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Sub-Saharan Africa Report

FOUO No. 696

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7 November 1980

SUB-SAHARAN AFRICA REPORT

FOUO No. 696

CONTENTS

INTER-AFRICAN AFFAIRS

Briefs	
Angola-Zaire Trade	1
Djibouti-Tanzania Air Agreement	1

CENTRAL AFRICAN REPUBLIC

President Dacko Addresses Nation; Visits France (MARCHES TROPICAUX ET MEDITERRANEENS, 26 Sep 80).....	2
Briefs	
Relief for Birao	4

CHAD

Fighting in Capital Intensifies (MARCHES TROPICAUX ET MEDITERRANEENS, 26 Sep 80).....	5
--	---

CONGO

Central Committee Looks Into Improving Economy, Finances (MARCHES TROPICAUX ET MEDITERRANEENS, 12 Sep 80).....	6
Economic Prospects Improving Because of Contributions of Petroleum (MARCHES TROPICAUX ET MEDITERRANEENS, 3 Oct 80).....	9
Briefs	
Conference on State Enterprises	14
EDF Financing of CFCO	14

DJIBOUTI

Data on Port of Djibouti (MARCHES TROPICAUX ET MEDITERRANEENS, 19 Sep 80).....	15
---	----

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LIBERIA

Briefs

Property Expropriation Measures	16
Good Relations With France Restored	16
Good Relations With EEC Restored	16

MOZAMBIQUE

State of Economy, Need for Western Expertise Surveyed (Jacques Latremoliere; MARCHES TROPICAUX ET MEDITERRANEENS, 26 Sep 80).....	17
---	----

NIGER

Briefs

Southeastern Stockraising Project	24
Food Crop Area Expanded	24

NIGERIA

Briefs

Police Development Project	25
Czechoslovak Aid	25
Exchange Reserves Increase	25
Higher Inflation	26
Population in Ibadan	26
Oil Agreement With India	26
Kaduna International Fair	26
Ibadan Trade Fair	27

SENEGAL

Briefs

EEC Delivering Food Aid	28
-------------------------	----

ZAIRE

Briefs

Petroleum Production	29
Report on Mines	29
Belgian Electricity Contracts	29
Oil Prospecting	30
Inga-Shaba Electric Line	30
Small Powerplants	30
FRG-Financed Roads	30
Continued FRG Support	30

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INTER-AFRICAN AFFAIRS

BRIEFS

ANGOLA-ZAIRE TRADE--During the trade negotiations which took place in Kinshasa at the end of July, Zaire and Angola selected products for trade between the two countries. Angola will import 2000 tons of palm oil, soap, batik cloth (500,000 meters), bedsheets, 4,000,000 meters of khaki cloth, bicycles and furniture from Zaire. Zaire would import from Angola crude or refined salt, crude petroleum and derivatives, tar, gypsum, steel reinforcing bars, molassas, sisal fiber, tiles, cement, dried fish, fish flour, and sacks in which to put cement. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS 19 Sep 80 p 2303] 6108

DJIBOUTI-TANZANIA AIR AGREEMENT--A bilateral air transportation agreement on the use of the international airport of Djibouti was signed on 11 September 1980 by Djibouti civil aviation officials and a Tanzanian delegation headed by Mr Oleikambeine, director of transportation. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2307] 9479

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CENTRAL AFRICAN REPUBLIC

PRESIDENT DACKO ADDRESSES NATION; VISITS FRANCE

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2363

[Text] On the occasion of the first anniversary of the coup d'etat organized by France to overthrow the imperial regime in Central Africa, President Dacko addressed the nation and paid homage to the "martyrs whose blood permitted the downfall of the empire."

Addressing the youth sector, David Dacko said that it was the hope of the new republic. The chief of state also reiterated the gratitude of Central Africa vis-a-vis friendly countries and above all France whose "decisive aid restored dignity to the Central Africans and whose assistance permitted the surmounting of the difficulties of this first year of efforts."

"In the coming 12 months, after 15 years of silence, you will be called upon to express with complete freedom your opinion of the structures of our renewed republic," said the chief of state who reported that a draft Constitution had been prepared and that the definitive text drawn up by the government would be presented for ratification. "You will next have the opportunity of electing the president of the republic whom you will charge with leading the nation, and you will elect the members of the National Assembly."

