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Sub-Saharan Africa Report

FOUO No. 764

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SUB-SAHARAN AFRICA REPORT

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CONTENTS

AUSTRIAN TRADE WITH AFRICA IN 1980 REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 22 Jan 82 pp 184-187

[Excerpt] Austria's 20 Leading World Trading Partners (in billions of schillings)

Suppliers		Customers	
FRG	128.9	FRG	69.8
Italy	28.7	Italy	24.8
Switzerland	15.8	Switzerland	17
USSR	13.3	Great Britain	8.3
France	12.5	France	7.8
United States	10.7	Yugoslavia	7.4
Great Britain	8.7	USSR	6.2
Netherlands	8.5	Poland	6
Japan	7.6	Netherlands	5.9
Iraq	7	Sweden	5.8
Belgium	6.2	Hungary	4.9
Saudi Arabia	5.9	United States	4.9
Czechoslovakia	5.8	Belgium	3.2
Sweden	5.7	Czechoslovakia	3.1
Hungary	4.4	GDR	3
Libya	4	Iran	2.8
Poland	3.1	Denmark	2.6
Yugoslavia	2.6	Romania	2.5
Denmark	2.2	Norway	2.4
GDR	2.1	Iraq	2.2

Austria's 20 Leading African Suppliers and Customers in 1980 (in billions of schillings)

Suppliers		Customers	
Libya	4,013.3	Nigeria	2,227.9
Algeria	1,849.6	Libya	1,578.7
Nigeria	1,728.8	Benin	1,253.1
South Africa	1,301.6	Algeria	1,191.2
Egypt	375.6	South Africa	1,104.2
Ivory Coast	251.1	Egypt	903

(cont.)

Tunisia	128.2	Tunisia	444.6
Namibia	106.5	Kenya	183.8
Kenya	104.8	Sudan	181.4
Cameroon	102.1	Togo	161.5
Ghana	99.3	Morocco	139.7
Zambia	76.9	Zaire	79.6
Zimbabwe	69.7	Zambia	67.1
Morocco	40.9	Tanzania	64.2
Tanzania	40.9	Cameroon	64.1
Mozambique	40.8	Somalia	62.3
Canary Islands	38.3	Ivory Coast	55.4
Liberia	36.2	Ethiopia	51.2
Guinea	26.1	Angola	48.5
Burundi	24	Senegal	41.8

Austrian Imports From Africa

Austria's purchases from Africa are mainly energy products (77.4 percent), while 10.2 percent include food or parafood products, 5.2 percent are made up of mineral raw materials, and the remainder involve metals, textile fibers, wood, hides and leathers and miscellaneous.

Austrian exports to Africa are highly varied, but mainly involve machines and electrical and nonelectrical appliances, textiles and especially embroidery and transportation equipment (see Table CE-AUT-1 [not reproduced]).

Five African suppliers shipped oil to Austria:

	Tons	Millions of schillings
Libya	1,077,870	4,011.56
Nigeria	470,134	1,659.11
Algeria	469,569	1,783.11
Egypt	59,146	226.44
Tunisia	19,978	73.51
Total	2,096,696	7,753.73

One can add to these imports of crude oil the 4,990 tons of coal (4.57 million schillings) from South Africa.

Purchases of food products, generally unprocessed, come in second place with 1.08 billion schillings, including beverages and tobaccos. The five most commonly imported products were, in declining order: cacao and cacao products, 325 million; coffe, tea and spices, 255 million; fresh or dried fruits, 192 million; canned fruits and vegetables, 132 million; and fresh or dried vegetables, 65 million. The other categories have a market of between 2 or 3 and 15 million schillings.

Cacao, Coffee and Fruits

Purchases of cacao totaled 7,410 tons of pods and 183 tons of semi-finished products, mainly cocoa butter. Suppliers numbered six (tons and millions of schillngs):

	Pods		Butter	
Ivory Coast	3,858 tons	(163.51)	68 tons	(6.07)
Ghana	1,679 tons	(73.03)	15 tons	(1.24)
Nigeria	1,545 tons	(59.16)	100 tons	(8.98)
Cameroon	170 tons	(7.43)		
Zaire	83 tons	(3.05)		
Sao Tome	75 tons	(2.43)		

Purchases of stimulants represented 4,950 tons, including 4,787 tons of coffee and 49 tons of tea. Coffee came from a dozen countries. These are the main ones (in tons and millions of schillings): Cameroon, 1,882 tons (88.22); Kenya, 1,541 tons (84.92); Burundi, 459 (23.97); Ivory Coast, 389 (17.64); Ethiopia, 181 (10.59); Angola, 114 (5.23); Mozambique, 54 (3.33); Rwanda, 65 (3.24); Tanzania, 52 (3.06); and Uganda, 35 (1.63). There were only two tea suppliers: Kenya, 42 tons (2.29) and Tanzania, 7 tons (.34).

Madagascar, the Comoro Islands and Reunion supplied spices, particularly pepper (70 tons), cloves (40 tons) and vanilla (2 tons).

It is South Africa that overwhelmingly supplies Austria with its fruit, mainly citrus fruits and fruit with seeds from temperate zones. In 1980, it shipped 16,000 tons of various kinds of fruit to Austria for 171 million schillings. It was followed by Morocco (mainly citrus fruits): 1,721 tons (10.62); the Ivory Coast (tropical fruits, except for bananas): 615 tons (6.5); Libya (lemons): 130 tons (.71); Egypt: 124 tons (.72); Kenya: 54 tons (1.77); and Tunisia (dates): 10 tons (.49). Fresh or dried vegetables (6,212 tons) come from the Canary Islands (20.4 million), Morocco (14.87), Egypt (12.91), South Africa (10.22), Ethiopia (5), and Kenya (1.1).

Canned goods from Africa mainly included fruits (in syrup or juice): pineapples, guavas, peaches, apricots and citrus fruits. The main supplier is South Africa (14,556 tons), for 129.27 million schillings, including 6,529 tons (57.5) of peaches in syrup and 4,636 tons (33.32) of sliced pineapple. The other participants in the market are insignificant: Kenya (54 tons; .51) and the Ivory Coast (36 tons; .27).

In 1980, Austria imported 5.25 million schillings worth of oil-yielding seeds, mainly peanuts from Senegal and the Sudan, and some molasses (1.23 million) from Egypt or South Africa. One notes the entry of some 510 tons of uncured tobacco (16.02 million) from Zimbabwe (281 tons; 9 million), Malawi (177 tons; 6.73 million) and Mozambique (50 tons; .29 million). Two countries sold Austria some oil cakes: Sudan (124 tons; .44 million) and Senegal (95 tons; .32 million). Two others sold fish flour: Mauritania (189 tons; .14 million) and Morocco (102 tons; .64 million).

Imports of fresh food products of animal origin represented only 20 million schillings. Meat (14.8 million) was purchased exclusively from South Africa, along with farm products (2.9 million). Fresh fish (2.3 million) came from Senegal (1.86) and Egypt (.44).

Chapter 16 of the Brussels Nomenclature (canned foods of animal origin) involved moderate amounts (6.37 million schillings) because of canned fish from Morocco (5.22 million) and South Africa (1.15).

Minerals and Metals

Imports of minerals mainly included the following products:

Nonmetallic minerals: asbestos (4,184 tons; 42.3 million) from South Africa and Zimbabwe; clays, granites and porphyry (6,910 tons; 20.66 million) from South Africa and Angola.

Metallic ores: chrome ore (39,929 tons; 64.95 million), South Africa; iron ore (66,372 tons; 33.44), Liberia; antimony ore (49 tons; 1.18), South Africa; other ores (1,360 tons; 38.73), South Africa and Mozambique; slag and cinders (7,784 tons; 86.34), South Africa; aluminum oxide (included in Chapter 28 of the Brussels Nomenclature) (388 tons; 5.77), South Africa; other inorganic products (2,745 tons; 241.83), South Africa.

Purchases of metals are distributed as follows (in millions of schillings, round figures): ferrous metals, 70; copper, 261; nickel, 25; others, 10; metal objects (Chapters 82 and 83 of Brussels Nomenclature): 16. Purchases of ferrous metals were from South Africa (42 million schillings) and Zimbabwe (25 million). Copper mainly came from Namibia (103 million), South Africa (87), Zambia (68.5) and a few small vendors of copper waste (Nigeria, Senegal, Ghana, and so on). The two nickel suppliers were South Africa (20.7) and Zimbabwe (3).

African textiles were imported much more than wood. The main sellers of cotton were (classified by value): South Africa (4,492 tons; 117.32 million); Egypt (1,115 tons; 40.72); Tanzania (1,288 tons; 35.01); Zimbabwe (664 tons; 19.19); Sudan (572 tons; 17.69); Chad (250 tons; 6.24); the Canary Islands (51 tons; 1.26); the Ivory Coast (17 tons; .8 million); and Ethiopia (22 tons; .65). Two countries sold cotton yarn: Egypt (851 tons; 47.82 million) and South Africa (28 tons; 1.54 million). Sisal was bought from Kenya (461 tons; 5.17 million), Madagascar (101 tons; 1.15 million) and Tanzania (148 tons; 1.14 million). Austria bought 100 tons of linen from Egypt (20.5 million) and 647 tons of raw or partially processed wool from South Africa for 20.5 million schillings.

Rough or Sawn Wood

Rough or sawn wood was bought from the following countries:

	Rough		Sawn	
	Tons	M. Schillings	Tons	M. Schillings
Ivory Coast	7,126	33.17	1,670	14.81
Gabon	2,507	15.24	82	.63

(cont.)

Ghana	1,265	5.77	--	--
Cameroon	364	1.96	509	3.62
Liberia	316	1.86	58	.45
Congo	256	1.57	19	.27
Zaire	88	.79	49	.36
Angola	32	.20	--	--
Ghana	--	--	2,151	15.68
Canary Islands	--	--	148	1.19
Zambia	--	--	152	1.09
South Africa	--	--	108	.90
Nigeria	--	--	51	.50

Wood imports having undergone more extensive processing (plywood or veneer, for example) are rather low (222 tons; 3.5 million) and mainly involve Zaire, Ghana and the Ivory Coast. Some door frames (182 tons; .43 million) were bought from South Africa.

Five or six African countries sold Austria 22.3 million schillings worth of hides and leathers: South Africa (6.93); Egypt (3.5), Namibia (3.32), Morocco (2.24), Kenya (1.65) and Tanzania (.64).

Purchases of tems and precious metals totaled 21.6 million schillings. Imported products of exclusively South African origin were as follows: diamonds (2.2 million), silver (15.5 million); gold and alloys (2.8 million); platinum (1.1 million).

African exports of semi-finished and finished products are very modest and mainly involve Tunisia: paper pulp, 1,299 tons, 14.76 million (Tunisian origin); handmade rugs, 25.4 million, from Tunisia (14.8 million), Egypt (6.8) and Morocco (3.8); hats, 2.75 million, from South Africa (1.77), Tunisia (.69) and Kenya (.29); ready-to-wear, 15.08 million, from Tunisia (7.02), South Africa (5.59) and Gambia (2.48).

Austrian Exports to Africa

The main category of goods exported by Austria to Africa in 1980 included machines and apparatuses: 2.04 billion schillings, including 1,555,000,000 for nonelectric machines and 485 million for electric machines.

Over 1.5 Billion Schillings for Nonelectrical Machines

In the sector of nonelectric machines, the largest turnover is in the rather vague zone that goes from Section 84-56 to the end of Chapter 84 of the Brussels Nomenclature and that covers: milling, crushing and mixing equipment, cement mixers, molds, presses, automatic distribution machines, nonspecific machines not recorded elsewhere and their parts, bits and braces, ball-bearings, metal-plastic joints, and so on. All of this equipment amounted to 465 million schillings in exports. The main customers were: Nigeria (128.1), South Africa (126.1), Egypt (53.1), Algeria (46.7), Kenya (29.6), Sudan (22.5) and Libya (15.7).

