energy consumption and the need for know-how in oven technology.

■ **Wood.** Paradoxically, despite the exceptional timber resources of Central Africa, wood is little or poorly used in the construction industry. One fairly general shortcoming is the lack of adequate drying. But the potential for replacing imports of second-stage processing products (woodwork finishings or structural elements) is appreciable.

The study then reviews, for eleven Central African countries, a number of factors affecting the development of projects in these sectors (infrastructures, rules on standardisation and product quality, etc.). This specific approach to each country and each sector allows investment opportunities to be assessed.

Information from the CDI:
Mr S. Boubekeur

FACILITIES IN SUPPORT OF THE CREATION, EXPANSION, DIVERSIFICATION, REHABILITATION OR PRIVATISATION OF INDUSTRIAL ENTERPRISES

	FACILITY 1	FACILITY 2	FACILITY 3	FACILITY 4
TYPE OF OPERATION	**Programme of identification of projects and potential partners** (Opportunity studies per country or per sector, business contacts)	**Operations prior to implementation of a project** (Search for partners, feasibility studies, market surveys, diagnostics, expertise; rehabilitation, diversification, privatisation or expansion studies, advice on the purchase of equipment)	**Financial and legal structuring of the project** (Assistance in assembling the financial and legal package, search for financing and support in contacts with finance institutions)	**Project start-up and development** (Advice on inspection and reception of new or second-hand equipment, supervision of installation, technical assistance, assistance in start-up, management and marketing, training)
BENEFICIARIES	**Development, promotion and finance institutions**	**Promoters and/or companies of an ACP country or a European Union member country, acting either individually or jointly, wishing to undertake an industrial project in an ACP country**		
ACCESS	**Applicants may approach the CDI directly or contact one of the members of the CDI's ACP network or European Union network**			
TYPE OF CONTRIBUTION	**Advice, technical assistance or subsidy**			
AMOUNT	**Case by case**	**Max. 150,000 ECU per project and per year** (The cumulated amount of all contributions to the same project/company must not exceed 300,000 ECU and must be less than 20% of the total investment, except in the case of pilot projects)		
LIMITS OF CDI CONTRIBUTION	**Maximum 50% of the total cost**	**Maximum 2/3 of the total cost per project and per year** (Beneficiary promoters/companies must contribute at least one third of the cost)		

HOW TO PRESENT YOUR REQUEST

Applicants may approach the CDI directly or contact one of the members of the CDI's ACP or European Union networks, the names of which are available upon request.

SUBSTANCE OF THE REQUEST

A clear description of the assistance requested from CDI is essential in every case.

In general, the information to be provided is as follows:

Identification of industrial projects and potential partners (facility 1)
- description of the organisation putting forward the proposal and, if applicable, the companies on whose behalf this identification process is being conducted;
- description of and reasons for the proposed activity;
- detailed timetable for execution of the specific operations;
- detailed budget proposal.

Operations prior to implementation of a project (facility 2)
- description of the company or promoter presenting a proposal, including information on their financial situation;
- description of the project under consideration;
- preliminary financing plan for the investment or development project;
- work plan covering the operations to be carried out;
- breakdown of the budget for the proposed operation.

Financial and legal structuring of the project (facility 3)
- description of the existing enterprise and/or investment envisaged (sector, size, financial projections, etc.);
- project feasibility study covering the technical, economic and financial aspects;
- description of the proposed financial and legal structure;
- work programme and detailed budget proposal.

Project start-up and development (facility 4)
- description of the company, including its financial position;
- description of the technical assistance and training programme;
- work programme, main assistance objectives;
- detailed budget proposal.

Partnership is a publication of the Centre for the Development of Industry (CDI), created under the ACP-EC Lomé Convention.

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- **Editing and production:** European Service Network - Brussels

Operational Summary

No. 90 — March 1996

(position as at 27 February 1996)

EC-MEDITERRANEAN
EC-ACP
EC-ALA
DEVELOPING COUNTRIES

EC-financed development schemes

The following information is aimed at showing the state of progress of EC development schemes prior to and during their implementation. It is set out as follows:

Geographical breakdown

The summary is divided into three groups of countries, corresponding to the main aspects of Community development policy:

— the ACP countries (Africa, the Caribbean and the Pacific), which signed the multilateral conventions of Lomé I (28 February 1975), Lomé II (31 October 1979), Lomé III (8 December 1984) and Lomé IV (15 December 1989), and Lomé IVbis (4 November 1995), plus the OCT (overseas countries and territories) of certain member states of the EC, which get the same type of aid as the ACP countries;

— the Mediterranean countries (Maghreb and Mashraq), which signed cooperation agreements with the EC since 1976 and 1977;

— the ALA developing countries of Asia and Latin America, beneficiaries since 1976 of annual aid programmes.

The information within each of these groups is given by recipient country (in alphabetical order).

Information given

The following details will usually be given for each development scheme:

— the title of the project;

— the administrative body responsable for it;

— the estimated sum involved (prior to financing decision) or the amount actually provided (post financing decision);

— a brief description of projects envisaged (construction work, supplies of equipment, technical assistance, etc.);

— any methods of implementation (international invitations to tender, for example);

— the stage the project has reached (identification, appraisal, submission for financing, financing decision, ready for implementation).

Main abbreviations

Resp. Auth.: Responsible Authority

Int. tender: International invitation to tender

Acc. tender: Invitation to tender (accelerated procedure)

Restr. tender: Restricted invitation to tender

T.A.: Technical assistance

EDF: European Development Fund

mECU: Million European currency units

Note

The participation in tenders financed by the EDF or the Budget for developing countries is strictly confined to firms of the EU or to those of the beneficiary country(ies).

Correspondance about this operational summary can be sent directly to::

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Directorate-General for Development
Commission of the European Union
G 12 4-14
200, rue de la Loi
B-1049 Brussels

Please cover only one subject at a time.

DESCRIPTION SECTOR CODE

A1 Planning and public administration

A1A Administrative buildings
A1B Economic planning and policy
A1C Assistance to the normal operations of government not falling under a different category
A1D Police and fire protection
A1E Collection and publication of statistics of all kinds, information and documentation
A1F Economic surveys, pre-investment studies
A1G Cartography, mapping, aerial photography
A1H Demography and manpower studies

A2 Development of public utilities

A2A Power production and distribution
A2Ai Electricity
A2B Water supply
A2C Communications
A2D Transport and navigation
A2E Meteorology
A2F Peaceful uses of atomic energy (non-power)

A3 Agriculture, fishing and forestry

A3A Agriculture production
A3B Service to agriculture
A3C Forestry
A3D Fishing and hunting
A3E Conservation and extension
A3F Agriculture storage
A3G Agriculture construction
A3H Home economics and nutrition
A3I Land and soil surveys

A4 Industry, mining and construction

A4A Extractive industries
A4Ai Petroleum and natural gas
A4B Manufacturing
A4C Engineering and construction
A4D Cottage industry and handicraft
A4E Productivity, including management, automation, accountancy, business, finance and investment
A4F Non-agricultural storage and warehousing
A4G Research in industrial technology

A5 Trade, banking, tourism and other services

A5A Agriculture development banks
A5B Industrial development banks
A5C Tourism, hotels and other tourist facilities
A5D Export promotion
A5E Trade, commerce and distribution
A5F Co-operatives (except agriculture and housing)
A5G Publishing, journalism, cinema, photography
A5H Other insurance and banking
A5I Archaeological conservation, games reserves

A6 Education

A6A Primary and secondary education
A6B University and higher technical institutes
A6Bi Medical
A6C Teacher training
A6Ci Agriculture training
A6D Vocational and technical training
A6E Educational administration
A6F Pure or general research
A6G Scientific documentation
A6H Research in the field of education or training
A6I Subsidiary services
A6J Colloquia, seminars, lectures, etc.

A7 Health

A7A Hospitals and clinics
A7B Maternal and child care
A7C Family planning and population-related research
A7D Other medical and dental services
A7E Public health administration
A7F Medical insurance programmes

A8 Social infrastructure and social welfare

A8A Housing, urban and rural
A8B Community development and facilities
A8C Environmental sanitation
A8D Labour
A8E Social welfare, social security and other social schemes
A8F Environmental protection
A8G Flood control
A8H Land settlement
A8I Cultural activities

A9 Multisector

A9A River development
A9B Regional development projects

A10 Unspecified

ACP STATES

New projects are printed in italics and offset by a bar in margin at left

Projects under way are marked with an asterisk and with words or phrases in italics

ANGOLA

Rehabilitation of the Tchivinguiro ★ Institute. 8,24 mECU. Date financing December 95. 7th EDF.
EDF ANG 7014 A6b

Reconstruction support programme. 55 mECU. Relaunch of economic and social activities. Improvement of basic social services and living conditions, poverty alleviation, increase of production and of basic communication possibilities, amelioration of basic infrastructures, participation in mine-clearing operations, support for de- ★ mobilisation. **Date financing December 95.** 7th EDF.
EDF ANG 6036/001 A7,A8.

Rehabilitation in rural areas of Huambo province. 3m ECU. To repair health and education infrastructure and help to get farming and other productive activities up and running again. Project managed by Save the Children (UK), Dikos (P) Concern (Ireland) and Halstrust (UK) for mine clearance operations. Project in execution. 7th EDF
EDF ANG 7255/012 A3a

ANTIGUA AND BARBUDA

Livestock development. Phase II. Resp.Auth.:Ministry of Agriculture.0.130mECU. Supply of equipment. Project on appraisal. 7th EDF.
EDF AB 5003(7001) A3a

Upgrading and expansion of Antigua Hotel Training Centre. Construction and equipment for part new and part renovated and upgraded facilities. Estimated cost 2.200 mECU. Works,supplies, design and supervision. T.A. and training. Project on appraisal. 7th EDF.
EDF AB 7001 A6d

BELIZE

Maya Archaeological Site Development Programme (MASDP). Resp. Auth.: Belize Tourist Board (BTB) and Dept. of Archaeology (DOA) 0.750 mECU. Works, supply of equipment and T.A. and training. ★ *Project in execution.* 6th EDF.
FDF BEL 6006 A5c

BENIN

Fish breeding. Applied research and popularization actions. Resp. Auth.: MDRAC. Estimated cost 2 mECU. Project on appraisal, 6th EDF.
EDF BEN 6009 A3d

Rural structures programme in Mono Province. Resp. Auth.: Ministère du Plan et de la Restruturation Economique. 6,500 mECU. Work construction, rehabilitation of water systems, roads, schools, markets, warehouses. Works by acc. tender, supplies by local manufacturers. T.A., evaluation. Participation NGO AFVP (F). Project in execution. 7th EDF.
EDF BEN/6003/001 A3a

Improvement works on the Sémé-Porto Novo road. (12.711 Km). Resp. Auth.: Ministère des Travaux Publics et des Transports. 20 mECU. Infrastructure works and installation of road signing. Work supervision by KFW (D). Works by int. tender. Project on appraisal. 7th EDF.
EDF REG 7132 A2d

BOTSWANA

Vocational Training Programme. Resp. Auth.: Ministry of Education. Estimated total cost 15,100 mECU. Construction and equipment of a new vocational training centre in Gaborone to provide +/- 800 training places. Expand existing schools. Works, supplies and T.A. Project on appraisal. 5th, 6th and 7th EDF.
EDF BT 7004 A6d.

Aeromagnetic Geological Survey of Western Ngamiland. Resp. Auth.: Dept. of Geological Survey. Ministry of Mineral Resources and Water Affairs. 1,900 mECU. ★ Tender launched. ***Project in execution.*** 7th EDF.
EDF BT 7001/001 A1g,A4a.

Strengthening of Government's capacity for policy formulation and drugs control. Resp. Auth. Regional Office of the United Nations International Drug Control Programme (UNDCP) 0.300 mECU. T.A. training, supplies, external evaluation. **Project in execution.** 7th EDF.
EDF BT/7007 A8e

Sysmin —Support to base metal industry (Copper-Nickel-Cobalt). Resp. Auth.: BCL Ltd., 34,400 mECU. To deepen the shaft of the Selebi-North mine, to reach a new ore-body, equipping it and carrying out new prospective drilling to identify new ore-bodies. Works, supplies and T.A. Project on appraisal. 7th EDF.
EDF SYSMIN BT 9999/001 A4a.