President Dacko said that the government's principal problem was that of the present financial crisis. He asserted that the government was forced to implement a series of measures designed to eliminate ill-considered expenditures, to limit waste. "With the generous aid of the United Nations, in the first place, of France and the International Monetary Fund, we have been able to avoid state bankruptcy; however, we are going to have some very difficult moments until the end of the year, as with the preparations of the 1981 budget."

The following day, the president traveled to Paris for a private visit during which he was to be received at the Elysee by Giscard d'Estaing to whom he had sent a letter of thanks on the occasion of the first anniversary of the restoration of the republic. This visit took place at a time when the Central African chief of state, who had placed his prime minister and vice president under surveillance, was relatively isolated in his country.

When he left the Elysee, on 21 September, Dacko said that he was "distressed by the campaign of denigration" of which his country is the subject and the "publicity

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given to former Emperor Bokassa by French journalists." The Central African chief of state recalled that he had seized power to drive out Bokassa, "account taken of the crimes he had committed." He added that he had told the French president of the "distress" caused him by this press campaign and confirmed the fact that the in absentia trial of the former emperor would be held in Bangui.

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CENTRAL AFRICAN REPUBLIC

BRIEFS

RELIEF FOR BIRAO--After having declared the city of Birao, prefecture of the Yakaga region (in the northern part of the country) a "disaster area," the Central African authorities took a series of measures to "rehabilitate this region where rampant famine has already caused the death of 100 persons." The principal taken measure was the dispatch of a military detachment. Food will be sent to the Birao region on an emergency basis by France, according to a communique published by the Elysee in Paris on 18 September which underscores the fact that this aid is being provided at the request of the president of the French republic and to show "France's solidarity with respect to this stricken region." Questioned about the famine which was ravaging the Birao area, President Dacko in Paris on 21 September said that the situation would not be critical over the long term and that a plan for the development of the region was under study. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2363] 8143

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CHAD

FIGHTING IN CAPITAL INTENSIFIES

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2363

[Text] Very heavy fighting which produced several hundred wounded and many dead both on the side of the combatants and the civilian population took place on 17 and 18 September in Ndjamena between the Popular Armed Forces (FAP) of President Goukouni Weddeye and the Northern Armed Forces (FAN) of Hissene Habre.

According to observers, this fighting reached a level of violence rarely equaled since the beginning of the battle of the capital on 21 March 1980. At dawn on 17 September, Goukouni Weddeye's FAP and the combatants of the Common Action Front (FAC) of Ahmat Acyl, minister of foreign affairs, attacked the northern sector of the city of Digaél. At the same time, the African city occupied by the FAN was violently bombarded, particularly with Stalin missiles, according to the AFP.

The French surgical facility in which FAP and FAC combatants are treated received about 40 seriously wounded (an unprecedented figure) in the course of those 2 days. The other French medical facility in Kousseri, in Cameroon, on the other side of the Chari River opposite Ndjamena where the FAN are received, treated a dozen wounded, including five combatants.

Shells fired from the Chadian capital fell on the Kousseri hospital in Cameroon killing four persons and wounding eight others, Radio Yaounde announced on 22 September, adding that this shelling had caused very serious material damage.

The Cameroonian government "sent forceful protests to the various parties fighting in the Chadian capital and took steps to assure the security of the inhabitants of Kousseri."

In a related development, it was learned that the Chadian government has signed a US \$50 million contract for the purchase of military aircraft, tanks, trucks and British medicines with Flintgrange Ltd., a British company which is a subsidiary of the Fanz Organization, a group founded and directed by the Nigerian chief, Francis Nzeribe.

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CONGO

CENTRAL COMMITTEE LOOKS INTO IMPROVING ECONOMY, FINANCES

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 12 Sep 80 p 2251

[Text] The fourth session of the Central Committee of the PCT [Congolese Labor Party], the only Congolese party, which was held in Brazzaville from 9 to 14 August 1980, studied improvements in the economy and finances of the People's Republic of the Congo.