In second place are pumps and compressors, air conditioners, refrigerators, burners, filters, driers, separators, cleaning and packing machines, pulverizers, lifts and handling equipment, and so on -- that is, articles between headings 84-10-01 and 84-22-90 inclusive, for a total of 440 million schillings, including 113.2 for Algeria, 74.2 for Nigeria, 69.8 for Egypt, 48.3 for Libya, 35 for Sudan, 29.7 for Kenya and 24.9 for South Africa.

Boilers, turbines and various motors occupy third place: 180.5 million schillings. The best customers are Nigeria (58.2), South Africa (42.1), Somalia (35.5), Algeria (21.9) and Egypt (10.6).

Excavators, lifting and handling equipment, agricultural machinery, apparatuses for food industries, machines for the paper and publishing industry (section 84-23 to 84-35 inclusive) represented 151.3 million schillings: Tunisia (37.4), Algeria (30.5), Morocco (25.4), South Africa (18.5) and Nigeria (17.5).

Machine tools (84-43 to 84-50 inclusive) resulted in a turnover of 109.5 million and especially involved South Africa (56.3) and Algeria (35.5).

Machines for the textile and shoe industries (sections 84-35 to 84-42 inclusive), totaling 101 million schillings, mainly went to Nigeria (28.9), South Africa (27.4), Algeria (15.7) and Cameroon (11.7).

Office machines (84-51 to 84-55 inclusive) did not prosper: 5.22 million schillings in sales, mainly to Tunisia (1.6) and Libya (1.6).

Cutting and Installation Equipment

Electrical apparatuses (485 million schillings) were mainly bought by Egypt (168.5), Algeria (71), Libya (64.2), South Africa (54), Nigeria (25.3) and Tunisia (18.5). In the area of generators, motors and transformers (85-01), which represents 151.6 million schillings in exports, one country stands out: Egypt, with 81.9 million in purchases.

Among the other classifications of electrical equipment (333.4 million schillings), the one that is noteworthy is equipment for cutting and installation (85-19). In 1980, it represented 165.5 million schillings in exports, mainly to Egypt (74.4), Algeria (24.8), Libya (22.3), South Africa (18.3) and Nigeria (7).

Benin and Embroidery From Boralberg

Exports of textile articles come immediately after machines and apparatuses, with 1.82 billion schillings in turnover and are in the lead if one does not regroup electrical and nonelectrical machines.

It is mainly embroidery work, constituting the specialty of Voralberg Province and mainly the city of Lustenau, which influences the sector. Table CE-AUT-D [below] gives sales of products in statistical chapter 58 of the Brussels Nomenclature. Austrian embroidery work (1,476,600,000 schillings) went almost totally (97.1 percent) to Benin (81.6 percent), Nigeria (8.4 percent) and Togo (7.1 percent).

It is likely that these considerable purchases are not exclusively to cover Benin or Togolese needs, but could interest the large English-speaking countries nearby.

Austrian Exports of Embroidery Work to Africa (in millions of schillings)

Benin	1,204.89	Mauritania	0.64
Nigeria	124.14	Egypt	0.62
Togo	105.32	Congo	0.54
Senegal	20.99	Comoro Islands	0.44
Niger	8.78	Gambia	0.43
Ivory Coast	4.48	Ghana	0.26
South Africa	1.95	Liberia	0.24
Cameroon	1.92	Comoro Islands	0.21
Zaire	0.70	Total	1,476.55

One will note exports of varying importance in the other chapters including textiles (from 50 to 63): 125 million for cotton fabrics (Chapter 55); 62 million for artificial or synthetic textiles in Chapters 51 and 56; 26 million for hats and ready-to-wear (60 and 61), 17 million for rope, string, nets and special fabrics in Chapter 59, and so on.

Nigeria: Buyer of Austrian Transport Equipment

Exports of transport equipment mainly involves only road transportation: a total of 1,645,000,000 schillings. The outstanding buyer is Nigeria, with a total of 1,205,300,000. Far behind are the other major customers: Libya (168.1 million), Tunisia (80.1), South Africa (57.4), Guinea (40.4), Egypt (18.6) and Cameroon (10.4). Purchases fall into the following categories (in millions of schillings): tractors, 367; private cars, 266.6; utilitarian vehicles, 895.4; other types and spare parts, 116.

It will be noted that for private cars, Austria has 28 different customers, including Nigeria (204 million schillings) and Guinea (21.9). The remaining 40.7 million are divided among the 26 others.

For tractors and utilitarian vehicles, customers are more spread out (in millions of schillings):

	Tractors	Utilitarian
Nigeria	207	738
Tunisia	77	
South AFrica	47.3	8
Libya	29.4	109.6
Kenya	6.3	2.6
Guinea		15.9
Egypt		10.7
Others		10.6
Total	367	895.4

Exports of common metals and objects and items made of common metals represented 1.18 billion schillings, including 880 million for ferrous metals. The main buyers were: Algeria (201 million), Nigeria (172), South Africa (123), Egypt (116), Libya (96.5) and Tunisia (36). Aluminum (76 million) was mainly bought by Nigeria (44.1), South Africa (8.7), Libya (5) and Algeria (4.8). Objects of common metals (Chapters 82 and 83) mainly involved South Africa (39 million), Algeria (27), Libya (25), Nigeria (16.5), Egypt (12) and Tunisia (10).

Paper sales exceeded 760 million schillings, including 753 million for blank paper. The main customers were Algeria (159), Egypt (126), Nigeria (74.5), Tunisia (65.6), Libya (54.9), Zaire (35.7), Morocco (26.3), South Africa (24.5), Tanzania (21), Kenya (18.2), Sudan (13.2), Ethiopia (12.1), Cameroon (8.9), the Ivory Coast (8.3), Zambia (7.7), Angola (7.1), Benin (6.6), Uganda (6.5), the Congo (4) and Togo (3.9).

Sales of wood represented 483 million schillings, or 441 million in sawn wood of average quality and 1.1 million in rough wood, 18 million in plywood and veneer and 22.9 million in articles of wood. The best customers for sawn wood were Tunisia (81.1), Sudan (33.6), Libya (30.8) and Algeria (13.7).

Among the other export markets worthy of interest, one should point out, in the (expanded) cagegory of chemical products (beginning with hydrocarbons, Chapter 27, and ending with rubber, Chapter 40), representing a total of 745 million schillings, the following classifications:

Chapter 39, plastic products: 199 million schillings, including: Egypt (4,651 tons; 702 million); Libya (1,674; 40.1); South Africa (453; 22.4); Nigeria (683; 20.3); Tanzania (557; 15.9); Zambia (518; 10.1); Tunisia (267; 7.3); Algeria (96; 6.8), and so on.

Chapter 40, rubber and rubber articles: 153 million schillings, including: Nigeria (63.7), Algeria (43.8), Libya (11.9), Kenya (3.9), Tunisia (3.8), and so on.

Chapter 27, refined petroleum products: 133 million, including: South Africa (116.4) and Algeria (12.6).

Chapter 30, pharmaceutical products: 96 million, including: Libya (26.8), Algeria (21.2) and Nigeria (16.2).

Chapter 36, explosives: 51 million, including Libya (32.7) and Zaire (5.7).

Chapter 29, organic chemical products: 44.5 million, including: Egypt (21.3), South Africa (9.9) and Kenya (4.2).

Chapter 28, mineral chemical products, 20 million, including: Egypt (8.9) and South Africa (3.9).

Chapter 38, miscellaneous chemical products, including disinfectants: 17.5 million, including: Egypt (4.7), Libya (3.5) and Algeria (2.6).

Chapter 32, dyes: 16.5 million, including: Egypt (8.7) and Nigeria (2.9).

Chapter 34, janitorial products: 3.5 million.

Chapter 33, perfumes and cosmetics: 3.million.

Lemonade for Libya

In the group of food products, two or three categories should be pointed out:

Milk products (Chapter 4), 160 million schillings. Best customers: Algeria (58.2), Libya (25.2), Tunisia (19.9), Senegal (10.8) and the Canary Islands (9.9).

Beverages (Chapter 22), 158.5 million schillings, essentially including sales of lemonade to Libya (16,586 tons; 156.4 million). Austria sold only a total of 31 tons of beer (.3 million) to Angola.

Canned vegetables (Chapter 20), 51.5 million schillings, almost exclusively to Libya (3,405 tons of grape juice, citrus or other fruits, generally with sugar, for 49.5 million).

Grains (Chapter 10), 34 million schillings. Wheat sold to Egypt (10,300 tons).

It should be emphasized that exports of live animals in 1980 represented nearly 220 million schillings, mainly including cattle imported by Libya (184), Egypt (18), Angola (11.8) and Tunisia (4.7).

Concerning construction materials (or related goods), glass is in the lead with 58 million schillings (South Africa, Algeria, Ivory Coast), ahead of bricks and ceramics (Chapter 68), with 46 million schillings, purchased by Algeria.

Austrian furniture exports (Chapter 94) are greater, with 82 million schillings, than those of optical equipment and instruments of measure and precision (Chapter 90), which had 47 million. Finally, some 12.5 million schillings worth of musical instruments or sound equipment (Chapter 92) were sold.

11,464
CSO: 4719/536

INTER-AFRICAN AFFAIRS

CEAO LEADERS MEETINGS, JOINT PROJECTS DESCRIBED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1885, 25 Dec 81 pp 3405-3408

[Text] After their ministers and experts met on 11 and 12 December, the heads of most of the French-speaking countries in West Africa met in Dakar for 2 days--Monday and Tuesday, 14 and 15 December--to study their economic problems with the West African Economic Community conference, their defense problems with the ANAD [Non-Aggression and Defense Aid Agreement] conference, and their financial problems with the UMOA [West African Monetary Union] conference.

Although no unforeseen decision was made during the CEAO and the ANAD conferences, on the other hand, an apparently unexpected decision was announced after the UMOA conference, the decision /not to admit Mali/ -- for the time being -- /to the UMOA/ [in boldface].

However, Mali's admission seemed to have been won, due to the extensive work which had prepared the way for Mali's integration into the UMOA zone, an integration with complex and difficult problems.

It would have been Upper Volta's vote which would have prevented Mali from using the CFA franc, and this veto would have political reasons, not economic ones. The border conflict which has set Upper Volta against Mali several times over the past years is recalled. For Upper Volta, this conflict has not been settled and Colonel Saye Zerbo, president of the Republic of Upper Volta would therefore have required resolution of his border conflict with Mali before agreeing to Mali's entry into the UMOA.

Officially, the conference of the heads of state requested "extended deliberation in order to make subsequent decision," as the conference's final communique indicates.

At the end of the three Dakar conferences, it appeared that:

- the CEAO is progressing on schedule and the large community projects will be achieved little by little;

- the ANAD will be "launched," the heads of state having signed the protocol for its application and adopted the general secretariat's general organizational structure and the distribution of positions;

- the UMOA remains well-established, with its two basic institutions, the BCEAO [Central Bank of the West African States] and the BOAD [West African Development Bank].

On the other hand, the desire for an ever more active solidarity among the member states must be stressed, a solidarity whose foundations are at once cultural, due to use of the French language; monetary, due to the CFA franc; and historical, due to former membership in the AOF [French West Africa] Federation. However, West Africa's three community organizations do not exactly include all the countries which are represented as follows:

	CEAO	ANAD	UMOA
Senegal	X	X	X
Mauritania	X	X	
Mali	X	X	
Niger	X	X	X
Upper Volta	X	X	X
Ivory Coast	X	X	X
Benin			X
Togo		X	X

Benin and Togo are not members of the CEAO, but do have observer status. It will be noted that Guinea is the only one of the eight former members of the ACF who does not belong to any of the three organizations.