BURKINA FASO

Tougan — Ouahigouya — Mali border road. Resp. Auth.: Ministère des Travaux publics. Modern earth-road. Supervision: short-list done. Estimated cost 13.5 mECU. Project on appraisal. Date foreseen for financing 1st half 96. 6th and 7th EDF.
EDF BK 7004 A2d

Support for the Structural Adjustment Programme 95-96. General Import Programme. Hard currency allowances to import ACP and EC goods with negative list. 25 mECU. T.A. for starting and follow-up. Project on appraisal. 7th EDF.
EDF BK 7200/002 A1c

Sectoral Adjustment Programme-Agricultural-Cereals. 6.100 mECU. Support for institutional reform, works, supply of equipment, T.A. lines of credit. Project on appraisal. 7th EDF.
EDF BK 7009 A3a

Sectoral Adjustment Programme — Agricultural — Environment. Estimated cost 1.950 mECU. Soil map and inventory, soil management and T.A. Project on appraisal. 7th EDF.
EDF BK 7010 A3a

Periodical road maintenance programme. Ouagadougou-Ghana. Bobo-Côte d'Ivoire, and Bobo-Mali. Resp. Auth.: Ministère des Travaux Publics. 29 mECU. ★ Works, supervision. T.A. ***Project in execution.*** 7th EDF.
EDF BK 6017 A2d

Support project for the reform of the pharmaceutical sector. Resp. Auth.: Ministère de la Santé — Direction des Services Pharmaceutiques (DSPh) and CAMEG 1.6 mECU. Line of Credit, works, equipment and T.A. Project in execution.7th EDF.
EDF BK 7017 A7c

Geological cartography. Resp. Auth.: Ministère de l'Energie et des Mines. 15 mECU. Aerial geophysical survey for the middle west, creation of a national geophysical data bank, geological mapping 1/200.000. Works, equipment, T.A. Tender ★ dossiers preparation: Short-lists done. ***Project in execution.*** 7th EDF.
EDF BU SYS 9999 A1g,A4

SYSMIN — Rehabilitation of the Poura mine. Resp. Auth.: I.G.R.International Gold Resources Corporation. 11 mECU. Works by direct agreement. Supplies and T.A. Project on appraisal. 7th EDF.
EDF SYSMIN BK 9999 A4a

BURUNDI

Ruvubu Game Development. Resp. Auth.: Ministère de l'Aménagement, du Tourisme et de l'Environnement. 4mECU. Supervision and management. Works, supplies,T.A.,training and awareness-raising. Project on appraisal. 7th EDF.
EDF BU 6029 A5i

Support project for micro-enterprises. 10 mECU. Support to prepare technical dossiers, management follow-up, T.A.,training. Project on appraisal. 7th EDF.
EDF BU 7004 A4,A5

Health rehabilitation in the provinces of Bubanza. Cibitoke, Rutana, Ruyigi and Cankuzo. 5.500 mECU. Works equipment, T.A. and evaluation. Project in execution. 7th EDF
EDF BU 7003 A7

CAMEROON

General Import Programme. Hard currency allowance to import ACP and EC goods with negative list. 20.200 mECU. ★ *Project in execution.* 7th EDF.
EDF CM 7200/001 A1c

Lagdo fishing project. Resp. Auth.: MINEPIA. Estimated cost 3,500 mECU. Preservation and improvement of the social-economic situation around Lake Lagdo. Project on appraisal. 7th EDF.
EDF CM 6002/002 A3a

Protection and sanitation for Kousseri town. Koussri road network. Resp. Auth.: MINTP. Estimated cost 4 mECU. Dyke rehabilitation works along the Logoni river, road works and rain water drainage. Project on appraisal. 7th EDF.
EDF CM 6022 A8g,A9A

Access road to the Tikar Plain. Resp. Auth.: MINTP 14 mECU. Road works over the Kakar-Sabongari-Atta-Sonkolong road. ★ *Project in execution.* 7th EDF.
EDF CM 6037 A2d

Tikar Plain development. Resp. Auth.: MINAT. **10,2 mECU.** Social-economic im-
★ provement. ***Date financing December 95.*** 7th EDF.
EDF CM 6004 A3a

CAPE VERDE

Maio island rural electrification. *Estimated total cost 2 mECU. Improvement of living conditions. Supply of electricity, Works, supplies and T.A. Project on appraisal. 7th EDF.*
EDF CV 7009/000 A2ai

CENTRAL AFRICAN REPUBLIC

Support for the Stuctural Adjustment General Import Programme. Hard currency allowance to import ACP and EC goods with negative list. 10 mECU. T.A. foreseen. Project on appraisal. 7th EDF.
CA 7200 A1c

Support for the transport sectoral programme. Resp. Auth.: Ministère des Transports et des Travaux Publics 50 mECU. Road rehabilitation. Works supervision,
★ supply of equipment. ***Project in execution.*** 7th EDF.
EDF CA 6008 A2d

CHAD

Re-launch of the fishing sector. Estimated cost 2.500 mECU. Sectoral study: shortlist done. Project on appraisal. 7th EDF.
EDF CD 7011 A3a

River Chari embankment protection. Estimated total cost 5 mECU. To improve living conditions in N'Djamena. Project on appraisal. 7th EDF.
EDF CD 5027 A8f,g

Support for the electoral process. Resp. Auth.: UNDP(PNUD). Estimated total cost 0.500 mECU. Project on appraisal. 6th EDF.
EDF CD 7015 A1c

COMOROS

Sea-access to Moheli island. Resp. Auth.: Ministère de l'Equipement — Direction Générale des Travaux Publics. 3.250 mECU. Works, by int.tender.T.A.for further investigations, tender dossier and works supervision. Project on appraisal. 7th EDF.
EDF COM 6006/7003 A2d

Development of cultivation for export. Vanilla and Ylang Ylang. Resp. Auth.: Ministère du Dev. Rural. 1.900 mECU. Vanilla and improvement of quality (laboratory, management, marketing). Supply of non-wood ovens. Crop diversification. Equipment, T.A. and training. Project on appraisal. 7th EDF.
EDF COM 7004 A3a

Support for the establishment of the 'Centre national de l'Artisanat Comorien'. Resp. Auth.: Ministère de l'Economie, du Plan de l'Industrie et de l'Artisanat. 0.300 mECU. Works, equipment and T.A. Project in execution. 7th EDF.
EDF COM (REG) 6502/001 A4d

Rehabilitation Mutsamudu-Sima-Pomoni at Aujouan. *5,6 mECU. Resp. Auth.: Ministère de l'équipement (DG Travaux Publiques). Works (41 Km) by int. tender, supervision by direct agreement after short-list. Project on appraisal. 7th EDF.*
EDF COM/7001 A2d

CONGO

National Road nº1 Brazzaville- Kinkala (Matoumbou). *0.950 mECU. Resp. Auth.: Direction Générale des Travaux Publics. Environmental economical technical studies, execution project and tender dossier. Project on appraisal.4th and 7th EDF.*
EDF COB/7001/000 A2e

COTE D'IVOIRE

Support programme for the 'pineapple market'. Estimated cost 7.780 mECU. EDF 6.100 mECU, O.C.A.B. (Organisation Centrale des Producteurs —Exportateurs d'Ananas et des Bananes), 1.680 mECU. Works, supplies, T.A., training, studies, line of credit. Project on appraisal. 7th EDF.
EDF IVC 6016 A3a

Support for the establishment of a service company. Resp. Auth.: Ministère de l'industrie et du Commerce. Estimated total cost 5 mECU. Support structure for SME's. Project on appraisal. 7th EDF.
EDF IVC 7012 A5d,e

Support for the Structural Adjustment Programme Phase IV. Estimated cost 20,500 mECU. T.A. foreseen. Project on appraisal. 7th EDF.
EDF IVC 7200/003 A1c

Emergency rescue centre in ABOBO. Estimated total cost 2 mECU. Medical and fire rescue centre for the North-Eastern zone of Grand Abidjan. Building, vehicles and equipment. Identification study for the centre: short-list to be done. Project on appraisal. 6th EDF.
EDF IVC 6019 A1d,A7d

DJIBOUTI

Fight against desertification and development of livestock husbandry in Western-Djibouti. Resp. Auth.: Ministère de l'Agriculture et du Développement Rural. 1.665 mECU. Supply of equipment,studies, T.A. Project suspended. 7th EDF.
EDF DI 6008 A3a

Rehabilitation and construction of veterinary Infrastructures and Supply of equipment. *Economical and social Investment. 0.212 mECU. Resp. Auth.: Direction de l'Elevage et des Pêches. Renovation of existing buildings, laboratory construction, purchase of a refrigerator car. Works by acc. proc. Project on appraisal. 7th EDF.*
EDF DI/5002/001 A3a

DOMINICA

Eco-Tourism Site Development. Resp. Auth.: Ministry of Trade Industry and Tourism (MTIT). Estimated total cost 0.558 mECU. Works, equipment and training. Project on appraisal. 7th EDF.
EDF DOM 6002/001 A5c

Agricultural Diversification Programme. Resp. Auth.: Diversification Implementation Unit. (DIU). 2,250 mECU. Production Credit Scheme. Abattoir Project, Citrus Processing Study, Shipping and Transportation System Project, Quality Assurance, Market Information Service, Export Credit Programme, Monitoring Evaluation, T.A. Works by acc. tender. Project on appraisal. 7th EDF
EDF DOM 7002 A3a

DOMINICAN REPUBLIC

Los Toros Hydro-electric project. Construction of a hydroelectric power station. Civil works, supply of electromechanical and hydromechanical equipment. Capacity 9.2 Mw. Annual output 57.27 Gwh. Estimated cost 25.4 mECU. Project on appraisal. 7th EDF.
EDF DO 7005 A2ai

Cold stores at airport and ports. Estimated total cost 4.5 mECU. To increase flowers, fruit and fresh vegetables exports. Project on appraisal 7th EDF.
EDF DO 7017 A5d,e 5

EQUATORIAL GUINEA

Essential goods import programme. Resp Auth.: Presidency of the Republic. Estimated cost 1.5 mECU. Hard currency allowance to import essential goods. Project on appraisal. 5th and 6th EDF.
EDF EG A1c

Conservation and rational utilisation of the forest ecosystems. Resp. Auth.: Ministry of Agriculture, Livestock farming, Fisheries and Forests. Directorate General for Forests. 5.070 mECU. Land Classification and Use Master Plan — National System of Conservation Units — Forest Training and Research Centre. T.A. and supply of equipment. Project on appraisal. 6th EDF.
EDF EG 6001 A3c,e,i

Rural development programme in the South-East. Resp. Auth.: Ministère de l'Agriculture. 4.500 mECU. Works, supplies and T.A. Project in execution. 7th EDF.
EDF EG 6005(7001) A3a

ERITREA

Sector study on national water and irrigation potential. Resp. Auth.: Ministry of Energy, Mines and Water resources 4-5 mECU. Assess the various demands for those resources, determine the potential for their sustainable development, present stategies for their development, and lay the foundations for their management. Project on appraisal. 7th EDF.
EDF ERY 7002 A2b

ETHIOPIA

Rehabilitation of the Addis-Ababa — Modjo — Awasa Road. Resp. Auth.: Ethiopian Road Authority. Estimated cost 40 mECU. Works and supervision. Project on appraisal 7th EDF.
EDF ET 7005 A2d

Reintegration of displaced Ethiopian nationals from Eritrea. Estimated cost 2 mECU. Works, training, line of credit, T.A. and supply of equipment. Project on appraisal. 7th EDF.
EDF ET 7255/001 A8b,e

SME development programme. Estimated total cost 25 mECU. Project on appraisal. 7th EDF.
EDF ET 7003 A5

Rehabilitation of the Addis Ababa-Jima road, Addis Ababa-Abelti (180 Km). *Estimated total cost 35 mECU. Improvement of the road network. Works and supplies. T.A. Feasibility studies and dossiers projects preparation. Project on appraisal. 7th EDF.*
EDF ET 7005/002 A2d

Support to transport sector Project (TSSP). Estimated total cost 1.99 mECU. Works and supplies. T.A. Development transport policy, improvement of programe management road handling capacity, activities coordination. Resp. Auth.: Ethiopia Road Authority. Project on appraisal. 7th EDF.
EDF 7005/001 *A2d*

FIJI

Rural Helth Infrastructure, Naitasiri. Construction of a new hospital in Vunidawa, construction, modification and upgrading of various health centres and nursing stations. Estimated total cost 4.315 mECU. Study: short-list already done. Project on appraisal. 4th, 5th, 6th and 7th EDF.
EDF FIJ 7007 A7a

GAMBIA

General Import Programme. Support for Structural Adjustment. Hard currency allowance to import ACP and EC goods, with negative list. 1.400 mECU. Project on appraisal. 7th EDF.
EDF GM 7200/00 A1c