In the final communique of the meeting, the Central Committee reported on the current situation:

Improvement in the Management of Public Finances

"When it studied the implementation of the supplementary 1980 program, the Central Committee noted some favorable factors. Indeed, the continued spirit of sacrifice by the workers and various economic agents who regularly and unselfishly contributed to the national solidarity fund, plus improved management of public finances, increased resources and finally, the renewal of external credit by the state made regular payment of wages possible and gave the Ministry of Plans the necessary means to implement the development program.

"Thus, as of 30 June 1980, the state's overall resources amounted to 70 percent of the total estimate for the year. However, public firms must show greater dynamism in using programmed foreign credits, all kinds of national financial credit and especially domestically generated financing.

"Indeed, many offices do not know the necessary procedures for carrying out a project successfully (study, work planning, choice of a foreman, submitting bids, etc.), that, plus details on management of funds, the conference on state enterprises, the limited scope and underequipped state of many firms responsible for projects remind us that, as of 30 June 1980, the program had, in fact, only been in effect four months. Thus, the rate of actual achievement is necessarily below that of the financial investment.

"Therefore, the Central Committee advised, wherever there were no such procedures, specific program planning and systematic, rigorous supervision to adhere to the plans as much as possible.

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"The test year will interest all closely or marginally connected, no matter what the stage of implementation of the program, and especially officials and political cadres, administrative and public sector cadres, and private foreign or native entrepreneurs who have benefitted on occasion from state contracts.

"Consequently, the Central Committee warns entrepreneurs who do not fulfill their obligations that they will be systematically disbarred from future bids or consultations.

"In conclusion, the Central Committee felt that despite certain advantages and a good start, the success of the 1980 program will depend, above all, on increased, sustained productivity, professionalism and growing vigor in supervising tasks at all stages of their execution."

Priority for Investment Expenses

"The Political Bureau informed the Central Committee about the financial outlook for the 1981 program. This report revealed that, despite an appreciable increase in our resources, the state budget suffers from a structural defect; the operating expenses are much larger than investment expenditures which can only be financed by the remainder of the resources, thus limiting the possibility of creating new jobs.

"Taking into consideration the lessons of the recent experiment, the Central Committee refused to sap our resources again in an unthinking increase of the wage mass at the expense of financing development; this is all the more true since its priority is to hire all young cadres sent to it for training.

"However, to assist the masses in dealing with inflation and the ever-eroding buying power of households, the Central Committee which is pleased at how enthusiastically the people continue to heed the advice of President Denis Sassou-Nguesso: 'Live austere today to live better tomorrow' has unanimously agreed on the following governmental guidelines:

- "1. Abolition of the national solidarity fund.
- "2. Restoration of promotions with pay increases.
- "3. Tax relief in the form of changes in tax rates on the income of individuals (IRPP).
- "4. Hiring young cadres for training.

"These directives will become official in the next Law on Finances and will go into effect on 1 January 1981.

"Finally, the Central Committee gave the Political Bureau the responsibility for doing an in-depth study on ways to overcome the current above-mentioned tendencies and how to:

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"1. give priority to investment expenses so they are no longer a residue or remainder and, after that, determine the amount to be spent on operating expenses;

"2. implement a true development plan to create jobs outside the civil service. All these decisions and guidelines based on the data of the report of the Central Commission on Party Supervision and Verification allow the Central Committee to stress again the importance and need for control by cadres of the structures of the party and state placed in their charge, for a constant effort at discipline at all party levels and for better relations among the various bodies of the party and the state."

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CONGO

ECONOMIC PROSPECTS IMPROVING BECAUSE OF CONTRIBUTIONS OF PETROLEUM

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 3 Oct 80 pp 2402-2403

[Text] On 3 October, the People's Republic of the Congo celebrates the 100th anniversary of the founding of Brazzaville. The date chosen corresponds to the anniversary of the signing, in the village of Mfa at the mouth of the Mfoa, a waterway that flows through the Congolese capital, of a treaty between Brazza and the Makoko Ilo granting France a territory situated between the Ogooue, the Alima and the Congo. On this occasion, we thought it would be fitting to provide our readers with a picture of the Congolese economy, which emphasizes both the difficulties encountered by enterprises and the hopes placed in the oil sector.