The presidency of the CEAO and of the UMOA for 1982 have been entrusted again to Mr Abdou Diouf, president of the Republic of Sengal, while General Eyadema, president of the Republic of Togo, has been made president of the ANAP.

In regard to the CEAO, whose development involves not only the enterprises of member countries, but also European enterprises which might invest in West Africa, we are presenting the large community projects as they were finalized for the Dakar conference.

The interest which financial institutions specializing in aid to African countries have in the CEAO must also be stressed and was confirmed by the arrival in Dakar of about 10 of their directors, invited to speak at the opening session: Messrs David Knox, vice president of the World Bank; Edgard Pisani, development commissioner for the EEC; Ahmed Mohamed Ali, president of the Islamic Development Bank; Chedly Ayari, president of the Arab Bank for African Economic Development; Donatien Bihute, vice president of the African Development Bank; Chihata, general manager of the special fund of OPEC; Bertin Borna, regional representative of the UN Development Program; Rolland-Billecart, general manager of the Central Fund for Economic Cooperation; Badel Al Humaidi, general manager of the Kuwaiti Fund; Al Ambari, president of the Iraqi Fund; J. Dromer, president of the International Bank for West Africa (the only private establishment invited to the CEAO conference, due to its specialization in African affairs).

As we reported, a meeting of CEAO donors took place in Ougadougou from 12 to 14 October last year to examine community projects and the 45 billion CFA francs in financing expected to assure their achievement.[1]

1. See MARCHES TROPICAUX ET MEDITERRANEENS, No 1877 of 30 October 1981, p 2752.

CEAO Community Projects

Established by the fourth summit at Bamako in October 1987, the large community projects were classified "priority actions for integration and economic development" by the sixth conference of the heads of state of the community held in Niamey in October 1980.

They involve the following seven projects: (1) village and rural water program; (2) CESAG [African Center for Advanced Management Studies]; (3) a community corporation for outfitting ships, purchasing and marketing fish products; (4) ISSTH [Advanced Institute of Halieutic Science and Technology]; (5) EMIG [School of Mining and Geology]; (6) ESITEX [Advanced School of Textile Industries]; (7) CRES [Regional Solar Energy Center].

FOSIDEC [Fund for Solidarity and Intervention for the Development of the Community], also established at the fourth summit, has as its mission to contribute to the economic and social development of the six member states of the CEAO and, as such, it participates in the achievement of the large projects.

1) Village and Rural Water Program

Village water programs seem more and more to be an essential prerequisite to any planning for rural development, especially in the countries of the Sahel. Their justification basically resides in the improvement of sanitary conditions and water supply. Furthermore, the significant time savings over the traditional method of providing water to rural communities can be profitably used for an economic or educational activity.

The aim of the CEAO program is not only completion of 2,634 water sources in the six countries of the community to assure water supply to the most disadvantaged areas, but also training and encouraging the villagers in maintenance of the water system, especially of drill holes and wells.

The distribution of projects by country is as follows: Ivory Coast: 300 productive drill holes; Upper Volta: 320 productive drill holes, 400 wells; Mali: 250 productive drill holes, 250 wells; Mauritania: 120 productive drill holes, 244 wells; Niger: 100 productive drill holes, 400 pump wells; Senegal: 125 productive drill holes, 125 wells.

Furthermore, the CEAO program aims, through training or continuing education, to train national managers in the areas of drilling, hydrogeology and geophysics.

2) School of Mining and Geology (EMIC). Location: Niamey (Republic of Niger)

The School of Mining and Geology will have three principal activities: training of engineers, continuing education, applied research.

FOSIDEC Fund for Solidarity and Intervention for the Development of the Community BP 2529, Ouagadougou (Upper Volta), Telex: FOSIDEC 5342 UV Ouaga Telephone: (226) 347-94

FOSIDEC is distinct from the FCD [Community Development Fund] which must provide compensation for losses on import receipts submitted by member states, due to the application of preferential tariff rates in the CEAO zone.

FOSIDEC is a specialized financial institution created on 28 October 1978 by the member states of the CEAO and given financial autonomy and legal status. As of 31 December 1981, its endowment amounted to 9,500 million CFA francs, with 7,275 invested.

Its role is both that of a guaranty fund and a financial development institution. Protocol "M" which contains FOSIDEC's articles defines five types of Fund activity: guarantee and counter-signing of loans; financing community and company studies within the Community; subsidies; granting loans; investment.

The Fund can guarantee loans for a total amount equal to 10 times its guaranty funds as of the date of its involvement. Investment income, after deduction of the Fund's operating expenses, is intended for the financing of studies and for interest subsidy in the form of repayable grants.

FOSIDEC can act in all areas of economic activity: industry, agriculture, animal husbandry, fishing, commerce, transportation and communications, infrastructures, tourism, social programs, etc.

FOSIDEC acts for the benefit of: member states of the CEAO, public individuals from these states, private individuals from these states, on the condition that the headquarters and the principal field of activity be located in one of the member states and that the majority of the capital belong to nationals of the aforesaid states; individuals of one of the six nationalities of the member states. Particular attention is granted to small and middle-size businesses.

In its actions, FOSIDEC gives priority to regional projects (involving several states) and to those originating in the least industrialized states.

From May 1979, date of establishment of the Fund's basic organization, to 30 April 1981, FOSIDEC has been involved in 21 projects, representing an overall commitment distributed as follows: guarantee and countersigning, 6,760 million CFA francs; financing of studies, 142.3 million CFA francs; interest subsidy, 63 million CFA francs.

- Preliminary training of engineers. In 5 years, the school will train engineers for mining, geological prospecting and processing of ores.

- Continuing education. The school has two types of activity: first of all, in cooperation with the profession, organizing cycles or stages of continuing education lasting from several days to several weeks open to both engineers and advanced technicians or persons with similar training and several years professional experience (4 to 5 years minimum) the opportunity to obtain an engineering degree (after having proved their intellectual capability through appropriate testing).

- Applied research. This should enable establishment of data and information on the industrial and administrative level.

Depending on the date of the school's opening, it should promote 30 to 40 engineering students and 50 to 60 advanced technicians.

Recruiting qualifications are defined as follows: for engineers: science degree required with distinction or at least a good academic record; length of program: 5 academic years; for advanced technicians: science degree; length of program: 3 academic years.

- Cost of the EMIG; 7 to 8 billion CFA francs, or 150 million French francs, or $25 million.

3) Advanced Institute of Halieutic Science and Technology [ISSTH] Location: Nouadhibou (Islamic Republic of Mauritania).

The Institute is intended to give the countries of the Community management personnel with special training adapted to the conditions for exploring, developing and managing fish, ocean and mainland resources. Training will have two advanced cycles (engineers and technicians). It will be based on a minimum of applied research. The Institute should also plan for a program intended to train consulting engineers and organize courses or stages for continuing education.

- Direct recruitment. The Institute will provide training at two levels: (1) advanced fishing technicians, holders of the baccalaureat or equivalent degree, length of program: 3 academic years; (2) fishing engineers, recruited at the end of the first university cycle (DUES or equivalent), length of program: 3 academic years.

- Recruiting by professional examination. The Institute's board of directors will determine the procedure.

- Recruiting by title. Agricultural engineers and water and forestry engineers or holders of equivalent degree.

- Level of recruiting. Fishing engineers: 20 per year; advanced technicians: 30 to 40 per year.

- Cost of the project (1981 revised estimate): 2 billion CFA francs, or 40 million French francs or $7 million.

4) Community corporation for outfitting ships, purchasing and marketing fish products. Location: Nouadhibou (Islamic Republic of Mauritania).

The member states of the CEAO, on the whole, are profitting very little from the potential of the waters which border their coasts. The planned corporation will be intended especially to help these countries to achieve self-sufficiency in food supply and to remedy the Community's malnutrition problems. The insufficiency of animal protein for human consumption in the sub-region is estimated at 285,000 metric tons in 1980 and 500,000 for the year 2000.

The community corporation has assigned itself as goals:

- reduction of the insufficiency of animal protein in the human diet by going from 16 g/day to 30 g/day per inhabitant in areas where there is no fish. (Installation of a cold line in addition to a pilot operation for meat and fowl, fruits and vegetables, and dairy products);

- contributing to making the freezer plants in Nouadhibou, Dakar and Abidjan profitable;

- contributing to stimulation of the fishing industry by: distribution of wages and income; currency savings for importers; conversion of fishing licenses often granted to foreign ships without subsequent economic reprisals; possibilities of new opportunities for shipping lines established and national fleets; transfer of technology; other induced effects.

- Three roles: outfitting (establishing a fleet), plants (refrigeration - shops - offices), marketing (purchasing, sales of fresh, frozen and other processed fish).

- Planned agreement: ships' flags and registry; tax and duty rates; fishing limits and laws; creation of jobs.

5) Advanced School of Textile Industries [ESITEX]

The mission of ESITEX, a specialized CEAO institution, is to train and adapt to the labor market management and advanced technicians for the textile industries. ESITEX, which will open its doors in October 1983 in Segou, Mali, will not only train engineers, advanced technicians and foremen, but will also provide continuing education for textile industry personnel.

One of the characteristics of this establishment will be applied research and assistance to industry through an ever more active role as consulting engineer to textile manufacturers. The length of training is 5 years for engineers and 2 years for advanced technicians; training is both scientific and technical.

- Cost of the Project: 4.4 billion CFA francs.

6) African Center for Advanced Management Studies [CESAG]
Location: Dakar (Senegal).

CESAG is an advanced study, post-graduate, bilingual center with a regional and an African role. CESAG will provide training and continuing education to all managers and executives with the ability and the aptitude required to lead companies and administrations in the countries of the sub-region.

CESAG will contribute its support to other institutions in the sub-region and will also benefit from the exchange of information which will be set up. It will organize research and proceed with studies on the concrete problems of companies in the parapublic private sector as well as in the public sector, to find practical and operational solutions. It will verify the feasibility of the solutions proposed in the field after studying the cases and precise diagnosis of specific situations.

The role of adviser to companies will assure the link between the reality of management in the field and the training given at the Center.

- Two stage process. The first stage is constituted by the ESGE [Senegal Advanced School of Enterprise Management]; the second stage: extending the structure and the goals (educational content, cycles and training models) activities and administration to the member states of CEAO and CILSS [Inter-State Committee to Fight the Drought in the Sahel].

7) Regional Solar Energy Center [CRES]
Location: Bamako (Mali)

The CRES is aimed at: providing training for the necessary staff, centralizing information on energy problems and handling its distribution, developing applied research in solar energy as well as in other renewable forms of energy, promoting new energy projects through study and engineering, designing and producing solar equipment on the industrial level which responds to the needs of member countries of the CEAO and the CILSS, actively participating in the development of international and regional African cooperation in the area of renewable energy, and participating in the drafting of an overall energy strategy for the member countries of the CEAO and the CILSS.

The production division will be principally directed towards three fields of activity of vital importance to rural populations: equipping water sources with solar pumps (1 kw) for village (human and animal) water systems; irrigation and agricultural development (using 10 kw pumps); water management in general.

Production will also assure: preservation of foodstuffs by solar drying and refrigeration; heating water for multiple family uses and for health establishments (hospitals, dispensaries, maternity wards, etc,); cooking food; the struggle against the drying up of the Sahel countries whose energy needs are currently 75 percent satisfied by wood fuel.