GHANA

Human resources development programme. 5 mECU. Supply of equipment,T.A., and evaluation. Project on appraisal. 7th EDF.
EDF GH 7003 A6

Western Region Agricultural Development Project. Resp. Auth.: Ministry of Food and Agriculture. 15 mECU. T.A.,buildings and training, supply of equipment. Project on appraisal. 7th EDF.
EDF GH A3a

Woodworking Sector Development. Resp. Auth.: Ministry of Finance & Economic Planning. 4.5 mECU. Equipment, T.A., overseas training. Project on appraisal 7th EDF.
EDF GH A3c

Transport Infrastructure Programme. Phase II. Resp. Auth.: Ministry of Roads & Highways. 70 mECU. Works, supplies, supervision, training. Project on appraisal. 6th and 7th EDF.
EDF GH 6001 A2d

General Import Programme 95. Resp. Auth.: Ministry of Finance & Economic Planning. 21.4 mECU. T.A., for monitoring. ★ ***Project in execution.*** 7th EDF.
EDF GH 7200/004 A1c

Small towns water supply project. Resp. Auth.: Ghana Water and Sewerage Company. Estimated total cost 15 mECU. Construction of water supply systems. Strengthening of institutions responsible for operation and maintenance. Works, T.A. Project on appraisal. 7th EDF.
EDF GH 7006 A1b

GRENADA

Microprojects programme. Resp. Auth.: Ministry Labour, Social Service Community Development. 0.220 mECU. Water supply, road improvements repairs and extension of schools, medical and community centre and sports grounds project on appraisal. 7th EDF.
EDF GRD 7102 A2

Rehabilitation of the Bellevue-Grenville Section of the Eastern Main Road — Grenville — Mama Cannes portion. Resp. Auth.: Ministry of Works. 2 mECU. Works by direct labour, small T.A. and supply of equipment for repairs. Project on appraisal. 7th EDF.
EDF GRD 7002/001 A2d

GUINEA

Development of secondary towns. Resp. Auth.: Ministère de l'Aménagement du Territoire. Estimated cost 7 mECU. Buildings, market, railway stations, roads T.A. and training management,work supervision, supply of equipment. Project on appraisal. 7th EDF.
EDF GUI 7008 A8a, b

GUINEA BISSAU

Joao Landim bridge construction. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 23 mECU. Project on appraisal. 7th EDF.
EDF GUB 7013 A2d

Livestock development. Resp. Auth.: Ministère du Dév. Rural. Estimated cost 1.200 mECU. Zootechnical actions, privatisation, veterinary profession. Supply of equipment and T.A. Project on appraisal. 7th EDF.
EDF GUB 5007/003 A3a

Support to create environmental legislation. Resp. Auth.: National Council for Environment. (CNA) 0.500 mECU. T.A., seminars, training. Project on appraisal. 7th EDF.
EDF GUB 7011. A3f

Project support to the development for livestock sector. *Development and improvement of natural resources. 1.3 mECU. Consolidate programme for vetenary imput distribution, improvement of epidemological information, accompany actions and training. Services, supplies by restr. tender. Project on appraisal. 7th EDF.*
EDF GUB/REG/5007/003 *A3a,b*

GUYANA

Pouderoyen water supply system. Resp. Auth.: Guyana Water Authority (GUYWA). 6 mECU. Raw water supply, treatment process, storage reservoirs, site work, transmission main, distribution main, T.A., supervision, evaluation. Project in execution.
EDF GUA 7003 A2b

Support for the Structural Adjustment Programme — G.I.P. III Resp. Auth.: Bank of Guyana. 2.100 mECU. Hard currency allowance to import ACP and EU goods with negative list. T.A. foreseen. ★ ***Project in execution.*** 7th EDF
EDF GUA 7200/002 A1c

HAITI

Support for the Structural Adjustment Programme. Resp. Auth.: Ministère des Finances. 23 mECU. General Import Programme with negative list. Different T.A. with individual experts. Project in execution. 7th EDF.
EDF HA 7200 A1c

JAMAICA

Credit scheme for micro and small enterprises. Resp. Auth.: Planning Institute of Jamaica. Implementation by Apex Institution and Coordination and Monitoring Unit 7 mECU. Line of credit, T.A. and ★ evaluation. Project on appraisal. ***Date foreseen for financing 1st half 96.*** 5th,6th and 7th EDF.
EDF JM 5020 A4,A5

Institutional strengthening programme. Resp. Auth.: National Water Commission (NWC). Estimated cost 3 mECU. Works, supplies and T.A. Project on appraisal, 7th EDF.
EDF JM 7005 A8a,b,c.

Agricultural sector support programme (ASSAP). Resp. Auth.: Ministry of Agriculture — Rural and Agriculture Dev. Auth. (RADA). 5mECU. More sustainable farming systems,soil conservation, reafforestation and Community education. Works, supply of vehicles, equipment, T.A. studies. Project on appraisal. 7th EDF.
EDF JM 7004 A3a

KENYA

Farming in tsetse infested areas. Estimated total cost 14,600 mECU. Refine the techniques totrap the tsetse fly and develop better technologies to prevent infections. Monitor the environmental impact of the techniques. Project on appraisal. 7th EDF.
EDF KE 7011 A3a

Family Health Programme. Estimated total cost 28.710 mECU. Reproduction health satus of Kenyans family planning services broadened. EDF 14.810 mECU, ★ ODA (UK) 13.900 mECU. ***Project on appraisal.*** 6th EDF
KE 7015 A7b

Technical Education Estimated total cost 5 mECU. Raising the level of performance of existing teaching institutions. Project on appraisal. 7th EDF.
EDF KE 6005/001 A6b

Trade Development Programme. Resp. Auth.: Export Promotion Council and a Special TDP Committee composed of private and public sector members and the European Commission. 4 mECU. Trade Promotion and Marketing Programme, Training, Equipment, T.A. and Monitoring and Evaluation. Project on appraisal. 7th EDF.
EDF KE 7008 A5 **MOD**

Small scale and informal sector enterprises. Estimated total cost 6 mECU. Development of micro-enterprises and informal sector of the economy. Project on appraisal. 7th EDF.
EDF KE 7009 A5e,f

Sultan Hamud — Mtito Road rehabilitation. Estimated total cost 30 mECU. To rehabilitate priority roads and establish sustainable maintenance organisation. Project on appraisal. 7th EDF
EDF KE 7010/002 A2d

Mai-Mahiu/Naivasha Road rehabilitation Estimated total cost 25 mECU. Project on appraisal. 7th EDF.
EDF KE 7010/003 A2d

Community development Poverty alleviation. Estimated total cost 12.500 mECU. Financial facility aimed at priority activities

identified by local communities. Project on appraisal. 7th EDF.
EDF KE 7018 A8b

Support for the establishment of key functions and programmes at Kenya Institute for Public Policy Research and Analysis (KIPPRA). Resp. Auth.: Ministries of Planning and National Development and Finance and Office of the President. 1.993 mECU. Training, Consulting and T.A. Project on appraisal. EDF KE/7016/00 A1b

LESOTHO

Lesotho Highlands Dev. Authority Community forestry project. Resp. Auth.: L.H.D.A. Estimated total cost 1.741 mECU. Establishment of Pilot project, staff recruitment, orientation and training in participatory forestry extension, support to people with advice, training and tree seedlings research and demonstration of new models, monitoring and evaluation. Project on appraisal. 7th EDF.
EDF LSO 7001 A3a

Urban Water Supply and Sanitation. Resp. Auth.: Water and Sanitation Authority. Estimated total cost 4 mECU. Implementation of urgent water-supply and sanitation systems in the urban and peri-urban areas. Feasibility study and contract document. Preparation for urgent water supply and sanitation intervention. Shortlists to be done. Project on appraisal. 7th EDF.
EDF LSO 7002 A2b,A8a

Third Structural Adjustment Suport Programme (SASP 3) 95-96. Resp. Auth.: Central Bank of Lesotho. 4.100 mECU. Hard currency allowance to import ACP and EU goods or from R.S.A. with ★ negative list. ***Project on appraisal.*** 7th EDF.
EDF LSO 7200/002 A1c

MADAGASCAR

Kalmolandy Bridge Reconstruction. Resp. Auth.: Ministère des Travaux Publics. 1.540 mECU. Submersible-type bridge. Project on appraisal. 6th EDF.
EDF MAG 6027 A2d

Road infrastructure rehabilitation. Resp. Auth.: Ministère des Travaux Publics. Estimate 72.500 mECU. Rehabilitation ★ works, supervision. ***Project in execution.*** 6th and 7th EDF.
EDF MAG 7004 A2d

Support programme to rehabilitate social and economic infrastructures. Interventions after cyclones. EDF part 17.500 mECU. Railways and road rehabilitation, small hydraulic works. Social infrastructure rehabilitation. Technical expertise study to be done for roads. Works, supplies, supervision and control, evaluation. Project in execution. 7th EDF.
EDF MAG 7009 A2,A8

Bemaraha Project. 2nd phase. Resp. Auth.: Ministère d'Etat au Dév. Rural. 0.750 mECU. Training and awareness-raising for the protection of cultural and environmental wealth of the 'Tsingy de Bemaraha' region. Classified world property site by Unesco. Supply of Equipment and T.A. **Project in execution.** 7th EDF
EDF MAG 702 A3a

First decentralized cooperation programme. Resp. Auth.: National Authorising officer and Head of EU Delegation and authorized NGO's. 1.900 mECU. Works Purchase of equipment by direct agreement, restr. tender or int. tender. Project on appraisal 7th EDF
EDF MAG 7022/000 A7,A8

Support to the Essential Drug Central Procurement Unit. 1.850 mECU. Building, vehicles, T.A., evaluation. Co-★ financed by World Bank and France. ***Project in execution.*** 7th EDF.
EDF MAG 7014 A7e

Support-training for rural development. Resp. Auth.: Ministère du developpement rural et de la réforme foncière. 1.647 mECU. Developing the farmer's organisations role. Training, supplies and technical cooperation. Project on appraisal. 7th EDF. EDF MAG 7029/000 A3b

MALAWI

Poverty Alleviation Programme — Ago forestry component. Resp. Auth.: MOALD. Estimated total cost 47 mECU. EDF 22 mECU, local 2 mECU, counterpart funds from food aid 94 23 mECU. Water supply sanitation, supply of fertilizers, T.A. and training. Project on appraisal. 7th EDF.
EDF MAI 5001/002 A3a

Structural Adjustment Programme 1995. Estimated cost 26.100 mECU. Gen-★ eral Import Programme. ***Project on appraisal.*** 7th EDF.
EDF MAI 7200 A1c

Information, education and communication population programme. Resp. Auth.: NAO-Ministry for Women and Children's Affairs, Community and Social Services — Ministry of Information and Broadcasting. Estimated total cost 4 mECU. Increase awareness and promote behaviour change as regards reproductive health, including disease prevention. Supply of equipment and T.A. Project on appraisal. 7th EDF.
EDF MAI 6009/001 A7b,c

Support to the Forestry Department. Resp. Auth.: Ministry of Natural Resources. Estimated total cost 4 mECU. T.A. and supply of equipment. Project on appraisal. 7th EDF
EDF MAI 5001/003 A3a

Health Programme. Strengthening Health Ministry capacities in the framework of planning, decentralisation and equipment maintenance. *Training, infrastructures, equipments and T.A. Estimated total cost 20 mECU. Project on appraisal. 7th EDF. EDF MAI 6009/002 A7e*

2nd Programme Micro-project Lomé IV. *Improvement of infrastructures in the farmer framework with the EC participation. Building, school's rehabilitation, health centres, water points. Estimated total cost 6 mECU. Project on appraisal. 7 EDF. EDF MAI 7012/038 A7,A8,A2b*

MALI

Development of livestock on the North-east. *4,5 mECU. 6th and 7th EDF. Date financing December 95. EDF MLI/5006/001*

Better use of surfacing waters in the 5th region. Consolidation. Resp. Auth.: Governorat de Mopti. EDF 4.300 mECU. Works, irrigation, supply of pumps, inputs, T.A. follow-up and evaluation, training, ★ research. ***Project in execution.*** 7th EDF.
EDF MLI6005/002 A3a

Support for the Structural Adjustment Programme 95-96. Resp. Auth.: Ministère des Finances et du Commerce. 25 mECU. General Import Programme with negative list. T.A. foreseen. Project in execution. 7th EDF.
EDF MLI 7200 A1c

Support for HIV/AIDS programme. Resp. Auth.: Ministère de la Santé — Centre National de Transfusion Sanguine (CNTS). 1.410 mECU. Works, supply of equipment, T.A. training T.A.: CRTS Anger (F). Medical equipment, equipment procured by CRTS ★ Anger(F). ***Project in execution.*** 7th EDF.
EDF MLI 7015 A7b,c

MAURITANIA

Support for farmers in Gorgol an Trarza regions. Resp. Auth.: Ministère du Développement Rural et de l'Environnement. 1 mECU. Equipment, T.A. evaluation, ★ follow-up. ***Project in execution.*** 7th EDF.
EDF MAU 7015 A3a

Support for structural adjustment programme 1995-96. *13.3 mECU. Date financing December 95. 7th EDF. EDF MAU/7200/001 A1c*

Kaédi and Mederda water supply. *Estimated total cost 2.8 mECU. Improvement of the living conditions. Works and T.A. Rehabilitation, strengthening and improvement of water systemes. Project on appraisal. 7 EDF. EDF MAU/7012/000 A2b*

MAURITIUS

National solid waste management project. Resp. Auth: Ministry of Environment and Quality of Life. Estimate 8.650 mECU. EDF 7mECU. Construction of a fully engineered landfill to cater for about 600 t of solid waste per day. Works and supplies by int. tender. T.A. for supervision and evaluation. Project on appraisal. 7th EDF.
EDF MAS 6017 A8b,c,f.