Impact of Oil

With production of crude rising from 1.8 million tons in 1977 to 2.4 million in 1978 and 2.8 million tons in 1979 (plus 1.5 billion cubic meters of natural gas), oil is the essential element in the recovery of the Congolese economy.

The gradual drilling of new wells on deposits discovered both offshore and on land points to crude oil production exceeding 3 million tons by 1980, nearly 5 million tons in 1981 and 8 million before 1990. An investment program on the order of 100 billion CFA francs has been planned by ELF-Congo [Gasoline and Lubricants Company of France].

Both because of increased production and successive price increases, oil royalties have gone from 15 billion CFA francs in 1978 to 20 billion in 1979. Estimates for 1980 are put at 40 billion, representing three-fifths of operating budget receipts.

A contract for the rehabilitation and startup of the Pointe-Noire refinery was awarded in February to the engineering firm Technip. The refinery, which was to go into service in 1975 with a processing capacity of a million tons of crude oil yearly, has never operated. Its cost represents 34 billion CFA francs, including 7 billion actually paid to the Belgian-Austrian consortium that built the unit. The litigation was heard before the Court of Arbitration of the International Chamber of Commerce in Paris, which ruled against the consortium in January.

The search for uranium ore led to an agreement with AGIP Recherches Congo [Italian Petroleum Enterprise Research of the Congo] for prospecting in the southwestern region of the territory.

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Transportation

In 1979, traffic at the public port of Pointe-Noire amounted to 3.4 million tons, up 21.6 percent over 1978. The port has enjoyed increased shipments of manganese ore from the Ogooue Mining Company (COMILOG) which, mined at Moanda in Gabon, is hauled by the Congo-Ocean Railroad and shipped out at Pointe-Noire. Some 2.3 million tons were shipped in 1979 (up 36 percent over 1978).

The improvement in oil production is reflected in traffic at the Djeno terminal, where shipments totaled 2.7 million tons (up 13 percent).

River traffic continues to decline since 1977. In 1979, traffic going downstream totaled only 135,000 tons (down 8.6 percent), including 123,000 tons of lumber floated or taken by barge from the north. River equipment remains inadequate. The ten barges lost in 1978 have never been replaced.

Besides the Gabonese manganese ore, goods hauled by the Congo-Ocean Railroad (CFCO) totaled 1.1 million tons in 1979, down 5 percent from 1978.

Industry: Some Adaptation

In the private industrial sector, 1979 was far from good but does show some adaptation regarding the many difficulties: the accumulation of holidays, absenteeism resulting from trade union demonstrations or other unforeseen occurrences, breaks in the supply of water and electricity, particularly at Pointe-Noire, inadequate telephone and telex connections, the absence of price index statistics, the lack of official information, the suspension of publication of the JOURNAL OFFICIEL since 1974, increased labeling and inspections by the administration, and the disorganization of transportation, mainly the Congo-Ocean Railroad, which had 42 interruptions in service (553 hours) in 1979.

Enterprises whose production is subject to price fixing and controls have encountered excessive delays in having price readjustments imposed by constantly increasing prices for raw materials, energy, transport, services and social charges accepted.

For export industries in UDEAC [Customs and Economic Union of Central Africa] countries, the burden of charges to the disadvantage of the Congo places them in an inferior position compared with Cameroon in particular. Moreover, the increase in similar industries within UDEAC, contrary to the program initially agreed upon, limits markets for Congolese export industries to the domestic market alone. Domestic demand is increasing very slowly and consequently, expansion of the industrial sector, the main supplier of jobs, is clearly inadequate.

While breweries have registered increased sales, profits are low because of frozen prices and difficulties in having them raised, despite the higher cost of basic supplies. The new facilities of the Kronenbourg Breweries went into service in April 1980. Investments represented 2.7 billion CFA francs for a capacity increased to 200,000 hectoliters of beer and 100,000 hectoliters of soft drinks per year. The Brazzaville Brewery is using its full production capacity and a 5-year expansion program costing a billion CFA francs will increase its capacity to 360,000 hectoliters per year.