Training will be provided for technicians, applications engineers and researchers called upon to assure the transfer of foreign technical assistance within the regional center. A campaign to imform the people and make them aware of solar energy and other sources of renewable energy will be implemented gradually.

Cost of the CRES: 8.4 billion CFA francs, or 168 million French francs or $29 million.

Financial Costs of the Projects

- Debt costs. Debt service for all seven projects (including the village and rural water program) ranges from 667 million CFA francs for the first years (1984 to 1986) to 1,761 million CFA francs for the highest year (1990). In current franc value, the cost for the project years is around 1,400 million CFA francs.

Considering inflation rates, debt costs will go down and their coverage should not constitute a major problem for the organization.

- Operational expenses. The total operating expenses for all of the projects are still poorly defined, with certain items remaining to be clarified, particularly since the problem of these expenses comes up in 1985.

On the other hand, it must be stressed that all the projects have been revised downward and the reduction of the projects (particularly EMIG, ISSTH and ESITEX) will result in a concomitant reduction in their operating expenses.

It is actually certain that if the countries pay their dues to the community development fund on schedule, a significant percentage of the recurring charges for the projects will be covered.

Between now and 1985, it will be possible to investigate other existing possibilities: reduction of operating costs; financing by outside technical assistance donors; participation by financing sources in operating expenses (replacing equipment, scholarships, technical assistance); participation of professional users (industries involved); partial allocation by the countries of the state technical training tax paid by the industries which are benefiting.

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INTER-AFRICAN AFFAIRS

SENEGAL-ANGOLA RAPPROCHEMENT BECOMES APPARENT

Paris JEUNE AFRIQUE in French No 1094, 23 Dec 81 p 24

[Article by Sylviane Kamara]

[Text] The Senegalese are keeping quiet about it. The Angolans are mum. But the Cape Verdians have spilled the beans by announcing the imminent normalization of relations between Dakar and Luanda. They were in a good position to do so: it was in Praia, while both were visiting Cape Verde, that Presidents Abdou Diouf and Jose Eduardo dos Santos met on 24 November. Up to now, Senegal has been the only country in Africa that has not recognized the legitimacy of the government in Angola. This was because of the Cuban presence and because neither UNITA nor the FNLA were represented in the government.

Senegal owes this rejectionist policy to its former president, Leopold Senghor. At the OAU special summit on Angola (held in Addis Ababa 10-13 January 1976), Mr Senghor was the leader of the anti-MPLA faction which was demanding a cease-fire, the withdrawal of all foreign troops and the formation of a government of national unity. Mr Senghor based his support for the UNITA-FNLA forces on the conclusions of the factfinding commission sent by the OAU in 1975. The latter, in trying to assess the representativeness of the three respective movements, had concluded that UNITA controlled the most populous regions. Mr Senghor was also hostile to what he called the "Cuban expedition" and determined to do his best to struggle against the spread of communism in Africa.

It was he who, just before the MPLA's victory, succeeded in convincing France and the United States to provide aid to UNITA and the FNLA. The Senegalese president thought he could count on the support of the 22 countries who had supported his resolution in Addis. All of them, however, recognized Angola, which became the 47th member state of the OAU on 23 February 1976, including Senegal [as published]. But President Senghor himself, despite pressure from Valery Giscard d'Estaing, refused to enter into diplomatic relations with the MPLA government.

To those who warned him to beware of the USSR's reactions, Mr Senghor answered that no one would ever get anything out of him with threats. Some thought they saw in the head of state's stubbornness the effects of a personal grudge against Agostinho Neto. A literary enmity? In any case Mr Senghor always took pains to praise Mr Neto's literary gifts, both publicly and privately. But he criticized him for being unwilling to enter into a dialogue. In 1977, he said to JEUNE AFRIQUE: "My impression is that the Soviets themselves would not be displeased to see a dialogue between Savimbi and Neto." Not everyone agrees with that. Shortly before his death, Agostinho Neto, in a message to a West African president, expressed his desire to make peace with UNITA. Some time afterward, Neto went to the USSR for medical treatment, and we know the result.

The question we face now is: Does the expected normalization of relations between Angola and Senegal mean that the MPLA is prepared to negotiate with UNITA? Jonas Savimbi himself said in Washington on 10 December that he would be willing to talk when the Cuban troops have left the country. President Abdou Diouf seems to be in more of a hurry. He intends to reconsider Senegal's position in light of the "unacceptable conduct of South Africa in southern Africa, launching attacks against Angola on a daily basis." No one, he says, can stand by and just watch this happen. Dakar, then, is going to recognize the MPLA's Angola, without any reservations or prerequisites, for Pretoria's ties with UNITA are well known. Our special correspondent, Sennen Andriamirado observed in December that Dakar still sheltered a UNITA bureau. Mr Diouf's response was: "Yes, we have a bureau. For the moment."

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INTER-AFRICAN AFFAIRS

MONETARY REVIEW OF UMOA OFFERED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1887, 8 Jan 82 p 77

/Text/ The BCEAO /Central Bank of the West African States/ recently published its periodical statement on the monetary situation of the UMOA /West African Monetary Union/, this time as of 30 June 1981.

In the gloomy international economic environment of the first quarter of 1981, during which prices for major staple products exported by countries of the union to world markets deteriorated, the monetary situation of the six states (Benin, Ivory Coast, Upper Volta, Niger, Senegal and Togo) was marked by a strong deterioration of the net external balance of their monetary institutions, a drop in growth of internal credit, and a slowdown in the rate of increase of the money supply.

From 30 June 1980 to 30 June 1981, the net debit position of the union's external assets went from -CFA 210.8 billion to -CFA 380.1 billion, thus showing a decrease in assets of 169.3 billion.

The principal cause of deterioration in the net external position of UMOA lies in considerable deficits in the balance of goods and services owing to the rise in costs of imports, and to increasingly heavy service expenditures by certain states.

The Ivory Coast and Senegal were at the base of that considerable deficit, for the negative balance of settlements made by those states with the exterior rested, respectively, at 195.6 billion and 45.8 billion as of 30 June 1981, compared to 142.7 and 34.5 billion a year earlier.

The growth of the deficit recorded by the Ivory Coast is explained essentially on the one hand by the fall in earnings from coffee and cocoa exports owing to the unfavorable price level and to the reduced volume marketed, and secondly by an increase in the value of imports and transfers abroad, particularly under the heading of debt service.

In Senegal, the increased imbalance of commercial payments is at the root of recorded foreign exchange losses.

In Benin and Togo, a reversal of the negative external balance of payments was recorded.

In Upper Volta, the surplus attained by the start of the period under review was strengthened to the figure of 5.9 billion, owing particularly to repatriation of savings by Upper Voltan workers abroad.

In Niger, the negative balance of foreign operations decreased markedly, to stand at 5.2 billion. This lightening of the deficit could be the result of drawings on foreign loans, and of income from uranium sales.

Between 30 June 1980 and 30 June 1981, domestic credit rose by CFA Fr 206.7 billion, or 15.7 percent, a rate in decline compared to that of 26.7 percent recorded for the prior 12-month period. That decrease was due solely to credit extensions to the economy, for the net creditor position of local treasuries vis-a-vis monetary institutions strongly deteriorated.

The creditor position of treasuries, in overall figures, went from CFA Fr +82.3 billion on 30 June 1980 to +2.2 billion on 30 June 1981. Decline of available credit was appreciable in the Ivory Coast (-50.6 billion) and Niger (-12.7 billion). The debit position of the Senegalese treasury worsened to reach 41 billion, a rise of 13.2 billion.

Credits to the economy outstanding on 30 June 1981 represented CFA Fr 1,528.2 billion, an increase of 126.7 billion over 1980, a percentage rise of 9 compared to 17.7 for the prior year. Union monetary authorities have adopted a more moderate credit policy, and the slowdown of credit demand was general, with the exception of Upper Volta. In the Ivory Coast and Senegal, the slowdown was less marked, with respective rates of +10.4 percent and +10.6 percent. In Niger and Togo, the annual credit growth rate fell, respectively, from 48.7 percent and 12.9 percent to 0.8 percent and 6 percent.

From 30 June 1980 to 30 June 1981, bills and money in circulation increased from CFA Fr 303.6 billion to 350.2 billion. Togo and the Ivory Coast registered the greatest increases: 16.1 and 13.8 percent, respectively. The volume of bank deposits (sight and time) by the private sector increased, in the 12-month period from June 1980 to June 1981, by 28.1 percent, totaling CFA Fr 607.3 billion. The improvement comes to 5.3 percent in Senegal and 7.1 percent in Upper Volta. It is less than 5 percent in the other states. By states, the distribution of private sector bank deposits (sight and time) as of 30 June 1981 was as follows, in billions of CFA Fr: Benin, 29.2; Ivory Coast, 343.2; Upper Volta, 34.3; Niger, 40.7; Senegal, 123.6; and Togo, 36.3.

For the same period, bank deposits by public entities decreased from CFA Fr 103.5 to 81.3 billion, a 22 percent drop. The decrease was particularly marked in the Ivory Coast (17.2 percent) and Senegal (6 percent).

Central Bank participation in financing of the economy of the six UMOA member states, in the form of rediscounts to banks and financial institutions, represents 33.1 percent of the volume of credit advanced, compared to 28.4 percent for the prior 12-month period. In both the Ivory Coast and Senegal there was an increase in the proportion of credit refinanced. In Niger and Togo it remained at approximately 17 and 15 percent, respectively, while in Upper Volta and Benin there was a decrease.

From one year to the next there was an increased tightening of liquid bank assets following the slowdown in deposit building by individuals and enterprises. A deficit resulted, which was financed by increased recourse by banks to borrowing abroad. Banknote issues by the Institute to meet the deficit rose from CFA Fr 397.5 billion to 506.3, a 27.4 percent increase.

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CSO: 4719/470

POLITICAL, ECONOMIC REVIEW OF 1981 GIVEN

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1887, 8 Jan 82 p 59

/Text/ The political and economic movements which during 1981 marked the African continent and each of its countries are now, as they are each year, the subject of an overview whose publication we begin today. It concerns the internal history of Africa, which cannot, obviously, be separated from its world environment. Africa has felt directly, and probably with greater impact than other continents, the repercussions of the recession in international trade, of a strengthened protectionism on the part of industrial powers in forms more or less disguised, of the increased cost of petroleum--at least to non-producing countries, of the instability of exchange rates, of the rise in interest rates, and finally of the stagnation of prices for raw materials and staple products.

To those external factors which have influenced African development are added internal factors which have been examined, for sub-Saharan African countries, in the study conducted by a group of World Bank experts and known as the Berg report (see MTM for 13 Nov 1981, p 2863 et seq), which recommended easing of exchange rates and elimination of obstacles to exports--that is, trade liberalization.

The World Bank approach differs from that of the Lagos action plan adopted by the OAU in that the latter, which concerns the entire continent, aims at the economic independence of Africa through self-sufficiency thanks to the use of its internal resources, whereas the World Bank advocates development through increased trade in a market economy. The World Bank is thus led to advise development of export crops, and to minimize the role of industrialization. The Lagos plan, on the contrary, considers that an agricultural exports policy leads to economic dependence, and that Africa must put an end to a situation in which it is content to export its raw materials and import the manufactured products it needs. It thus considers it necessary to favor creation of local industries, particularly those based on processing of agricultural products, and consequently gives the same priority to industrial as to agricultural development. Finally the Lagos plan, contrary to the World Bank study, advocates economic integration of the different countries through a whole series of measures, at sub-regional and regional levels which are some day--by the end of the century--to eventuate in integration of the entire continent.