MOZAMBIQUE

Social-economic reintegration of young people. Estimated cost 1.950 mECU. Supplies, T.A. and pilot actions. Project on appraisal. 6th EDF.
EDF MOZ 7017 A8b

Supply of voting material. Estimated cost 13 mECU. Project on appraisal. 7th EDF.
EDF MOZ 7004/001 A1c

Rehabilitation of the rural health system. Estimated cost 22mECU. Rehabilitation and renovation of 3 rural hospitals and 2 health centres. Supply of essential medi-★ cines and equipment, T.A. ***Project in execution.*** 7th EDF.
EDF MOZ 7018 A7a,e

Support to the development of an environmentally friendly tourism sector (foundation phase). Resp. Auth.: DINATUR, EC delegation in Maputo —Ministry for the Coordination of Environmental Action. 1.500 mECU. Two T.A. teams for

Institutional Support and for Physical Planning. *Project in execution.* 7th EDF.
★ EDF MOZ 7020 A5c

Social reintegration in Zambezia and Niassa provinces. 5.600 mECU. Health, education, rural life (farming, fishing,setting up of micro-enterprises), urban economic development. The projects will be carried out by NGO's and the provincial authorities. Project on appraisal. 7th EDF.
EDF MOZ 7255/06 A6,A7,A8

Support to the Mozambican STD/DIV strategy within te health system. Resp. Auth.: Ministry of Health — National Directorate of Health, 5 mECU. Services (T.A. training supervision), supplies (educational materials, drugs laboratory reagents, condoms) and equipment (laboratory equipment, medical equipment). *Project on appraisal.* 7th EDF.
★ EDF MOZ 8000/001 A7b,c

Support for the Structural Adjustment Programme. GIP II. *15 mECU. Date financing December 95.*
EDF MOZ 7200/001 A1c

NAMIBIA

Namibia Integrated Health Programme. Resp. Auth.: Ministry of Health and Social Services. 13.500 mECU. Infrastructures, equipment, training and T.A. Project on appraisal. *Project in execution.* 7th EDF.
★ EDF NAM 7007 A7

Expansion of NBC transmitter network and production facilities for educational broadcasting. Resp. Auth.: Namibian Broadcasting Corporation. Estimated total cost 5.7 mECU. EDF 5 mECU, local 0.700 mECU. Works, supply of equipment, technical training and technical consultancies. Project on appraisal. 7th EDF.
EDF NAM 7005 A6i

Rural Development Support Programme for the Northern Communal Areas. Resp. Auth.: Ministry of Agriculture, Water and Rural Development. 7.7 mECU. Strengthening of the agricultural extension service, training of extension officers and establishment of a rural credit system. Supply of office equipment, vehicles, agricultural inputs, T.A., training, evaluation. Project in execution. 7th EDF.
EDF NAM 7011 A3a

Rural towns Sewerage schemes. Resp. Auth.: Ministry of Local Government and Housing. Estimated cost 1.880 mECU. Works, supplies and T.A. *Project in execution.* 7th EDF.
★ EDF NAM 7015 A8c

Namibia Tourism Development Programme. (Foundation Phase). Resp. Auth.: Ministry of Environment and Tourism. 1.882 mECU. Establishment of a Tourism Board and commercialisation of the Government resorts (Namibian Wildlife Resorts). Staff training. T.A. Project on appraisal. 7th EDF.
EDF NAM 7010 A5c

Livestock Marketing Project. Resp. Auth.: Directorate of Veterinary Services — Ministry of Agriculture, Water and Rural Dept., 3.750 mECU. Construction of buildings, water and road infrastructure, provision of equipment materials, tractors for quarantine farms in the Northern Communal Areas. All by acc. tenders or restr. tenders. Project on appraisal. 7th EDF.
EDF NAM 7020 A3a

Support Programme for the Trypanosomiasis and Tsétsé fly regional control programme. *Resp. Auth.: Department of Veterinary Services. Estimated total cost 0,390 mECU. Protection of the East Caprivi and control of the Katima Mulilo Bovine Trypanosomiasis. Project on appraisal. 7th EDF.*
EDF REG/5420/003 A7e

NIGER

Fishery development in the southern Zinder zone. Resp. Auth.: NGO under control of Ministère de l'Hydraulique et de l'Environnement. Estimated total cost 0.500 mECU. Professional sector organisation, strengthening of fish marketing. Project on appraisal. 7th EDF.
EDF NIR 7014 A3a

Environmental protection programme in the lower Tarka Valley. Estimated total cost 10 mECU. To stop ecological and economical destruction of the zone. Project on appraisal. 7th EDF.
EDF NIR 6002/002 A3a

Support for the Structural Adjustment Programme. *13,8 mECU. Project on appraisal. Date foreseen for financing February 96. 6th and 7th EDF.*
EDF NIR 7200/002 A1c

PAPUA NEW GUINEA

E.U. Programme Management Unit in support of the National Authorising Officer (NAO). Estimated cost 1.200 mECU. T.A., training and auditing. Project on appraisal. 7th EDF.
EDF PNG 6001 A1c

SAO TOME E PRINCIPE

Support for Structural Adjustment Programme. *0.900 mECU. Project on appraisal. Date foreseen for financing February 96. 7th EDF.*
EDF STP 7200/001 A1c

SENEGAL

St-Louis regional development programme. 22.5 mECU. Job creation, lines of credit, T.A. to the S.M.E's, training studies. Health centres, clinics, medical equipment and consumables, training, information, T.A. to the Direction Régionale in St-Louis and to the Service des Grandes Endémies in Podor. Drainage network, sanitation. Environmental protection with wind breaks. T.A. Study of a water-engineering scheme in Podor. Works by acc. tender. Supplies by int. tender. T.A. by restr. tender. Project on appraisal. 7th EDF.
EDF SE 6002/7002 A3a

Support for the economic development of the Ziguinchor region. 1,990 mECU. Line of credit for SME's and support for artisanal fisheries. Supply of equipment, T.A. Project on appraisal. 7th EDF
EDF SE 5024/7001 A3a

Support for the Structural Adjustment Programme. General Import Programme with negative list. 20.100 mECU. T.A. foreseen. Project in execution. 7th EDF.
EDF SL 7200/002 A1c

SEYCHELLES

La Digue Environment and Transport project. *Resp. Auth.: Land Transport and Environmental Divisions. 0.650 mECU. Preservation and protection of environment and transport infrastructure. Rehabilitation main road (1.8 Km). Works by acc. tender, equipment and T.A. Supervision and evaluation. Date financing December 95. 6th and 7th EDF.*
EDF SEY/7009 A8f, A2c,d

SIERRA LEONE

Improvement of Freetown — Conakry road link. Estimated cost 30 mECU. Reconstruction of about 120 kms of road from Masiaka in Sierra Leone to Farmoreah in Guinea. Works and supervision. Project on appraisal. 7th EDF.
EDF SL 7004 A2d

Sierra Leone roads authority (SLRA) support programme. Resp. Auth.: SLRA. 22.500 mECU. To strengthen SLRA's management capacity, to support maintenance operations, rehabilitate 160 km of road, provide training and equipment to enable local private contractors to increase their role in road works. Rehabilitation works, equipment, T.A. to SLRA. Project on appraisal. 7th EDF.
EDF SL 7002 A2d

SURINAME

Tourism development programme. Resp. Auth.: Suriname Tourism Foundation. Estimated total cost 0.849 mECU. Institutional strengthening, statistics and research, product upgrading and development, tourism awareness programme, marketing and promotion, human resource development. Supply of equipment and T.A. Project on appraisal. 7th EDF.
EDF SUR 7003 A5c

SWAZILAND

Technical Cooperation programme. Resp. Auth.: Government of Swaziland (N.A.O.) 1.860 mECU. T.A. 12 person-years to selected agencies in the public and parastatal sectors. Project on appraisal 7th EDF.
EDF SW 7001 A1f

TANZANIA

Support for Aids Control in Tanzania. Resp. Auth.: Ministry of Health. 4 mECU. To strengthen health and other support services. Supply of equipment and T.A. Project in execution. 7th EDF.
EDF TA 0800/000 (7001) A7c

Mwanza-Nyanguge Road Rehabilitation. Resp. Auth.: Ministry of Transports and Communications. Estimated cost 35 mECU. Rehabilitation of 62 km of trunk roads (Nyanguge-Mwanza and Mwanza airport) and rehabilitation of Mwanza sewerage system (main works). Design study on-going. Project on appraisal. 7th EDF.
EDF TA 6021 A2d

Mwanza Water Supply. Phase II. Resp. Auth.: Ministry of Water energy and minerals. Estimated cost 11.100 mECU. Works, pumping equipment, studies and supervision. Short-list done. Project on appraisal. 7th EDF.
EDF TA 5005(7) A2b

Iringa Water Supply. Resp. Auth.: Ministry of Water, Energy and Minerals. Estimated cost 9.100 mECU. Pumping, treatment, storage and distribution. Works, equipment, design and supervision. Short-list done. Project on appraisal. 7th EDF.
EDF TA 7009 A2

Support for the Structural Adjustment Programme. General Import Programme. **Phase III.** Resp. Auth.: Bank of Tanzania. 35 mECU. T.A. foreseen. Project on appraisal. 7th EDF.
EDF TA 7200/002 A1c

Assistance for the electoral process. Estimated cost 1.700 mECU. Supply of voting material and equipment. Project on appraisal. 7th EDF.
EDF TA 7017 A1c

Ruvuma-Mbeya Environment Programme. Resp. Auth.: Regional Development Authorities. Estimate 10 mECU. Improvement of forest conservation and use. Supplies, T.A., studies, training, management. Project on appraisal. 7th EDF.
EDF TA 7018 A3c

Support for coffee research. Resp. Auth.: Ministry of Agriculture. Estimated total cost 1.980 mECU. T.A. and supply of equipment for the research centres, training. Project on appraisal. 7th EDF.
EDF TA 6001/002 A3a

Road rehabilitation and maintenance (Ruvuma and Iringa Regions). Resp. Auth.: Ministry of Transports and Communications. Estimated total cost 15 mECU. EDF 12 mECU, local 3 mECU. Road rehabilitation, support to regional and district engineers' offices, training of local contractors. T.A. and supplies. Project on appraisal. 7th EDF.
EDF TA 7011 A2d

Rehabilitation of Bagamoyo to Wazo Hill junction road. Studies and supervision. Resp. Auth.: Ministry of Works. Estimated total cost 15.8 mECU. EDF part 1.750 mECU. for design studies and tender documents and supervision services for the rehabilitation of the +/- 45 Km road. Shortlist to be done. Rehabilitation works funded ★ by Italy: ***14 mECU.*** Project on appraisal. 7th EDF.
EDF TA 7020 A2d

TOGO

Agricultural National Census. Resp. Auth.: DESA — Direction des Enquêts et Statistiques Agricoles — Ministère de Devpt. Rural. Estimated total cost 2.390 mECU. EDF 1.986 mECU, local 0.226 mECU, F.A.O. 0.178 mECU. Project managed by the ★ F.A.O. ***Project in execution.*** 7th EDF.
EDF TO 7004 A3a