The quite recent agreement signed in Lusaka concerning the eastern and southern African preferential zone, and the projected extension of the central African customs and economic union, reflect this policy of creating large regional and sub-regional groupings, of which CEAO and ECOWAS are already encouraging examples, and which appear more and more necessary in international relations.

The combination of those external and internal factors brought about in 1981, for Africa as a whole, a reduction in its gross economic product estimated at 5 percent by Adebayo Adedeji, executive secretary of the UN Economic Commission for Africa, in a statement at year's end in Addis Ababa. M Adedeji calculated Africa's 1981 growth rate at between 2 and 3 percent, compared to 4 percent in 1980, and he thinks food production per capita must have continued to decline, as it has for 6 years, at the rate of 1 percent per year. The value of Africa's exports was affected by the shrinking of demand by industrialized countries, and in 1981 represented but $28 billion, or $1.8 billion less than the year before. The balance of payments deficit, however, cannot have risen by much in view of the stagnation of imports at $40 billion.

Politically, Africa was directly concerned by the coming to power of Mr Reagan, who assumed office at the start of 1981, and of M Mitterand at mid-year. Departing from the policy of his predecessor, the new President of the United States defined a strategy towards the Third World which tends to include it in the rivalry between the two superpowers, and thus to privilege states considered the most faithful allies of the West, especially if they enjoy a strategic position considered essential; while at the same time reserving a more considerable role for the private sector in development, even to the point of reducing, in real terms, the bilateral aid extended by the United States and its participation in multilateral aid.

With France, the question is not so much a break in aid to development--which has always been a constant of French policy--as one of strengthening such aid, which is to double in volume during the septennate, and one of reorientation. The new French president indeed resolutely intends to take the lead among industrialized nations in North-South negotiations, both for reasons of equity and because Third World development seems to him the best, if not the only path leading out of the world crisis.

He perfectly summed up his philosophy in his address opening the conference of developing countries, with the phrase: "To help the Third World is to help oneself." That is the thesis he defended at the summit of the seven most industrialized countries in Ottawa on 20-21 July 1981, and at that of Cancun 22-23 October 1981, which joined together industrialized and developing countries. President Reagan finally eased his position, and the United States has accepted resumption of global negotiations, provided two conditions are met which are stated in the final declaration: a mutually acceptable base, and reasonable chances of achieving significant gains.

Despite the globalist character stamped on French cooperation and development policy, Africa as a whole will continue to find in France a partner which considers the whole range of its relationships with the continent as privileged. This is particularly true of the 21 states which are among the least advanced, and for whose benefit France has decided to make an exceptional effort. It must be equally so for the continent as a whole, as has been declared on several occasions by the minister of development and cooperation.

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INTER-AFRICAN AFFAIRS

BRIEFS

WORK ON MANANTALI DAM--Mr Robert Tieble N'Daw, the Malian minister of industrial development and tourism, announced on 19 December at Bamako that construction work on the Manantali dam (Mali) will begin before the end of the first quarter of 1982. Mr N'Daw, in opening remarks in Bamako before a ministerial-level meeting of the Senegal River Development Organization (OMVS), said that construction of the access road to the future dam was under way. He added that the OMVS had already met and in fact surpassed the goal of obtaining the financing necessary for the organization to carry out these two projects, which will cost $866 million. We note that construction of the other dam planned by OMVS (which is made up of Mali, Mauritania and Senegal), the Diama dam in Senegal, has already begun. The ministerial meeting of the OMVS was called to examine the report of activities the organization's high commission had submitted as well as proposed agreements related to the modalities of financing the two planned projects. The OMVS ministers adopted the organization's budget for 1982, totaling Fr CFA 543.9 million, according to the final communique from the meeting. The communique also stated that a part of that budget (Fr CFA 200 million) will be earmarked for the Intergovernmental Center for Research and Agronomic Development, an offshoot of the organization. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1885, 1 Jan 82 p 22] [COPYRIGHT: Rene Moreux et Cie Paris 1982] 9516

AGREEMENT WITH GUINEA-BISSAU--The foreign affairs ministers of the member countries of the Gambia River Development Organization (OMVG: made up of Guinea, Gambia and Senegal) and Guinea-Bissau met in Dakar on 24 December to study ways in which their countries could cooperate in diverse domains. The conclusions they reached will be submitted to the heads of state of the four countries concerned. The meeting was held to discuss the follow through on the directives handed down on 6 June at Conakry by the heads of state of the OMVG at a summit meeting. At that meeting the Guinean head of state had proposed that the countries cooperate in more areas. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1885, 25 Dec 81 p 3424] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9516

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ANGOLA

SOUTH AFRICAN METHODS OBSERVED IN PETRANGOL ATTACK

Paris AFRIQUE-ASIE in French No 255, 21 Dec 81 pp 10-11

[Report from AFRIQUE-ASIE's Luanda correspondent, Achille Lollo]

[Text] /Pretoria's aim, and one supported by the Reagan administration, is to bring the state and people of Angola to their knees./ [in italics]

On the night of 30 November a commando team of white mercenaries succeeded in getting onto the premises of PETRANGOL [Angola Petroleum Company],* on the promontory behind the port, in the northern outskirts of Luanda.

Between midnight and 0100, the fuel depots (gasoline, fuel-oil, diesel oil, and so on) were blown up with high explosives. Towering flames spread, illuminating the sky with glimmering orange. The fire, fortunately, was brought under control rather quickly, thanks to the prompt intervention of service workers and the police forces. So the main part of the refinery as well as the other depots and the gasometers were spared. They should have blown up, too; high-powered hollow charges had been placed at every strategic point in the refinery complex. But the mercenaries' plan had gone wrong.

In fact, the first alarm was sounded even before the explosion. Security personnel had detected the presence of the commando team on the premises. The mercenary group was just on the point of connecting the charges to each other so that the explosions would occur almost simultaneously. The 24 explosions planned would have disemboweled the complex and set off a huge fire. However, the sounding of the alarm did not rout the commandoes, or at least their leader, who went ahead to make the electric contact and blow up the depots. He may have hoped that the incompletely fused charges would be set off as the flames spread, or at least hoped that the fire would spread to the points where crude oil is brought into the refinery. The result would have been close enough to the original plan, particularly since the high temperature could also have caused the gasometers to explode. Whatever resulted from that desperate move, once the mission was accomplished he could have earned the reward that professionals of his ilk usually receive. But the sense of "duty" to be carried out certainly made him forget that four of his accomplices were still at work close to the depot. Two of them, hit with the full force of the explosion, were torn to

* The only [facility] now in Angola. Construction work on the facility was begun in the 1950's by the Belgian company, Petrofina, which is now in partnership with the state-owned company, SONANGOL [expansion unknown].

shreds, and a few bits of flesh was all that the Angolan forces found when they arrived. The pools of blood left by the other two, who were seriously wounded, marked the trail which led from the refinery to the coast. Below, near the place where the rubber dinghy had waited for the commando team, some military materiel, radios of South African origin, some other mines, detonators, and backpacks full of ammunition, as well as various sabotage devices, had been abandoned. Regaining the South African submarine which in all probability was waiting offshore, the commando team, which had taken care to re-embark its wounded, vanished into the night. It was a spectacular effort, carried out with sophisticated means. A foretaste of this had been given 2 weeks previously, on 13 NOvember, with the sabotage of the beacons that mark the channel of the Mozambican port of Beira. There again, it certainly seems that the special commando team had been brought to the site in a Daphne-class* submarine. The South African army has several of them, and they are, among other things, used to maintain watch over the route around the Cape, the famous "oil road." It would seem that the two operations, at Beira and Luanda, were led by officers of South African military intelligence who, from their submersible command post, guided the commando team made up of South Africans and British and American mercenaries. The investigation that followed the operation against the refinery in the Angolan capital has reportedly established the fact that the South African submarine got underway from the port of Walvis Bay on the night of 26-27 November. From there, the submarine went directly up the "cold Benguela current" which funnels into the mouth of the Bengo River near the bay of Luanda and is believed to have taken a position just off the deserted and rocky coast opposite the natural park of Cacuaco. Then the rubber dinghy carried the dozen members of the commando team to a point quite close to the refinery. The Angolan army has accumulated a good deal of experience with this kind of thing over the last 6 years: the operation was similar to those undertaken by South African commandoes in southern Angola. The structure of the commando team was typical: a navigator to steer the boat, a communications technician remaining on board, a third man responsible for protection. The two mercenaries who were to cut the barbed wire and protective wire netting were then to remain positioned to keep guard on this passage leading to the refinery. As for the saboteurs, there were six men armed with pistols, each carrying two military backpacks containing mines, detonators and other paraphernalia, and another, armed with an automatic pistol fitted with a silencer, who led the way to the installations and who was to have covered the retreat.

The head of the group was responsible for seeing that the charges were laid at the strategic points and maintaining contact with the boat and the two men who remained outside the facility. Divided into three groups, the saboteurs laid the charges in three areas of the refinery proper, the gasometers (for liquid butane gas), the depots where gasoline, fuel oil and so on were stored--some of which did in fact explode--the oil pumping nad distribution stations and the refinery tanks. If the operation had gone off as the ID (Intelligence Department of the South African army) had planned, the densely populated areas surrounding the refinery--particularly Sambizanga, Boa Vista and Miramar--as well

*Of French manufacture. The standard version has been modernized and given more power.

as the port,* the Malange railroad terminal, which is quite close, and a number of factories located in this industrial zone would have succumbed to the flames. This is the considered opinion of the experts from Mobil Oil, Chevron, Total and Texaco, whose respective depots are also close to the refinery. A Belgian technician could not help admitting, even though he does not profess "any Leftist ideology, that this kind of thing turns my stomach. The South Africans could have killed all of us, and also the people who live nearby. They are assassins." All of the personnel of these companies are convinced that the explosion could have been much greater because of the hollow charges utilized. The shockwave they would have produced if they had all exploded simultaneously would have turned the gasometers themselves into gigantic bombs with an effect comparable to that of hundreds of phosphorous bombs.

That act of undeniable "economic sabotage committed by South Africa," it was termed by Pedro Van Dunenem, the minister of petroleum and energy, one of the Angolan leaders who accompanied President Jose Eduardo dos Santos to the scene barely an hour after the fire, fits perfectly into the strategy of Operation Proteus 1981 and is a logical sequel. For, beyond the incalculable damage and carnage which the total destruction of the refinery would have caused, the interruption of the refining activity would doubtless have had repercussions on the readiness of the Angolan army, which would have been deprived of fuel provisioning. The [Angolan] counteroffensive to dislodge the racist occupiers in the southern provinces of Cunene and Kuando Kubango would likely have been neutralized. The South African army would have been able to profit from this situation by launching a new attack in the north, near Xangongo and Cahama. In economic terms, it is easy to imagine the consequences of the refinery's destruction: 1.25 million tons of its refined oil products are destined each year for domestic consumption.

In a word, Pretoria's aims, and one which has the blessings of the Reagan Administration, is to bring the Angolan state and people to their knees.

9516
CSO: 4719/397

*At the first alarm, the boats in the roads were alerted to the danger and moved away from the refinery.

BENIN

BRIEFS

AGREEMENTS WITH CUBA--The Government of the People's Republic of Benin and the Cuban Government signed on 10 December, in Cotonou, two cooperation agreements. The first agreement deals with mutual concessions regarding facilities for their diplomatic missions. Each contracting party has agreed to make available to the other, free of charge, two fully equipped buildings to house their chancellery and the residence of their respective missions. The second agreement deals with reciprocal terms to ease the formalities of entry and sojourn for their nationals. For instance, entry and exit visas are no longer required for Cubans wanting to go to Benin or for Beninese wishing to go to Cuba. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1885, 25 Dec 81 p 3431] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

CSO: 4719/430

BURUNDI

PRESIDENT JEAN-BAPTISTE BAGAZA INTERVIEWED

PM171435 Paris JEUNE AFRIQUE in French 3 Feb 82 pp 32-33

[Interview with Burundi President Jean-Baptiste Bagaza by Jacques Gautrand and Hamza Kaidi: "A Very Prudent President"--date and place of interview not given]

[Excerpts] He had just turned 30. At that age, when many people have still not found their way in life, he took charge of his country's destiny. It was 1 November 1976. His name: Jean-Baptiste Bagaza. His country: Burundi, 27,000 sq km, hemmed in by Zaire, Rwanda and Tanzania.

Colonel Bagaza, who is an affable man renowned for his austerity and his enthusiasm for work, does not revel in slogans or ready-made formulas.

If he is asked: "Would you class Burundi among the progressive or moderate countries?" he replies: "A regime is not progressive because it places itself in a particular camp or because it votes in a particular way in international bodies. It is progressive by virtue of its internal policy and its attitude toward its people."

As regards internal policy, President Bagaza has restructured the administration and purged it or corrupt elements. Outdated or unpopular laws, like ubuger ergwa (a sort of bondage contract binding peasants, and even their descendants, to landowners) have been abrogated; a tax dating from colonial times (a poll tax levied on every adult Burundi male, whatever his income) has been abolished. "In 5 years," President Bagaza says, "many things have changed, many more than we had expected. The cost of changing structures and men is high and the people were not prepared. The Burundians understood, however, and followed us."

Political life in Burundi is dominated by a single party, UPRONA (Unity and National Progress), whose central committee has since December 1979 held all the powers previously exercised by the Supreme Revolutionary Council. But in November 1981 a new constitution, which makes provision for the election of a National Assembly, was adopted. And, something quite rate in single-party systems, Burundians who are not members of UPRONA can stand for election.

[Question] What will happen if they get more votes than UPRONA candidates?

"In that case the party would have to reform itself or disappear," President Bagaza said.

[Question] Is that not contrary to the ethos of the single party?

[Answer] No, because a single party must be seen in terms of the evolution of peoples. In our country there were initially about 30 political formations which disappeared gradually, the number falling to four, then two. Only UPRONA survived. We do not necessarily want a single-party system; above all we want the people to be able to express their wishes. If UPRONA were to become a bureaucratic party, it would be a sectarian formation which people would leave. [Answer ends]

As far as major inter-African or international problems are concerned, the Burundi president observes a policy of strict nonalignment. In 1978, shortly after the second invasion of Shaba Province by "Katangan ex-gendarmes," he refused to lend his support to the formation of a common army by a few African countries. "Burundi is not hostile to the creation of an inter-African army but to certain regional pacts which could turn against another part of Africa. It cannot, therefore, involve itself in any military organization whatsoever. Conversely, we are favorably disposed to a truly inter-African force as soon as such a force is possible technically and financially and on the condition that it is accepted by the government requesting its creation."

[Question] But you condoned the Libyan intervention in Chad.

[Answer] We condoned it because Libya intervened at the request of the Chad Government. It stopped the bloodshed and enabled peace to be restored. Moreover we knew that the Libyans would withdraw from Chad as soon as the authorities of that country asked them to. [Answer ends]

The president was equally noncommittal with respect to the two great powers: "The era of the cold war is over as there is more consultation than confrontation between the United States and the USSR these days."

Relations with France are cordial. On the fringe of the November 1981 summit meeting between the African and French heads of state, Colonel Bagaza met with Francois Mitterrand and also Claude Cheysson and Jean-Pierre Cot, minister of external relations and minister in charge of cooperation and development respectively. "Since the French socialists came to power," he said, "the style has changed and there is unquestionably a will to improve and diversify France's cooperation relations with African countries.

"But the interests and imperatives of French policy remain unchanged," he hastened to add. "Although we feel that President Mitterrand's government really does understand African problems, we do not think that he has the means to solve them in view of the current world situation."

At the regional level Burundi is striving to maintain relations of good neighborliness and cooperation. Like Zaire and Rwanda, it is a member of the Economic Community of the Great Lakes Countries (CEPGL), which is running out of steam somewhat. With Tanzania and Rwanda, joined recently by Uganda, it is participating in the organization of the development of the Kagera Basin.

[Question] Is it possible to belong to two economic organizations at once?

[Answer] There is no antagonism between them. The fact that we belong to the CEPGL does not prevent us belonging to other organizations.

[Question] Is it not in Burundi's interests to orient itself toward East Africa, which is its real pole of attraction?

[Answer] It is true that, leaving the country's colonial past to one side, culturally, ethnically, linguistically and economically, Burundi is part of East Africa. Initially incorporated into German East Africa, the country was placed under a Belgian mandate until 1924 and then under Belgian trusteeship until just after World War II. We have certainly been in close contact with Zaire but we have not had any economic relations with that country (particularly in the sphere of transport). Our mentalities are different and in that respect we are close to East Africa. Nevertheless, it is in Burundi's interest to belong to the two groups as a link country between East Africa and West Africa."

[Question] There is talk of tension between Burundi and Zaire."

[Answer] It is not a question of tension. Rumors about Zairian claims to Burundian territory have been circulating. As far as I know, there is no border problem between the two countries. This border was established 70 years ago in Berlin and Brussels. It is known to all, and, until now, has never been questioned. I do not see how Zaire could do it, after 20 years of independence.

[Question] Why is Burundi arming itself at the moment?

[Answer] Burundi is not arming any more than it was. The ratio of military to civilians is one of the lowest in the region and in the world. Our defense budget is modest. We have no territorial ambitions. We have a gendarmerie and land army because we are independent and because we must be in a position to maintain internal order and deter aggressors. The world has already seen governments which have been overthrown by mercenaries which have themselves called on mercenaries to maintain internal order.

[Question] It is also said that you have received Libyan arms and that you enjoy privileged relations with Tripoli.

[Answer] We asked for and received arms from Libya. The agreements were concluded on an official basis. That is common knowledge. We have also bought arms from the Soviet Union, France, Belgium, and other countries. As for our privileged relations with Tripoli, that is just propaganda fueled by Libya's enemies. We are not, however, against Libya. That country has its revolution and we have ours.

CSO: 4719/578

COMORO ISLANDS

BRIEFS

BID AID FOR MUTSAMUDU--The Islamic Development Bank (BID) agreed on 10 December 1981 to provide a loan amounting to 6.22 million Islamic dinars (or $7.25 million) to the Islamic Federal Republic of Comoro. The loan will contribute to the financing of the civil engineering work on expansion and improvement of the deepwater port of Mutsamudu, on the island of Anjouan. Once the project is completed, Comoro will be able to engage in maritime transport activity, both internally and externally, without outside assistance. The loan is to be paid back over a 25-year period, which includes a 5-year grace period. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1885, 1 Jan 82 p 40] [COPYRIGHT: Rene Moreux et Cie Paris 1982] 9516

CSO: 4719/456

ETHIOPIA

ETHIOPIANS REPORTEDLY LAUNCH ERITREAN OFFENSIVE

JN201810 London REUTER in English 1447 GMT 20 Feb 82

[By Mohamed Sidahmed]

[Text] Khartoum, 20 Feb (REUTER)--Ethiopian planes are making daily bombing runs against guerrilla positions in the rugged Eritrean highlands as part of a major offensive against Eritrean secessionists, a guerrilla spokesman said today.

The spokesman for the Eritrean Peoples Liberation Front (EPLF) said the guerrillas had killed 400 Ethipian troops and wounded 550 others in two battles on Thursday and Friday.

According to the EPFL, the Ethiopian Government launched a full-scale offensive against the guerrillas, who are fighting for the independence of the strategic Red Sea Province, last Tuesday.

The Soviet-backed Addis Ababa government has deployed some 120,000 troops in a drive to crush the rebels who have been battling for independence for the past 20 years, according to the guerrilla accounts.

The spokesman said the Ethiopians were attempting to encircle the guerrillas in the highlands about 120 miles (160 kms) north of the provincial capital of Asmara.

The spokesman said that in the two battles the Eritrean forces had inflicted heavy losses on the Ethiopians, forcing them to retreat and leaving their dead and wounded behind.

An Ethiopian MiG-23 was hit by rebel anti-aircraft fire and forced to crash-land at ASmara airport this week, he added. He gave no details of EPLF losses.

Announcing the start of the offensive earlier this week, the spokesman said the EPLF was prepared for the Ethiopian attack and was armed with tanks and anti-aircraft guns, artillery, medium and light weapons.

The Ethiopian Government has vowed to fight for the "final destruction" of the Eritrean secessionists, who came close to seizing complete control of the province four years ago before being driven back by the Ethiopian Army. The EPLF, one of two main Eritrean guerrilla groups, is headquartered in the mountain stronghold of Nakfa in the highlands north of Asmara.

CSO: 4700/768

ETHIOPIA

ETHIOPIA USES CHEMICAL WEAPONS IN ERITREA ATTACK

PM171625 London THE GUARDIAN in English 17 Feb 82 p 8

[Report by Victoria Brittain: "Ethiopia Makes New Attack in Eritrea With 90,000 Troops"]

[Text] The Ethiopian military regime has launched an offensive in Eritrea, expected since 90,000 troops were moved into the area last month. In an attack at Tirukruk on Monday, chemical weapons were used for the first time and refugees fled over the border into Sudan, according to the Eritrean People's Liberation Front.

The Ethiopian ambassador in London denied that gas was being used. Mr Wolde Giorgis Ayalew said that the area was merely being cleared of saboteurs.

The attack at Tirukruk in north-eastern Eritrea, near the Sudanese border, is presumed to be an attempt to cut off supplies from the Eritrean guerrillas in their base camps and the ruined town of Nacfa which they still hold. The region is mountainous and the attack which began on Monday used no tanks, but only infantry who retreated after some hours of fighting, but then returned with the gas, according to the EPLF.

The Eritreans have been fighting for 20 years to preserve the independence from Ethiopia which they had first as an Italian colony, then as a League of Nations and United Nations trusteeship. In 1977, the Eritreans seized control of almost the whole area except the provincial capital, Asmara. But $2 billion worth of Russian arms and 2,000 Soviet military advisers have helped to transform the Ethiopian Army and have brought the towns of Eritrea (except Nacfa) back under the control of Addis Ababa.

Soviet advisers are playing a key role in the organisation of the latest offensive, which has moved more troops than before into Eritrea and the bordering Tigre Province which has been in revolt for six years.

Before Monday's attack there had been sporadic fighting over the weekend in the southern highlands of Eritrea in which the guerrillas claim to have dislodged government troops from highland encampments. Two convoys of government troops moving out of the main forward base at Keren were ambushed over the weekend too. The EPLF claim that more than 3,000 Ethiopian troops were killed and wounded and arms were captured including anti-aircraft and machine-guns.

Previous offensives have dragged on for weeks with no official information being given by the government. A clear picture of the military and political battles underway now in Eritrea may take months to emerge.

In the countryside the Marxist EPLF which is the dominent Eritrean group, has used the years since 1976 to implant a strong ideological base. Last month, the Ethiopian head of state, Colonel Mengistu, announced a political, social and economic programme, Operation Red Star, to bring Eritreans into line with the rural programmes of Marxist Ethiopia.