TRINIDAD AND TOBAGO

Training project for young farmers (AYTRAP). Assistance for the young farmer to create rural enterprises. Estimated cost 7.300 mECU. EDF 5 mECU. local 2.300 mECU. Line of credit, T.A. and monitoring. Project on appraisal. 6th and 7th EDF.
EDF TR 7002 A3a

Support for Structural Adjustment Programme — General Import Programme II. Resp. Auth.: Central Bank of Trinidad and Tobago. 4.300 mECU. Hard currency allowance to import ACP and EU goods with negative list. T.A. foreseen for short term missions by an international consultant and counter part local consultant, who should be trained in order to help monitoring the programme as well as with the organization ★ and follow-up of the missions. ***Project in execution.*** 7th EDF.
EDF TR 7200/001 A1c

UGANDA

Support to the Uganda Investment Authority. Resp. Auth.: Ministry of Finance. 1.950 mECU. Supply of equipment and T.A. Project on appraisal. 7th EDF.
EDF UG 7005 A5e

Animal water supply in Karamoja. To establish water retaining structures in selected strategical areas. 1.950 mECU. Works, equipment, T.A. Project on appraisal. 7th EDF.
EDF. UG 7008 A2b

Support for Parliamentary and Presidential Elections. Resp. Auth.: UNDP. Estimated total cost 1.950 mECU. Project on appraisal. 7th EDF.
EDF UG 7009 A1c

ZAIRE

Rehabilitation Support Programme. Resp. Auth.: Coordination and Management Unit. Estimated total cost EDF 84 mECU. and an indicative amount of 6 mECU from the Commission's budget under heading B7-5076 'Rehabilitation and reconstruction measures for developing countries'. Regions selected: Kinshasa's economic hinterland, the Greater Kivu and the two provinces of Kagai. Rehabilitation and maintenance of roads and farm access roads. Support for production and marketing, support for basic social infrastructure. T.A. and evaluation. ★ ***Project in execution.*** 6th and 7th EDF.
EDF ZR 6033 A1c

ZAMBIA

Forestry management for sustainable woodfuel production in Zambia (along the railway line). Resp. Auth.: Ministry of Environment. Estimated total cost 2 mECU. Training supply of equipment, studies and T.A. Project on appraisal. 7th EDF.
EDF ZA 7009 A3c

Rehabilitation of the Kabwe-Kapiri Mposhi and Chisamba Road. Resp. Auth.: Ministry of Works and Supply. Estimated total cost 15.360 mECU. Works and supervision. Project on appraisal. 7th EDF.
EDF ZA 6014/001 A2d

Structural Adjustment Facility. Phase III Resp. Auth.: Bank of Zambia. 16.800 mECU. Hard currency allowance to import ACP and EU goods with negative list. 2 mECU will be reserved for Trade and Enterprise support facility. T.A. foreseen. Project on appraisal. 7th EDF.
EDF ZA 7200/001 A1c

Feeder Roads Rehabilitation Programme. *Resp. Auth.: Ministry of local government and housing. 6.9 mECU. Works by int. tender already launched with suspensive clause. Project on appraisal. Date foreseen for financing february 96. 7th EDF.*
EDF ZA 6027 A2d

ZIMBABWE

OMAY Kanyati and Gatshe Gatshe land use and health programme. Resp. Auth.: A.D.A. 4.6 mECU. Raising the standard of living of rural population. Conservation and improved utilisation of the wildlife resources, support to agriculture and improvement of social infrastructure. Road network, water, sanitation, building of a district hospital, equipment and supplies. Project on appraisal. 7th EDF.
EDF ZIM 6004/7002 A3a

Wildlife Veterinary Project. Resp. Auth.: Department of National Parks and Wildlife Management. EDF 1,500 mECU. Increase of wildlife population, particularly of endangered species: black and white rhino — tourism development, works, supplies, T.A., training and evaluation. Project on appraisal. 7th EDF.
EDF ZIM 6018 A5c, A8f

Gokwe north and south rural water supply and sanitation project. 6.100 mECU. Rehabilitation of existing waterpoints, new domestic water points, latrines, maintenance, health education. T.A., training, evaluation. Project on appraisal. 7th EDF.
EDF ZIM 7001 A2b

Minefield clearance in N.E. Zimbabwe. Rural development, clearance of landmines. Zimbabwe minefields survey. Shortlist to be done. Estimated 10 mECU. Project on appraisal. 7th EDF.
EDF ZIM 7004 A3a

Overseas Countries and Territories (OCT)

ARUBA

T.A. for managerial training. 1.900 mECU. A training unit will train private and public executives and will advise companies on demand. Supplies T.A. and evaluation. Project on appraisal. 7th EDF.
EDF ARU 6006 A6b

NETHERLANDS ANTILLES — ARUBA

Tourism development programme. Estimated total cost 6-6.5 mECU. EDF 4-5 mECU, local 0.100 mECU, local private sector 1.400 mECU. Training, T.A., marketing in Europe. Project on appraisal 7th EDF.
EDF REG 7835 A5c

Extension of Caribbean Regional Tourism Development Programme to the Netherlands Antilles and Aruba. *Integrated tourism project to strength the tourism sectors by extending the scope of relevant components of the CRTDP. Estimated total cost 0.400 mECU. Project on appraisal. 7th EDF.*
EDF REG/6917/001 A5c

NEW CALEDONIA

Nouméa Aquarium reconstruction. Resp. Auth.: Administration Territoriale — Province Sud. Estimated total cost 5 mECU. EDF 4.350 mECU. Prequalification launched for architects. Works foreseen 2nd quarter 95. Project in execution 7th EDF.
EDF NC 6009 A5c

FRENCH POLYNESIA

Bora-Bora Island Sanitation. Tourism Development. Resp. Auth.: Direction Territoriale de l'Equipement. 1.250 mECU. Lagoon environmental protection. Works by acc.tender. Project on appraisal. 6th and 7th EDF.
EDF POF/6009/000 A8b,A7e

TURKS AND CAICOS ISLANDS

Water and sewerage in providenciales. Resp. Auth.: Ministry of Works. 3.700 mECU. Water supply works and pipes. T.A. Project on appraisal. 7th EDF.
EDF TC 7001 A8b,c

ST. HELENA

Wharf improvement project. Resp. Auth.: Public Works and Service Department. Estimated total cost 1.743 mECU. To increase the safety and efficiency of Jamestown Port by upgrading wharf facilities for passenger and cargo handling. Works, supplies. Project on appraisal. 7th EDF.
EDF SH 7001 A2d

BRITISH VIRGIN ISLANDS

Hamilton Lavity Stoutt Community College Learning Reserve Centre. Resp. Auth.: Chief Minister's Office, Ministry of Finance and Development. Ministry of Education for maintenance, staffing and operations. 2.484 mECU. Works by acc. tender.
★ *Project in execution.* 7th EDF.
EDF VI 7001 A6b

WALLIS AND FUTUNA

Holo-Fakatoi Road in Wallis (RT2). EDF 0.600 mECU. Bitumen road. Project on appraisal. 7th EDF.
EDF WF 7001 A2d

Construction of territorial road Nº 1 in Futuna. 0.840 mECU. Works and rehabilitation. Project on appraisal. 7th EDF.
EDF WF 7003 A2d

Regional Projects

UGANDA — RWANDA — KENYA

Afro-forestry network for the East African Highlands. Provision of vehicles and motorbikes, audio and office equipment, weather stations and various laboratory and field equipment. Training, workshops, monitoring, evaluation. Project on appraisal. 4.850 mECU. 7th EDF.
EDF REG 7309 A3a

EAST AFRICAN COUNTRIES

Statistical training centre for Eastern Africa in Tanzania. Resp. Auth.: Secretariat of the centre. 5 mECU, Widening of capacity. Construction of class-rooms, offices and housing. Project on appraisal. 5th EDF.
EDF REG 5311 (7) A6b

CAMEROON — CENTRAL AFRICAN REPUBLIC

Bertua-Garoua Boulai Road. Resp. Auth.: Ministère des Travaux Publics (Cameroon). Rehabilitation and improvement of transport infrastructures between Douala and Bangui. Estimated total cost 50 mECU. Project on appraisal. 6th EDF.
EDF REG — CM-CA-7002/001 A2d

MALI-GUINEA

Flood forecast and control, hydrological simulation for the Niger upper basin. Estimated total cost 6 mECU EDF, 5.175 mECU, France (foreseen) 0.375 mECU, Denmark (foreseen) 0.150 mECU, Mali-Guinea (foreseen) 0.300 mECU. Flood forecast system, hydrological model of local simulation with parametric regionalisation. Warming system via telecommunication and satellite teletransmission. Statistical studies. Project on appraisal. 7th EDF.
EDF REG 6181 A8f,A8g

CENTRAL AFRICA

CIESPAC — Public Health Education Centre in Central Africa. 1.980 mECU. Student accommodation, equipment, scholarships. T.A. Project on appraisal. 7th EDF.
EDF REG 7205 A6b

ECOFAC II — Forest ecosystems. Resp. Auth.: Ministère du Plan. République du Congo. Estimated total cost 12.500 mECU. To develop national and regional capacities for good management of forest resources. Works, supplies and T.A. Project on appraisal. 7th EDF.
EDF REG 6203/001 A3c

MEMBER COUNTRIES OF I.O.C.-INDIAN OCEAN COMMISSION COMORES — MADAGASCAR —MAURITIUS — SEYCHELLES

Integrated Regional Programme for Trade Development (PRIDE). Resp. Auth.: I.O.C. Secrétariat. EDF 9.3 mECU. Equipment. T.A., training, management. Project in execution. 7th EDF.
EDF REG 7503 A5

MEMBER COUNTRIES OF CBI

Standardization and quality assurance. Resp. Auth.: COMESA (Common Market for Eastern and Southern Africa). Estimated total cost 2.543 mECU. To develop harmonized standardization and quality control practices. T.A. and training. Project on appraisal. 7th EDF.
EDF REG 7321 A5e

Regional Integration in Eastern and Southern Africa. Assistance to COMESA Secretariat. 1.950 mECU. Training, supply of equipment, evaluation and services. T.A. short-term. Project on appraisal. 7th EDF.
EDF REG/7316 A1c

Regional Telematics Network Services (RTNS). Trade development. Estimated total cost 1.930 mECU. T.A. short-term by restr. tender. Publicity for the project, network implementation, maintenance and evaluation. Date financing December 95. 7th EDF.
EDF REG/RPR/517 A1c

MEMBER COUNTRIES OF ECOWAS

Guarantee Fund for Private Investment — Financing in Western Africa. FGIPAO — Lomé. Creation of a Guarantee Fund to cover partially credit risks given by Banks to the private sector. Total estimated cost 22.5 mECU. EDF 3.8 mECU — Others: France, Germany, EIB., Commercial Banks (E.U.). Development Agencies. Project on appraisal. 7th EDF.
EDF REG 7115 A5

Consumer price index in the UEMOA Countries. Resp. Auth.: EUROSTAT & EUROCOST 1.620 mECU. T.A., training, supply of equipment. Project in execution. 7th EDF.
EDF REG/ROC/7106/001 A1e

MEMBER COUNTRIES OF IGADD

IGADD Household Energy Programme. Resp. Auth.: IGADD Executive Secretary. Estimated total cost 1.900 mECU. T.A. to initiate pilot projects in the area of household energy, define the role and organize the setting up of a regional unit to coordinate activities, and develop working relationships with national and sub-region institutions in IGADD's member countries. Project on appraisal. 7th EDF.
EDF REG A2a

Development of the Artisanal Fisheries Sector. The promotion of artisanal fisheries and fisheries trade. Improvement of the level of services available in the post-harvest field of artisanal fisheries in IGADD member states. Estimated total cost 7.8 mECU. Project on appraisal. 7th EDF.
EDF REG/7314/000 A3d,A6d

BURKINA FASO — CAPE VERDE — GAMBIA — MALI — MAURITANIA — NIGER — SENEGAL —CHAD

Regional environmental training and information programme. Resp. Auth.: Institut de Sahel in Bamako. 16 mECU. T.A. training, supply of equipment. Project in execution. 7th EDF.
EDF REG. 6147/00 A6/A8

SAHEL COUNTRIES

Support to strengthen vaccine independence in Sahel Africa. 9.5 mECU. Project on appraisal. 7th EDF.
EDF REG 7012 A3a

MEMBER COUNTRIES OF P.T.A.