CSO: 4700/768

GABON

DISTURBANCES SEEN PART OF GENERALIZED AFRICAN PHENOMENON

Paris JEUNE AFRIQUE in French No 1094, 23 Dec 81 p 25

[Article by JEUNE AFRIQUE special correspondent Sophie Bessis]

[Text] It all started at the University of Libreville, that well-heeled capital where money gushes up from the ground, where student scholarships are higher than the salaries of the "minimum wage" workers, but where, now that the battle for survival is won, people are no longer content to live by bread alone. In late November tracts began to appear denouncing the policy of the head of state and demanding a return to a multiparty system and democracy. In fact, President Bongo in September had promulgated a new constitution officially establishing a one-party system. Was this the spark that touched off the powder keg? However that may be, on 1 December the capital's bus station was invaded by several hundred demonstrators, youths for the most part, brandishing placards hostile to the regime: "Down with Bongo, 14 years is enough...."

The demonstration, which eyewitnesses say was quickly and heavyhandedly dispersed, gave rise to a vigorous reaction on the part of the authorities. Arrests were made on the scene, and several individuals elsewhere were apprehended. The residences of several French development experts were searched, and Jean-Pierre Cot, the French minister of cooperation, reportedly protested this to President Bongo during his visit to Libreville 5-9 December. While the authorities admitted that 10 people had been incarcerated, including Jules Mba, former ambassador to Cairo, the most alarming rumors were circulating in Libreville to the effect that some 50 had been detained.

The arrest of the rector of the university, Mr Jean-Pierre Nzoghe-Nguema, who was recalled from a mission he was carrying out in Brazzaville, raised the tension another notch. Since he was first arrested and interrogated at the offices of the security forces, some 2,000 students and some of the university professors have been on strike to demand his "immediate" release, which has not yet taken place. His replacement by Mr Laurent Biffot, former head of the school at which party professionals in the state's only party were trained, did nothing to calm things down. Arousing violent opposition, Biffot was even held in the rectorate against his will by a hundred angry students on 10 December.

The government has been taking the incidents very seriously since they began. Though the police forces assigned to keep the university under surveillance have been more discreet since the forces of law and order in combat dress evacuated the campus on 11 December, the authorities are conducting a comprehensive investigation to determine the source of the movement and its real impact on the population. Heavyhanded interrogations are still under way, and reports about mistreatment of the detainees have not been denied.

"Why do you think the Gabonese should be better than anyone else?" officials retort when asked what truth there is to the reports. In a letter to the head of state, Mr Nzoghe-Nguema nevertheless denied accusations that he belongs to the opposition. But of what opposition is he speaking? Is there any evidence to substantiate the theory of conspiracy the authorities apparently hope to find? For some time there has been a great deal of talk about a clandestine organization called MOREMA (National Recovery Movement) which supposedly ignited the flames of protest.

Even if there is an organized opposition faction, is not what Gabon is going through still just more or less the same kind of "backlash" most other African countries have suffered? There is the frustration of the populace as, powerless to change anything, it watches the excessively rapid rise of an ostentatiously wealthy middle class; there is the discontent felt by an increasingly better educated body of youth which does not accept the rules of a political game in which it cannot make its voice heard; there is the sobering prospect of reaching a peak level of oil production and eventually even seeing that level decline, while spending for prestige begins to increase again as Libreville prepares to host the next UNCTAD [United Nations Conference on Trade and Development] conference in 1984.

If there is nothing new about the causes, one may fear that the regime's reactions may also be predictable. Will the machinery of repression be engaged in Gabon? Before we know, we will have to see what charges are brought against the detainees.

9516
CSO: 4719/397

MADAGASCAR

ADDITIONAL CCCE AID, LOANS REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1885, 1 Jan 82 p 40

[Text] Following the signing on 11 December 1981 of two loan conventions with the Central Fund for Economic Cooperation [CCCE] (2.5 billion Malagasy francs; see MARCHES TROPICAUX ET MEDITERRANEENS of 25 December 1981, p 3444), four other Franco-Malagasy loan agreements were signed on 21 December. The signatories were Mr Rakotovao-Razakaboana, the Malagasy minister of finance and planning, and Mr Paul Blanc, the French ambassador to Antananarivo. The four agreements cover 400 million Malagasy francs (Fr 8 million) of nonreimbursable aid from the Aid and Cooperation Fund (FAC) and a loan of 750 million Malagasy francs (Fr 15 million) from the CCCE.

The first three agreements (grant agreements) concern: (1) the second installment (300 million Malagasy francs) of a grant to finance construction of a microwave link connecting Fianarantsoa (in Hauts-Plateaux) with Toliara (southwest coast) through Fort-Dauphin (southeast coast); (2) agroindustrial studies for the production of brewery-quality barley (first installment, 50 million Malagasy francs); (3) 50 million Malagasy francs in emergency assistance for the anti-grasshopper campaign in the faritanies of Finarantsoa and Toliara.

The fourth agreement (the CCCE loan of 750 million Malagasy francs) involves the second and final installment of the CCCE's contribution to construction of the microwave link between Fianarantsoa, Fort-Dauphin and Toliara. The loan is to be paid back in 15 years, after a grace period of 7 years, and carries a 6 percent interest rate. This loan brings CCCE's total contributions to Malagasy projects in 1981 up to 11.75 billion Malagasy francs, compared to 6 billion in 1980.

9516
CSO: 4719/456

MADAGASCAR

BRIEFS

AGREEMENT SIGNED WITH CUBA--Antananarivo, 23 Feb (PL)--Representatives of Cuba and Madagascar signed here an agreement of bilateral collaboration, it was officially disclosed here. The agreement envisages the arrival in this country of Cuban specialists in sugar cane and tobacco plantation and of universitarian professors, civilian engineers and sports trainers. The Cubans will also participate in the preparation of veterinarians, it was reported as well. [Text] [PA231910 Havana PRELA in English 1820 GMT 22 Feb 82]

CSO: 4748/18

UPPER VOLTA

BRIEFS

BORDER WITH GHANA--The joint committee to establish the line of demarcation of the border between Ghana and Upper Volta held its first plenary session of 1981 in Quagadoudou, from 15 to 18 December. According to a communique issued at the end of the meeting, both sides have underscored "the importance of marking the border to allow the harmonious development of the populations living along the river banks in a spirit of peace and mutual trust." The work to mark the border started in 1979. The Ghanian delegation is headed by Salifou Bawa Diyaka, member of parliament and a lawyer practicing in Tamale, and the Upper Volta delegation by Souleymane Diallo, secretary general in the Ministry of Interior and Security. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1885, 25 Dec 81 p 3429] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

FRENCH DELEGATION'S VISIT--A French economic delegation headed by Joudiou, director of development in the Ministry of Cooperation and Development, has been in Quagadoudou since 17 December. This delegation is studying the ways in which France can answer positively Upper Volta's request for aid. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1885, 25 Dec 81 p 3429] [COPYRIGHT: Rene Moreaux et Cie Paris 1981] 8796

CSO: 4719/430

MOBUTU HOLDINGS IN SWITZERLAND DESCRIBED

Paris AFRIQUE-ASIE in French No 255, 21 Dec 81-3 Jan 82 pp 16-18

[Article by Fode Amadou: "Mobutu, the Plunderer"]

[Text] "I came to Washington to seek assistance in the economic and security spheres. And I can say that whereever I went--State Department, Department of Defense, the Treasury or the Congress--I was given full and total satisfaction," President Desire Mobutu of Zaire boasted this past 2 December during a news conference which he gave at the end of his 3-day working visit to Washington. Satisfied? Anybody would be even with less. Did he not have the privilege of meeting not only Ronald Reagan but also Vice President George Bush, Secretary of State Alexander Haig, Secretary of Defense Caspar Weinberger and several other White House and State Department highranking officials? All of whom assured him that, whatever the cost, Zaire--a country which has been a friend of the United States for over 20 years--must be strengthened in the economic and security spheres. And Nguza Karl-I-Bond, A LA TRAPPE.

Fully satisfied? Certainly. Mobutu went home with his beggar's bag full: $33.5 million worth of economic aid (10 million more than in the previous year), $12 million worth of military aid (twice the amount received in 1981), not to mention a small bonus of "between $10 and $12 million" which he was given as U.S. aid to dispatch a military contingent to Chad. And not wanting to miss anything, at the end of his visit he also went to New York for "talks" with American businessmen. For a few more dollars?...Dollars which will not benefit the Zairian people and, as usual, will go to increase the fortune of this beggar from Kinshasa who is rolling in riches. Today, we will finish presenting a provisional--and probably incomplete--inventory of that fortune which we started discussing in our issue No 252.[1]

According to a parliamentary investigation, which has never been challenged, between 1976 and 1978, Mobutu and his clan are reported to have embezzled some 60 billion old French francs which they have safely tucked away in Swiss banks in a manner which

1. See AFRIQUE-ASIE of 9-22 November 1981

would be described in Paris as the move of a cheating banker ready to skip the country.[2] But even if these sums of money seem very large, particularly to the poverty-stricken people of Zaire and other countries, they are only the very small tip of Mobutu's enormous fortune. How much does it add up to?

Paul-Roger Mokende, one of the leaders of the Lumumba-Congolese National Movement, answered that question a few days ago during a news conference in Rome and his statements confirm information from other Belgian and U.S. sources. He gave the staggering figure of $5 billion. This is exactly the amount of Zaire's external debt. What a puzzling coincidence!

Joseph-Desire, known as Sese Seko, who started with nothing in 1969 except for a gargantuan appetite, has accumulated that huge nest egg in 16 years of dictatorial rule. But how?

Officially, the president-founder of one of the largest fortunes in the world gets an annual emolument in zaires, the country's currency. This year his salary was 148 million zaires (approximately 30 billion old French francs). By comparison, the annual budget of the very rich province of Shaba is only 53 million zaires, just over 1/4 of the pocket-money received by the general-president. He has no difficulty in converting his "declared" earnings into Belgian francs, for instance. Men on whom he can rely and whom he has put in charge of Zairian banks and companies, take care of it. They include people such as his brother-in-law Fangpi and Dambana Gpepa, both tops officials of the National Savings Bank who will not deny him anything. They act so openly that not too long ago they opened a branch of their bank in the National Assembly building. There, they buy nonconvertible local currency from deputies, ministers and their proteges giving an exchange rate of 2.5 Belgian francs and then resell it, by very special authorization, at the official rate of 10 Belgian francs.

Big Bribes

Therefore, despite the low value of the currency created by the miltimillionaire Mobutu, it is still possible to make large profits from that currency providing that one has, as he does, very large sums. Let us add, in connection with these dealings, that to make things easier for his henchmen, the supreme leader of Kinshasa has intervened with officials of the Brussels Stock Exchange so that the floating exchange rate of the zaire is never published.

But this fraudelent activity which has been going on since its major beneficiary became head of state is one of the chief methods used to misappropriate funds, produces only a fraction of Sese Seko's holdings. His sources of money acquisition are as inexhaustive as the wealth of the country. They include sectors as varied as largescale smuggling of diamonds, gold and strategic mineral ores; then, there is the appropriation of argicultural plantations, of real estate and transportation enterprises and, finally, the well-known practice of big bribes.

Diamonds are considered to be the ideal precious stone because their high value remains constant and they are not bulky. They are very much coveted as well as subject to a very strict vigilance. The outcasts working in the diamond mines live under conditions similar to those of a prison. But European engineers and U.S. investigators, who are not completely antagonistic to Mobutu's dictatorship, have discovered and

2. AFRIQUE-ASIE issue No 252 of 9-22 November 1981: "Castles in Belgium."

disclosed that every year, a large number of already inventoried diamonds are illegally taken out of the safes of the mining company MIBA [Bakwanga Mining Company] and taken to the London market. The proceeds of their sale is immediately transferred to Mobutu's bank accounts in Switzerland. The operation starts at the MIBA and is carried with the Tshikapa Marketing Office and the MELTA [expansion unknown] acting as middlemen. Among the major shareholders of these three companies are Mobutu and, just by coincidence, his son Niwa keeping good company to the notorious General Belgian Company and the more low profiled Tempelsman Company of South Africa.