Regional integration in East and Southern Africa. Assistance to PTA Secretariat. (Preferential Trade Area). Short and long-term. T.A., studies, training. Estimated cost 1.500 mECU. Project on appraisal. 7th EDF.
EDF REG 7316 A1b

PACIFIC ACP STATES

Pacific regional agricultural programme. Phase II. Resp.Auth.: Forum Secretariat. Fiji. 9.265 mECU. Improvement and dissemination of selected crops, agricultural information and techniques to farmers. T.A. and supply of equipment. Project on appraisal. 7th EDF.
EDF REG 6704/001 A3a

Cyclone Warning System Upgrade. Resp. Auth.: Forum Secretariat. Project

coordinator at the Tropical Cyclone Warning Centre in Nadi-Fiji: 1.950 mECU. Supply of specialized equipment, T.A., training evaluation. Project in execution. 7th EDF.
EDF REG. 7709 A8g

NAMIBIA-ZAMBIA

Trans-Caprivi Highway. Resp. Auth.: Department of Transport of the Ministry of Works, Transport and Communications. 23 mECU. Upgrading of a portion of 100 Km gravel road. Supervision of works. Works int. tender (conditional) launched in June 95. ★ ***Project in execution.*** 7th EDF.
EDF REG 7414 A2d

SADC

Regional training programme for food security. Resp.Auth.: Food Security Technical and Administrative Unit (FSTAU) in Harare. 5 mECU. Training and T.A. Supply ★ of equipment by int. tender. ***Project in execution.*** 7th EDF.
EDF REG. 6420/7 A6ci

S.I.M.S.E.C. SADC Initiative for Mathematics and Science Education Cooperation. To establish a professional unit, called SIMSEC Unit for information exchange, teacher training curriculum development, staff development, research cooperation and support for teachers' organisations. Project on appraisal. 5 mECU. 7th EDF.
EDF REG 6428 A6b

BENIN — COTE D'IVOIRE — GHANA — GUINEA — GUINEA BISSAU — TOGO

Regional programme to awareness in western coastal African countries of natural resources protection. Resp. Auth.: Ministère de l'Environnement —Togo. Estimated cost 10 mECU. Priorities: fight against bush fires and deforestation and for soil protection. Project on appraisal. 6th EDF.
EDF REG 6113 A3e

KENYA — UGANDA — TANZANIA

Lake Victoria Fisheries Research Project (Phase II). Project headquarters in Jinja-Uganda at FIRI-Fisheries Research Institute. EDF part 8.400 mECU. T.A., supplies, training, monitoring and evaluation. Project on appraisal. 7th EDF.
EDF REG 5316/001 A3d

CARIBBEAN REGION

Regional Tourism Sector Programme. Resp. Auth.: S.G. Cariforum. 12.8 mECU. Marketing, Promotion, Education, Training,research and statistics, product development and protection of cultural heritage. Works, equipment and T.A. Project in execution. 7th EDF.
EDF REG 7601/001 A5c

Regional Trade Sector Programme. Resp. Auth.: S.G. Cariforum. 14 mECU. Access of Caribbean firms into identified market, strengthen the competitiveness of export oriented firms, improve the availability of trade information and support institutional development. Supply of equipment and T.A. Project in execution 7th EDF.
EDF REG 7601/002 A5d,e

University level programme. Resp. Auth.: S.G. Cariforum. 21 mECU. To train a critical mass of Caribbean ACP nationals at masters degree level in development economics, business administration, public administration, agricultural diversification, natural resources, management and architecture, works, educational equipment, T.A., scholarships. Project on appraisal. 7th EDF.
EDF REG 7604 A6b

Caribbean Postal Union. Resp. Auth.: S.G. Cariforum. 0.500 mECU. T.A. and other action necessary for the creation of the Caribbean Postal Union. Project on appraisal. 7th EDF.
EDF REG 7605 A2c

Caribbean Telecommunication Union. Resp. Auth.: S.G. Cariforum. 0.500 MECU. T.A. for the accomplishment of the C.T.U. and the harmonisation of legislation on Telecommunication within the Cariforum member states. Project on appraisal. 7th EDF.
EDF REG 7605/001 A2c

Education policy and dialogue. Resp. Auth.: Cariforum S.G. 0.450 mECU. T.A. for regional common policies in three education areas: basic education, technical and vocational training, language teaching. Project on appraisal. 7th EDF.
EDF REG 7607 A6a,d

Cultural Centres. Resp. Auth.: S.G. Cariforum. 1.500 mECU. Promote cultural identity and foster mutual knowledge of the rich cultural panorama. Restoration of buildings, supply of equipment, T.A. in artistic fields and management. Project on appraisal. 7th EDF.
EDF REG 7610 A8i

Tertiary level programme. Estimated total cost 5 mECU. Upgrading tertiary level education and teacher training. Project on appraisal. 7th EDF.
EDF REG 6628/001 A6b

Cariforum Regional Environment Programme. Resp. Auth.: SG Cariforum. Estimated total cost 11 mECU. Environmental management action, programme for protected areas and community development, management and expansion of marine and coastal park and protected areas. Terrestrial parks. Project on appraisal. 7th EDF.
EDF REG 7613 A8f

MEDITERRANEAN COUNTRIES

ALGERIA

Support for the Algerian rural sector. 30 mECU. Project in execution.
SEM AL A3a

EGYPT

Gulf of Aqaba Protectorates Development Programme (GAPDP). Resp. Auth.: Egyptian Environmental Afairs Agency (EEEA). Estimated total cost 12 mECU. EC contribution 10 mECU, local 2 mECU. T.A. to the EEAA Division for natural sites protection. Supply of equipment, T.A. for a specific training programme: natural ★ sites protection. Works, supplies, T.A. ***Project in execution.***
SEM EGT 537/95 A8f

Agricultural Sector Development Programme. Resp. Auth.: Ministry of Agriculture and Land Reclamation (MOLAR). 75 mECU. Provision of T.A., training, supply of equipment and vehicles, credit and guarantee scheme. Project on appraisal.
SEM EGT 846/95 A3a

Bustan Agricultural Development Project. Resp. Auth.: Ministry of Agriculture and Land Reclamation (MOLAR) 15 mECU. Land and Buildings, equipment and vehicles, drainage, irrigation, T.A. and evalu- ★ ation. ***Date financing December 95.***
SEM EGT 01025/95 A3a

JORDAN

Support for Structural Adjustment. Phase III. Hard currency allowance with ★ negative list. 20 mECU. ***Project in execution***
SEM JO 414/94 A1c

Private Sector Development Programme. Resp. Auth.: Business Service Team in Amman. 7 mECU. Business upgrading, business collaboration and investment promotion, information and data services. T.A., monitoring, evaluation and audit. Projet on appraisal.
SEM JO 861/95 A5d,e

MALTA

Strengthening educational and economic relations with the Community. 1.7 mECU. Scholarships and traineeships, establishment of a Euro-Information Centre,integrated marketing programmes and tourism promotion. Different T.A. and purchase of equipment. Project in execution.
SEM MAT 91/431 A5c,d

MOROCCO

Support for Mother and Child Care. Resp. Auth.: Ministère de la Santé Publique. 9 mECU. Works by int. tender, studies, T.A., evaluation. Supply of equipment. Project in execution.
SEM MOR 930/94 A7b

Drinking water supply and sanitation for small centres (II). Resp. Auth.: OWEP- Office National de l'eau potable. 20 mECU. Production and distribution of drinking water in 14 small centres. Planning and/ or technical detail studies for a further 48 centres. Works, T.A. evaluation. Projet in execution.
SEM MOR 696/95 A2b

Soil conservation measures in the Sidi Driss catchment area. Resp. Auth.: Administration des eaux et forêts et de la conservation des sols. (AEFCS). 5.5 mECU. Investments and works, equipment, T.A. and studies, training. Project on appraisal.
SEM MOR 789/95 A8f,4

Support for priority sectors in the training system. Resp. Auth.: OFPPT and ISTA — Marrakesh, ITHT Saidia, IREP. Supply of equipment and T.A. 6 mECU. Project on appraisal.
SEM MOR 847/95 A6d

SYRIA

Private Sector Development. Resp. Auth.: Syrian-European Business Centre. 7

mECU. To improve the performance of indigenous business in local, regional and international markets. Establishment of the SEBC. T.A., monitoring, evaluation audit. Project in execution
SEM SYR 1189/94 A5d,e

TUNISIA

Support for Structural Adjustment Programme. Hard currency allowance with negative list. Management Central ★ Bank of Tunisia. 20 mECU. ***Project in execution***
SEM TUN 518/95 A1C

Private Sector Development Programme. 20 mECU. Creation of Euro-Tunisie Entreprise. External consultant will be appointed as Euro-Tunisie Entreprise director. Aid programme for firms, institutional development,investment/trade promotion, consultancy, training, joint ventures. Follow-up, evaluation and financial ★ control. ***Project in execution.***
SEM TUN 526/95 A1/A5

Water and Soil conservation (II). Resp. Auth.: Direction de la Conservation des Eaux et des sols- Ministère de l'Agriculture. 20 mECU. Works, supplies and equipment, T.A. Project on appraisal.
SEM TUN 788/95 A2,A8f,4

Rural Development Project in the Sfax area. Resp. Auth.: Ministère de l'Agriculture. 5 mECU. Boreholes,irrigated areas, drinking water supply network, water and soil conservation, T.A. and supply of ★ equipment. ***Date financing December95.***
SEM TUN 987/95 A3e

TURKEY

Programme to broaden relations between EC and Turkey. EC contribution 3.6 mECU. Scholarships, supply of equipment for the Universities of Ankara and Marmara. Training centre and language laboratory in Marmara.Establishment of a Euro-Turkish 'Business Council'. Project in execution.
SEM T A6b

WEST BANK AND GAZA OCCUPIED TERRITORIES

Municipal Support Programme, Gaza and West Bank. EC Contribution 25 mECU (Budget 95: 10 mECU — Budget 96: 15 mECU). Municipal infrastructure rehabilitation and expansion within the road, water supply, building and sewage sectors. Supply of equipment for infrastructure maintenance and solid waste management. Municipalities: Rafah, Khan Younis, Gaza, Hebron, Ramallah, Nablus and Jenin. T.A. will include full-time secondment in 95/96 and half time in 97 of municipal engineers with a project manager and short-term specialist input. Works by acc.tender. T.A.: ★ short lists done. ***Project in execution.***
SEM OT 95/96 — 300/95 A1c

Gaza Hospital. Resp. Auth. Ministry of Health. EC contribution 7.500 mECU. To meet the final completion date of January 96, further financing is urgently required. This financing will cover the execution of the utility connections, the remaining construction works, the provision of the main medical equipment and T.A. for the initial operation. Operation initially by UNRWA. Expatriate T.A.: short list done. Medical equipment by ★ int. tender. ***Project in execution.***
SEM OT 302/95 A7a

Private Sector Development. Resp. Auth.: Palestinian Business Services Centre (PBSC) in Ramallah. EC contribution 6 mECU (1995 Budget 3 mECU —1996 Budget 3 mECU). Programme of consulting information and training services by EC ★ consultants. T.A.: short list done. ***Project in execution.***
SEM OT 95/96- 342/95 A4,A5

T.A. for the institutional support of the Palestinian Authority and for the implementation of the Community assistance programme to the Occupied ★ Territories. 5 mECU. ***Date financing December 95.***
SEM OT/95/06 A1c

EGYPT — PALESTINE — JORDAN — ISRAEL

Middle East Peace Projects.33 mECU (Budget 95: 13 mECU, Budjet 96: 20 mECU). Planning and consulting support measures for major regional investments: water infrastructure projects on the Jordan and Yarmouk, development of Gulf of Aqaba area, transport infrastructure and the interconnection of electricity grids, integrated economic development of Gaza, Sinai and parts of Israel. Regional veterinary cooperation and establishement of an integrated water data system. Feasibility studies, detailed plans, enginering designs. T.A. by ★ restricted tender or direct agreement. ***Project in execution.***
SEM REG 95-96/298-95 A9a,b

ISRAEL — PALESTINE — TUNISIA — MOROCCO — FRANCE

University of tourism for peace. Community contribution 1,2 mECU to cover the Palestinian part (University of Bethlehem). Equipment and running costs. Project on appraisal.
MEDA B7-410-629/95 A6b

MED-TECHNO

Programme to support technological co-operation between local authorities, universities, research institutions and industries, in particular SMEs in the E.U. and in the Mediterranean Partners. 7 mECU. The MED-TECHNO 1996 initiative will focus on the development and application of appropriate technologies for the exploitation of municipal and/or industrial waste water as an additional source of water in the Mediterranean Partners. MED-TECHNO call for proposals was published in November 95. ★ ***Date financing December 95.***
MEDA B7-410 928/95 A2b, A8b