Gold leaves Zaire under similar circumstances but, curiously enough, in amounts which go practically unchecked. Nobody, but Mobutu, knows the real output of the Zairian mining companies. It is, perhaps, because that as for gold, a precious metal but more plentiful than diamonds, they neglect to be vigilant? Not likely given the greed of the gold mining companies. Simeki and Kilo Moto are two of these companies. The first is under the tight supervision of Mobutu's uncle, Litho, and his nephew Moleka is in charge of marketing operations in the second company. It has become general knowledge in Kinshasa, Brussels, London and particularly in Zurich that much of the gold mined by those companies ends up in the safes which the brilliant leader has in Switzerland.

Also in Switzerland where, among other things, Father Joseph-Desire, the terrible Father Ubu of Africa, owns a 32-room castle near Lausanne which requires a permanent staff of 26 servants and maintenance workers costing its owner in the neighborhood of 400 million old French francs a year. But not in Spain, where he owns a 16th century castle in Valencia, nor in Torremolinos or in Nice, France, where he also owns property. No, Switzerland is the only country where the banks do not ask anything but to look after the treasures of the top figures of the international underworld.

The Zairian dictator does not sniff at strategic mineral ores. From their sales, he gets very considerable earnings which are added to his other holdings. This was ascertained when illegal sales--but he is the law--had to be made to South Africa which involved tens of thousands of tons of, among others, cobalt and copper--for a total value of 6 billion old French francs--to cover some expenses such as the large bills to pay for the building of a burial monument for his now deceased first wife Marie-Antoinette. And who can forget the statements, which were never denied, made by former ministers now living in exile denouncing their former boss for constantly dipping into the funds and foreign accounts of GECAMINES [General Quarries and Mines Company] which has always been under the management of the Zairian nabob's straw men.

Outside the Kokolo military camp in Kinshasa, the building site of a large public works project has stood for 21 years. In 1960, shortly before independence, the Belgian colonial authorities started building a 1,000-bed hospital. It is still not finished. And that, despite the existence of a Zairian company which has a monopoly over the construction of public buildings, schools, hospitals and so on. That company is the National Real Estate Credit Company, the CNCI, whose real boss is Mobutu represented by his uncle Litho, his son Niwa and his nephew Moleka. This big company prefers to build shopping arcades, big department stores such as the Galerie Presidentielle (owned by Mobutu), near the Belgian Embassy in Kinshasa, which holds exlusive rights to sell all the big international brand names, or such as the Centre Regina or African-Lux directly controlled by his nephew Moleka on behalf of the family.

Travelers' Pockets

But, true to type, Joseph-Desire does not forget his peasant origins. He loves the land, the fields, the farms, the crops harvested and grown there by over-exploited workers. And to show his interest in the sacred and fruitful foil of Zaire, he and the now deceased Marie-Antoinette created the Zairian Farming and Livestock Company merging the properties of 14 colonial and neocolonial estates. He was killing two birds with one stone: he became a major exporter of Zairian farm and livestock products and engaged in "decolonization." But the Belgian supervisory staff and continued to practice the good old colonial methods of production driving some young workers to leave for the towns where they joined the ranks of the unemployed while others perfered to seek work in the intolerable mines.

By now it is obvious that no money-making operation escapes the ogre of Kinshasa. So, anybody who wants to engage in some business, make some transaction or simply transfer funds to his friends or allies, cannot hope to do so without him as a middleman. For instance, in 1976, the CIA sent him $2 million on condition that $1,386,700 would be handed over to the UNITA [National Union for Total Independence of Angola] headed by Savimbi and to the FNLA [Angolan National Liberation Front] of his dear and unfortunate friend Holden Roberto. He was unfortunate to the extreme that his protector pocketed all the money as reported by John Stockwell, a former CIA agent, in his book "In Search of Enemies."

Big contracts are referred to him personally and only naive people express surprise to find how much money is squandered in large and unnecessary projects such as the two deals made with the French Thomson-CSF Company involving a satellite communication link which was only used twice and the "Voice of Zaire" radio and television complex now completely run down. These "deals" have cost the Mobutu regime 32 billion old French francs but not everybody lost money.

"There is only one solution to stop this fraud, corruption and the ruination of Zaire and it is to marginalize Mobutu and his clan," said Irwin Blumenthal who was assigned, in 1978, by the World Bank and the IMF to supervise the famous "Mobutu Plan." Even with all his resources and authority, Irwin Blumenthal had to give up. He was only able to control one-fourth of the proceeds of the state's exports while the remaining three-quarters were under the exclusive control of Mobutu and his clan.

The state-owned sector is totally at Mobutu's beck and call since he controls it through managers who owe their jobs and their freedom to him. Most of these managers are notorious defrauders. There is, for instance, Citizen Mpase, dismissed as university rector on charges of fraud, who is a member of the government and of the Political Bureau and who, in 1980, was appointed as personal adviser to the president in charge of presidential grants...or there is Munga, head of the transport company CTCZ [expansion unknown] who was jailed for fraud, then released and put in charge of the Zairian national railroad company, the SNCZ, by Sese Seko. Or else, there is Sambwa, governor of the Central Bank, who had been dismissed because of misappropriation of funds but was given that post by the boss.

The current year's estimated deficit of Zaire's balance of payments amounts to 75 billion old French francs. Officially, the president gets 30 billion not to mention his earnings from the private and state sectors. Day after day, while the Zairian Father Ubu continues to bleed and exhaust the riches of the great Zaire, a Zairian worker's salary is 23 zaires a month. According to the official labor union UNTZa [National Union of Workers of Zaire] that worker would need 1,061 zaires to survive. That same worker requires a week's salary to buy a kilo of fish and he must work 2 weeks to pay for a bag of cassava. Meanwhile, the salary of a political commissioner is 417 times that of his servant.

Therefore, all those who belong to the masters' class are riding on the backs of the millions who belong to the famished masses. The latter include the 80,000 soldiers who are not from the same province as their president and commander-in-chief and even the custom officers posted at the Kinshasa landing point who rifle the pockets of travelers from Brazzaville.

In 1960, a worker had to work 1 hour and 44 minutes to pay for 1 kilo of fish, now beyond his reach. On that same year, the Congo-Kinshasa, as the country was then known, had 145,000 kilometers of roads suitable for motor vehicles. Today it only has 58,000 kilometers of such roads and only 26,000 kilometers are kept up in good condition.

Twenty-one years after independence, 20 years after Lumumba's assassination, Mobutu has accumulated a fortune equivalent to Ziare's debt. Nobody can ignore this any longer.

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BUDGET FOR 1982 SHOWS 1 BILLION ZAIRE DEFICIT

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1886, 1 Jan 82, p 36

[Text] 1982 Budget Deficit of 1 Billion Zaires

The Republic of Zaire's draft budget for 1982 was adopted by the legislature on 21 December 1981. According to the draft, budget forecasts for 1982 are 7,834.2 million [sic; probably billion] zaires in income and 8,834.2 million [sic] zaires in expenses. The budget deficit therefore amounts to 1 billion zaires [sic]. Compared to financial year 1981, the ways and means budget for 1982 shows an increase of 2,217.8 million zaires, while expenditures show an increase of 2,717.1 million.

There is an overall increase in income of 41.82 percent over 1981. Income from tax assessments is 66 percent higher than in 1981. The higher rate of increase is due to indirect taxes which are forecast at 698.5 million for 1982 as compared to 260 million in 1980, an increase of 169 percent.

Then there are real taxes which increase by 105 percent, with forecasts going from 13.7 million in 1981 to 28.1 million in 1982. Income taxes, the largest amount, increase 43 percent, from 1,532.3 zaires in 1981 to 2,197.8 million in 1982.

Forecasts for customs duty income for 1982 are down 13 percent as compared to 1981. This decline is basically due to the share of income represented by export duties. Estimated excise taxes actually increased 122 percent, and import duties, 119 percent.

In presenting the draft budget to the legislature on 1 December, Mr Singa Udjuu, first state commissioner, described the overall context within which the budget was prepared. The world economic situation is still of concern, the recession persists and the oil bill is increasing. In a world environment which is not very reassuring, he indicated, "our concern in preparing the 1982 budget has been to seek policies and actions to undertake on the national level to reduce the harmful effects of the world crisis on our country."

However, he recognized that the difficult economic period which the country is going through cannot be explained by the poor international economic situation alone. There are also internal causes which President Mobutu has branded as a disgrace on many occasions, particularly the lack of control and scrupulousness in the handling of the country's affairs and the lack of a coherent and realistic plan of action. It was to remedy this situation that the head of state conceived and established the

Mobutu Plan which aims to recreate conditions for recovery of the Zairian economy. Mr Singa also stated that the budget forecasts for the 1982 financial year had been prepared with a view towards pursuing and reinforcing efforts already undertaken to attain a lasting economic recovery which should result in noticeably improved living conditions for the Zairian people in the near future.

The first state commissioner then presented the executive council's program of activities for the public health, agriculture and energy sectors.

In the agriculture sector, appropriations for 1982 increase to 300 million zaires from 146 million in 1981. Added to this are 60 million zaires to deal with the poor condition of the road network for distribution of farmers' agricultural produce. (See below).

In the energy sector, new projects for 1982 include renovation of four hydroelectric power plants in the Shaba region, development of the site where the Katende dam will be built in the Kasai-Occidential region, extension of the Kinshasa water supply network and piping of water in about 40 cities and areas of the country.

To closely supervise the budget's enforcement, the executive council has decided to establish a permanent budget commission as of January 1982 not only to see that all the funds planned for the achievement of program activities are actually released, but also that all the income expected is actually received. Furthermore, all non-profit organizations providing public services of insufficiently justified value or those which could finance themselves through their own activities will cease to be included in the State Budget as of 1982, the first state commissioner indicated.

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ZAIRE

COUNCIL STUDIES AGRICULTURAL CAMPAIGN, WAYS TO IMPROVE FOOD SUPPLY

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1886, 1 Jan 82 p 36

[Text] Ways and Means to Intensify the Agricultural Campaign

During its meeting of 20 and 28 November 1981, the executive council proceeded with an in-depth examination of the efforts made and to be made to intensify the agricultural campaign and to improve the country's food supply.

The council closely studied the problem of maintaining the roads essential to rapid and assured transportation of produce. Out of the 145,000 km of roads which constitute Zaire's network, 45,000 will be taken over by the office of roads. Maintenance of the remaining 100,000 km will be entrusted to regional highway crews on the one hand, and to companies with interests in the region and who will conclude agreements with the State, on the other. An interdepartmental commission has been established to draw up the criteria which will determine selection of the companies. The necessary funds will be "regionalized."

In regard to fuel, the Department of Energy has been given the responsibility of finding solutions for improving supply to the fertile areas in the east.

The question of placing state agricultural enterprises under private ownership has been left unsettled while awaiting determination of criteria and practical methods for this operation.

The idea of creating an agricultural credit bank has definitely been decided upon. The headquarters of this organization will be located in Kinshasa and branches will be opened in all areas of the country. Technical schools for agriculture will be given new impetus. All graduates of these institutions will be registered to serve as supervisory staff for the farms.

The governors of the regions will begin a census of peasants and farmers and will determine as closely as possible the areas under cultivation as well as the amounts to be harvested. In this regard, the agricultural statistic service of the Department of Agriculture estimates that the number of farm households in Zaire has increased from 2,420,000 in 1970 to 2,950,000 in 1980, which corresponds to 15,300,000 people.

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END