MED-URBS

Programme to support co-operation in networks between local authorities in the E.U. and those in the Mediterranean Non Member countries (MNC). End of the call for proposals on September 14, 1995.24 mECU for 1996 and 1997. Project in execution.
MEDA B7-410 855/95 A8a

A.L.A. developing countries ASIA and LATIN AMERICA

ARGENTINA

Integrated development Ramon Lista. EC contribution 5.500 mECU. T.A. ★ Support for indigenous populations. ***Project in execution.***
ALA ARG B7-3010/94/152 A3a

Integrated support scheme for the socialization of marginalized minors in Greater Buenos Aires. EC contribution 9.300 mECU. Supplies and equipment and ★ expatriate T.A. ***Date financing November 95.***
ALA ARG/B7-3010/95/154 A8b,c

Support for rural sector — Phase II. 0.475 mECU. T.A. Project on appraisal.
ALA ARG/B7-3011/95/160 A3a

BANGLADESH

PROMOTE Female Teachers in Secondary Schools. (Programme to motivate, Train and Employ).26 mECU. Project in execution
ALA BD 95/7 A6a

GSS-Phase III. Education and Social Mobilization. EC contribution 9.4 mECU. Resp. Auth.: Gonoshahajjo Sangstha (GSS)Bangladeshi NGO. Office equipment, transport equipment, external T.A. support. ★ ***Project in execution.***
ALA BD 9511 A6a

BOLIVIA

Ministry of Development and Environment. T.A. to support the execution of programmes. **0,950.** Project on appraisal.
ALA BOL B7-3010/94/42 A3a

Rural development in the Mitzque and Tiraque valleys. 16,410 mECU. Different T.A. for bridges, canals, improvement ★ of cultivated soils. ***Project in execution***
ALA BOL B7-3010/94/49 A3a

Support for artisanal fisheries and acquaculture. T.A. to improve knowhow. ★ **0,932 mECU.** Project on appraisal. ***Date foreseen for financing 1st quarter 96.***
ALA BOL B7-3010/94/53 A3a

Job promotion. 3mECU. Project on appraisal.
ALA BOL B7-3010/95/25 A5

Seeds integrated development project. 3.900 mECU. Increase of the national productivity by improvement of seed quality. Project on appraisal.
ALA BOL B7-3010/95/070 A3a

BRAZIL

Action group for telecommunications. Studies, seminars. Short-lists to be done. 0.570 mECU. Project on appraisal.
ALA BRA/B7-3010/95/125 A2c

Support for underprivileged populations in Rio and Sao Paulo regions.

12,6 mECU. Housing, health, education, ★ training, support for micro-enterprises. ***Date financement November 95.***
ALA BRA/B7-3010/95/115 A8c

CAMBODIA

Support for the agricultural sector and primary education. EC contribution 49.800 mECU. Supply of equipment, different T.A. studies. Project on appraisal.
ALA CAM 94/14 A3a

CHILE

Study to create a technological center in Santiago. 0.607 mECU. Short-list to be done. Project on appraisal.
ALA CHI B7-3011-94/172 A6b

Integrated programme to combat urban poverty. EC contribution 9.660 mECU. Communication and research, education and training, developing production and employment, town planning and environmental improvements, justice and human rights. Project in execution.
ALA CHI/B7-3010/95/06 A8b,c

Management centres for farmers. 0.990 mECU. T.A. to set up 10 centres. Project on appraisal.
ALA CHI/B7-3011/95/069 A3a

Business development in the biotechnology sectors. 0.912 mECU. Exchanges between Europeans and Chilean Industries. Project on appraisal.
ALA CHI/B7-3011/95/219 A4g

CHINA

EU-China Technical and Commercial Co-operation within the Dairy and Food Processing Sector. Resp. Auth.: Central Dairy Project Office (CDPO) of the Ministry of Agriculture and European Project Management Unit based in Beijing. EC contribution 30 mECU. Equipment and T.A. ★ ***Project in execution.***
ALA CHN 9517 A3a

EU-China Higher Educational Cooperation Programme. EC contribution 9.750 mECU. Professorship, fellowship, colaborative research, T.A., workshops. ★ ***Date financing November 95.***
ALA CHN 9519 A6b

EU-China Intellectual Property Rights (IPR) Cooperation Programme. 4.8 mECU. Training and T.A. in the fields of patents and industrial design; trademarks; copyrights; geographical indications; en- ★ forcement. ***Date financing November 95.***
ALA CHN 9520 A5c

EU-China Water Buffalo Development Project. Resp. Auth.: Departement of livestock Production of the Ministry of Agriculture. EC contribution 2.787 mECU. ★ Equipment, training, T.A. ***Date financing December 95.***
ALA CHN 9522 A3a

COLOMBIA

Basic social Services in Ciudad Bolivar. 7.5 mECU. T.A. to the local services. Training. Project in execution.
ALA COL B7-3010/94/101 A8b

Support for the creation of basic technological enterprises. 0.900 mECU. T.A. Project on appraisal.
ALA COL B7-3011/94/41 A5c

'Sistema Nacional de Capacitación Municipal'. EC contribution 6.036 mECU. To support the decentralization process. Training and T.A., documentation and information centres. Equipment and supplies ★ by int. tender. ***Date financing December 95.***
ALA COL B7-3010/95/158 A1b

ECUADOR

Rehabilitation of the Paute zone. 12 mECU. T.A., training, supply of equipment. Project in execution.
ALA ECU B7-3010/94/44 A3a

Environmental impact of the oil exploitation in the Amazone region. 7.313 mECU. Project in execution.
ALA ECU B7-3010/94/130 A8f

Ministry of External Relations Modernization. 0.400 mECU. T.A. and supply of equipment. Project on appraisal.
ALA ECU B7-3010/94/161 A1c

Improvement of crop production and use of phytogenetics products. 0.995 mECU. Training research promotion, T.A. Project in execution.
ALA ECU B7-3010/94/103 A3a

EL SALVADOR

Health and basic programme in the western region. EC participation 10 mECU. Drinking water, sanitation, health centres, infrastructures, training. T.A. Project in execution.
ALA ELS B7-3010/93/9 A7c

Support for the Informal Sector. Phase II. EC contribution 7 mECU. Project in execution.
ALA ELS B7-3010/94/83 A5e

Support for the productive process in the San Vicente department. 13 mECU. T.A., line of credit, integration of ex- ★ servicemen. Project on appraisal. ***Date financing November 95.***
ALA ELS/B7-3010/95/88 A9b

GUATEMALA

Support for the informal sector. 7.500 mECU. T.A. training, line of credit. Project in execution.
ALA GUA B7-3010/94/47 A5

Support for reform of the health sector. EC contribution 11.300 mECU. Infrastructure, equipment, teaching ma- ★ terials, expatriate T.A. ***Date financing October 95.***
ALA GTM B7-3010/95/086 A7

Productive re-insertion for refugee populations and economic re-activation of settlement areas. *12 mECU. Date financing December 95.*
ALA GTM/B7-3010/95/202 ***A8b***

Geothermal energy in San Marcos zone. 0.350 mECU. T.A. Project on appraisal.
ALA GTM B7-3011/95/176 A2a

Strengthening project for the health sector reform. 0.975 mECU. T.A. Project on appraisal.
ALA GTM B7-3010/95/179 A7

HONDURAS

Support for vocational training. 5.3 mECU. T.A. to improve technical trainig. ★ ***Date financing November 95.***
ALA HND/B7-3010/95/79 A6d

T.A. to promote specific projects for electricity production. 0.700 mECU. T.A. ★ for management. ***Project on appraisal.***
ALA HND/B7-3010/95/80 A2ai

T.A. to develop the institutional programme for a legal framework and energy saving. 0.500 mECU. To develop a specific programme for efficiency and ★ energy saving. ***Project on appraisal.***
ALA HND/B7-3010/95/81 A2ai

Preventive health care programme aimed at adolescents. Resp. Auth.: Public Health Department. EC contribution 5.9 mECU. Setting up of the project, production of teaching materials (print and video) and setting up of the network. Training, equip- ★ ment and European T.A. ***Date financing December 95.***
ALA HND B7-3010/95/117 A7b,c

INDIA

Ravine stabilization, Uttar Pradesh. EC contribution 7.9 mECU. Prevention and stabilization of soil erosion through land conservation works, reforestation, horticulture and livestock development. Works, ★ supplies and T.A. ***Project in execution.***
ALA IN B7-3000/95/10 A3a

Haryana Community Forestry Project. EC contribution 23.3 mECU. Infrastructure, equipment, training, T.A., moni- ★ toring and evaluation. ***Date financing December 95.***
ALA IN B7-3000/95/15 A3a

Tank rehabilitation Project, Pondicherry. EC contribution 6,65 mECU. Works, ★ T.A. monitoring and evaluation. ***Date financing December 95.***
ALA IN B7-3000/95/16 A3a

Cross-cultural programme EU-India. EC contribution 30 mECU. To promote and develop cultural co-operation and mutual understanding. Media and Communication, University and studies, entrepreneurial networking, mobility and training. T.A. for Man- ★ agement Agency. ***Date financing December 95.***
ALA IN B7-3001/95/23 A6j

INDONESIA

Gunung Leuser development programme. Resp. Auth.: Indonesian Planning Ministry — BAPPENAS. EC contribution 32.5 mECU. Works, infrastructures, supply of equipment, T.A. training, monitoring evaluation. Project in execution.
ALA IND 94/26 A3a

South-Central Kalimantan Production Forest Programme and Forest Liaison Bureau. EC contribution 33 mECU. Works, supplies, T.A. monitoring and ★ evaluation. ***Date financing December 95.***
ALA IN B7-3000/95/18 A3a

LAOS

Micro-projects in Luang Prabang. ★ (Phase II) 12.800 mECU. ***Project in execution.***
ALA LAO 95/8 A3a

MEXICO

Improving living conditions for children and young people. 0.717 mECU. T.A. and training. Project on appraisal.
ALA MEX B7-3010/95/23 A8c

Support for trade and export towards EU. 0.982 mECU. T.A. seminars. Project on appraisal.
ALA MEX B7-3011/95/026 A5

NEPAL

Irrigation Development Project — Mid Western Region. EC contribution 8.1 mECU. Feeder roads, irrigation schemes, training. Supplies, T.A. monitoring and ★ evaluation. ***Date financing December 95.***
ALA NE B7-3000/95/24 A3a

NICARAGUA

Housing construction in Managua. 9 mECU. Works, supervision, equipment and ★ T.A. ***Date financing December 95.***
ALA NIC/B7-3010/95/90 A8a

Support for vocational training. 5.200 mECU. To improve technician and ★ teacher training. ***Project in execution.***
ALA NIC/B7-3010/95/109 A6c

Support for the electricity sector. 7 mECU. T.A. equipment, monitoring and ★ evaluation. ***Project in execution.***
ALA NIC B7-3010/95/65 A2ai

PAKISTAN

Post-flood rehabilitation and protection project. 20.5 mECU. T.A., road works, dam construction. Works by acc. tender. Project on appraisal.
ALA PK 94/04 A8g

Palas conservation and development ★ **project.** 4.800 mECU. ***Project in execution.***
ALA PK 95/05 A3a

PANAMA

Support for rural SME's in the central region. 5 mECU. Supply of T.A. and line of credit. Project in execution.
ALA PAN B7-3010/94/137 A3a

Promotion of equal opportunities in Panama. 9.800 mECU. Institutional support, direct training, support for NGO's, fund for small-scale products. T.A. and equip- ★ ment. ***Date financing December 95.***
ALA PAN/B7-3010/95/100 A8c

PARAGUAY

Durable development of the Paraguayan Chaco (protection of the indigenous zones and ecosystem). EC contribution 14.800 mECU. T.A. and training. Project in execution.
ALA PAR 93/40 A3a

Training programme. 0.850 mECU. Project in execution.
ALA PRY/B7-3011/94/012 A6e

Support programme for the Eastern Region development. 0.900 mECU. T.A. Project on appraisal.
ALA PRY/B7-3011/95/146 A3a

Rural development in San Pedro and Caaguazù. 2 mECU. Works, supplies and T.A. Project in execution.
ALA PRY/B7-3010/95/150 A3a

PERU

Support for export promotion. EC contribution 3.774 mECU. T.A. Short-list done. Project in execution.
ALA PER B7-3010/93/175 A5d

Colca valley development programme. EC contribution 5 mECU. T.A. and supply of equipment. Short-list to be done. Project on appraisal.
ALA PER B7-3010/94/33 A3a

Street children. 7mECU. Project in execution.
ALA PER B7-3010/94/127 A8c

Framework programme for vocational, technological and pedagogical training. 7 mECU. To improve secondary education quality and support teacher training. Project on appraisal.
ALA PER/B7-3011/95/00 A6c

Sustainable development of the Manu National Park and Biosphere Reserve. 6.600 mECU. Project on appraisal.
ALA PER/B7-5041/95/128 A8f

Standards and quality. 0.400 mECU. T.A. Project on appraisal.
ALA PER B7-3011/95/048 A4e

Training in economics- Ministry of External Relations Staff. 0.500 mECU Project on appraisal.
ALA PER B7-3011/95/108 A6e

Poverty alleviation programme. Limás peripheral urban area. 12 mECU. Project on appraisal.
ALA PER B7-3010/95/130 A8b,e

PHILIPPINES

Partnership for Women's Health and Safe Motherhood (P-WHSM). 17 ★ mECU. ***Project in execution.***
ALA PHI 95/4 A7b,c

Central Cordillera Agricultural Programme, Phase II. (CECAP II). EC contribution 23 mECU. Technical support, advice ★ and training. Works, supplies and T.A. ***Date financing December 95.***
ALA PU B7-3000/95/28 A3a

SRI LANKA

Mahaweli Consolidation Project. EC contribution 5.98 mECU. Works, supplies ★ and T.A. ***Date financing November 95.***
ALA SRI B7-3000/95/03 *A3a*

URUGUAY

Integrated development programme for rural communities. 5.150 mECU. T.A.and housing construction for poor families. Project in execution.
ALA URU B7-3010/94/39 A3a

Cooperation Programme for Aromatic Plants and Essential Oils. 1 mECU. T.A. for production development, industrialisation and commercialization. Project on appraisal.
ALA URY/B7-3011/95/72 A3a

VENEZUELA

Support for the Health Sector. 9 mECU. Improvement of the health systems, T.A. and supply of equipment. Project on appraisal.
ALA VEN/B7-3010/95/56 A7e

Articulation and development of social economy. 7.5 mECU. T.A. training. Project on appraisal.
ALA VEN/B7-3010/95/57 A5f

VIETNAM

T.A. to the State Planning Committee — Support for the Country Information Systems for Economic Planning. EC contribution 3.8 mECU. Long and short-term T.A., training and scholarships equipment. Project in execution.
ALA VIE B7-3000/95/12 A1c

Returnee Assistance Programme (RAP). EC contribution 10.5 mECU. T.A. and financial assistance. Training and edu- ★ cational support. Equipment. ***Date financing December 95.***
ALA VIE B7-3000/95/26 A1c

LATIN AMERICAN COUNTRIES

Cooperation programme with European Union towns, regions and local collectivities. 14 mECU. T.A., training. ★ ***Project on appraisal.***
ALA AML B7-3010/94/168 A5

Fight against cancer. 13.332 mECU. Project on appraisal.
ALR B7-3010/95/03 A7

B.I.D. Special fund for small production projects. 15 mECU. T.A. in the ★ framework of B.I.D. activities. ***Date financing November 95.***
ALA AML/B7-3010/95/113 A5b

ALURE: Optimum use of energy resources. 7 mECU. Support Unit-financing of action to modernize institutions and ★ specialised companies. ***Project in execution.***
ALA ALR/B7-3011/95/42 A2a,i

AL-INVEST — Consolidation phase. 41 mECU. Liberalization of the economic structures and market integration. (Commercial exchanges promotion, technology transfer, direct investments, joint-ventures). ★ ***Project in execution.***
ALA AML/B7-3011/95/138 A4e

Special Funds for European T.A. in Latin American countries. 4 mECU. T.A. in the framework of B.I.D. activities. Project on appraisal.
ALA AML/B7-3010/95/114 A5b

ASEAN

Junior EU-ASEAN Managers (JEM) Programme. 15 mECU. T.A. for executing ★ agencies, monitoring and evaluation. ***Project in execution.***
ALA ASE B7-3001/95/064 A5

ASIA-URBS

Programme supporting co-operation between EU and Asian local authorities. EC contribution 30 mECU for 96,97 and 1998. T.A. for Asia-Urbs agency. ★ ***Project on appraisal.***
ALA- ASIA URBS B7-3000/95/21 A8a

ASIA-INVEST

Asia-invest. EC contribution 32 mECU. Asia-invest secretariat to be established in Brussels. T.A. Project on appraisal.
ALA-ASIA INVEST B7-3001/95/25 A5

ANDEAN PACT

Programme to eradicate foot and mouth disease. EC contribution 1.800 mECU. Project on appraisal.
ALA PAN B7-3010/94/63 A3a

T.A. programme for customs. 5 mECU. T.A. and training. Project on appraisal. Date foreseen for financing 1st quarter 1996.
ALA-AND B7-3011/94/163 A1b

Support for the Tribunal A. de Cartagena. 0.617 mECU T.A. Project in execution.
ALA REG PAN B7-3011/94/51 A8b

CAMBODIA-LAOS-VIETNAM

Programme in support of malaria control. EC contribution 29 mECU. T.A., ★ equipment, supplies. *Date financing December 95.*
ALA REG B7-3000/95/13 A7c

SOUTHERN AMERICAN COUNTRIES

Improved navigation on the Uruguay River. 0.700 mECU. Technical prefeasibility study. Project on appraisal.
ALA ASR B7-3011/95/175 A2d

Technical studies for ports. Hidrovie. 6.5 mECU. Technical studies. Project on appraisal.
ALA ASR B7-3010/95/140 A2d

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Sanchez 21
Ensanche Naco
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Fax (809) 567 58 51
Telex 4757 EUROCOM SD DR

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Apartado 779 — Malabo
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Telex DELFED 5402 EG

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P.O. Box 5570, Addis Ababa
Tel. 251-1-61 25 11
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Tel. 73 22 50
Telex DELEGFED 5511 GO — LIBREVILLE
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Tel. 227777 — 228769 — 226860
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Fax (233-21) 774154

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Telex 224 Delegfed ST
Fax (239-12) 22683

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Fax 23869

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France

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Mayotte
St Pierre and Miquelon
(Overseas territories)
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French Polynesia
French Southern and Antarctic Territories
Wallis and Futuna Islands

Netherlands

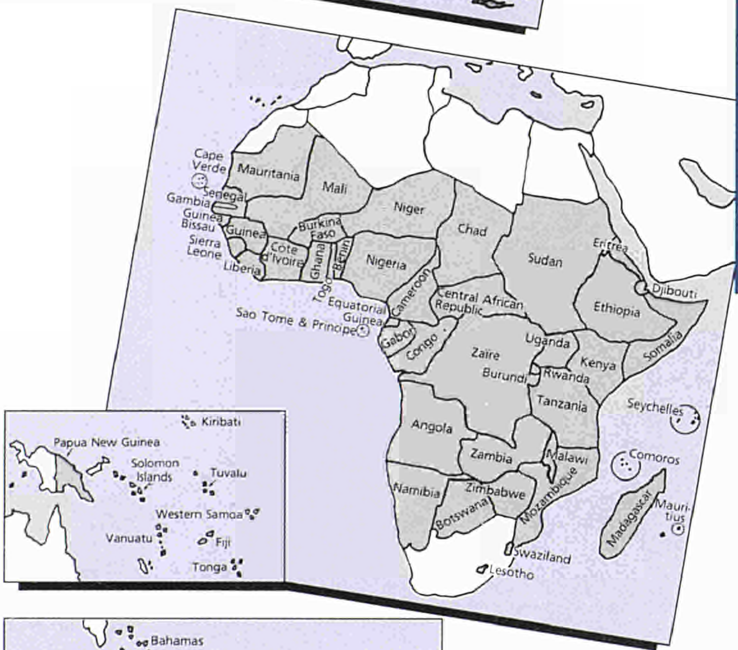
(Overseas countries)
Netherlands Antilles (Bonaire, Curaçao, St Martin, Saba, St Eustache)
Aruba

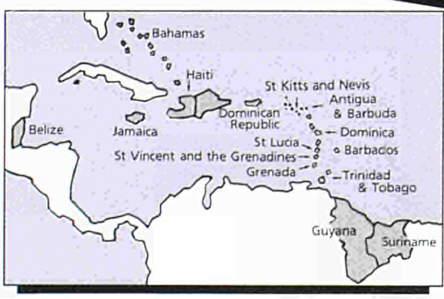
Denmark

(Country having special relations with Denmark)
Greenland

United Kingdom

(Overseas countries and territories)
Anguilla
British Antarctic Territory
British Indian Ocean Territory
British Virgin Islands
Cayman Islands
Falkland Islands
Southern Sandwich Islands and dependencies
Montserrat
Pitcairn Island
St Helena and dependencies
Turks and Caicos Islands





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Back cover:
Trade in Services
'Trains and boats and planes in Madagascar'

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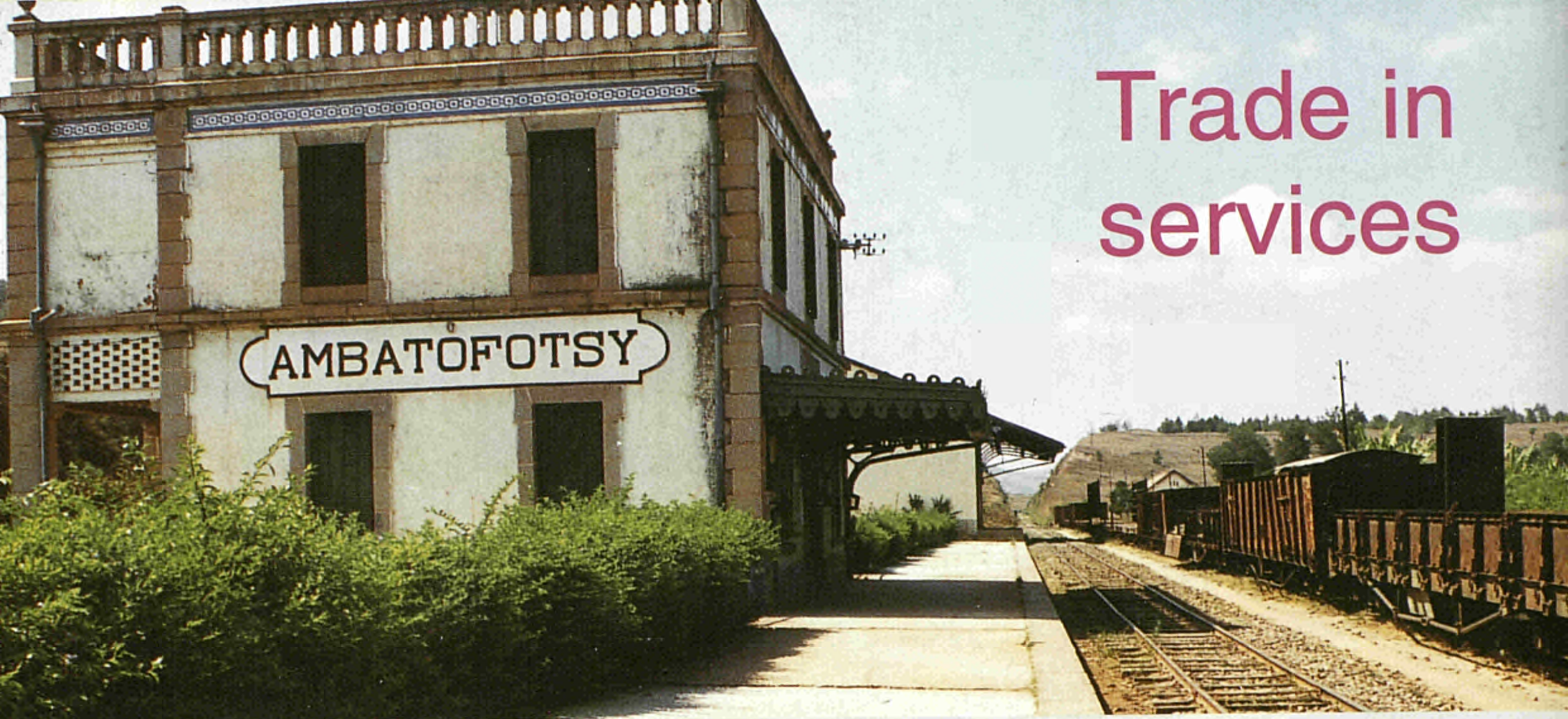
Trade in services



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