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Industrial deepsea fishing had a catch equivalent in tonnage to that of 1978, but sales prices have dropped by about 10 percent. Prospects for 1980 are very unfavorable because of the higher cost of fuel and the impossibility of fishing in the south (Congo River and Angola) for most boats, as in the past.

In the northern region, lumbering improved. The high cost of the Congo-Ocean Railroad caused an excessive accumulation of stock and tight finances for the main enterprise. Service of the CFCO improved clearly beginning in November 1979. The Congo Plywood Company (PLACONGO), 25 percent of which is owned by the Congolese Government, had to reduce its production of rough timber and production of plywood. Investments made since 1977 amount to 1.2 billion CFA francs.

After the shutdown of the Congolese Textile Company (SOTEXCO) in 1977, the textile branch has had only the Congo Printing (IMPRECO) unit, in which the Congolese Government holds 30 percent of the shares. Production has steadily increased since 1975 and totaled 15.3 million meters of fabric in 1979 (up 11.8 percent over 1978), for a turnover of 4.8 billion CFA francs. Exports totaled 11.5 percent of the fabric printed (16.5 percent in 1978), inasmuch as local demand has been more sustained.

The shoe sector is represented only by Bata-Congolaise, whose Pointe-Noire plant produces some 750,000 pairs a year, or half of the potential capacity. In 1979, the enterprise suffered from a prolonged strike, a drop in purchasing power of the population, interruptions in the supply of water and electricity and irregular payments on the part of civil servant customers.

With a production capacity of 60 million packages of cigarettes a year, the Industrial and Agricultural Tropical Tobacco Company (SIAT) produced 31 million packages of cigarettes in 1979 (36 million in 1978), for an untaxed turnover of 2 billion CFA francs. Exports to Gabon, the Central African Republic and Chad have declined.

The Congo Glass Company (SOVERCO), built in 1968 by English firms but which had never gone into operation, was rehabilitated in May 1979 with the technical assistance of Saint-Gobain. Production in 1979 was on the order of 12 million bottles. Estimates for 1980 total double that amount, with three-fifths exported to the Ivory Coast, Togo, Gabon and the Central African Republic.

ALUCONGO, a subsidiary of ALUCAM [Cameroon Aluminum], produced articles worth 768 million CFA francs (up 29.8 percent in 1978). Exports to UDEAC countries and outside UDEAC amounted to 17 percent. The enterprise suffered in 1979 from interruptions in electricity, transport difficulties and a lack of railroad cars to Brazzaville, and increased unpaid bills of customers.

These same difficulties affected the production of industrial gases: down 4.6 percent for acetylene, although oxygen production rose 7.2 percent. The drop compared with 1976, a year of good industrial activity, amounts to 33.6 and 22 percent respectively.

Paint production, which in 1978 dropped 35 percent in volume, was better. Predictions for 1980 are relatively favorable.

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Commerce

On the whole, commerce, which has suffered the effects of the serious depression of the national economy for 3 years, did not show any recovery in 1979 for the same reasons: declining purchasing power of the population, irregular payments by civil servants and deteriorating credit because of the absence of any prosecution or punishment for the issuance of checks with no funds.

The distribution, entrusted to a state organization with an import monopoly, and marketing of basic commodities and items were particularly deficient and even totally paralyzed sometimes with respect to flour, sugar, cement, oil, livestock feed, and so on.

Beginning in the second half of 1979, the situation of private commerce improved, a recovery that seems to have gained in strength since April 1980. Enterprises generally suffer from insufficient funds because of tax adjustments, social and bank charges and unpaid debts.

The automobile vehicle market was stagnant in 1979 compared with 1978 and down 24 percent compared with 1977. Tourist vehicles represented 53 percent of the market; utilitarian vehicles 47 percent. Japanese brands continued to make progress and in 1979, accounted for 46 percent of the Congolese market. Dealers complain of thefts and looting during transport. The replacement of accessories increases the cost price of the vehicle and delays delivery.

An important contract for the supplying of 208 buses, costing 3.5 billion CFA francs, was obtained by the Spanish firm Pegaso. The equipment will go to Brazzaville, Pointe-Noire and Loubomo. The first deliveries are to be made in October 1980 for the celebration of Brazzaville's centennial.

Building and Public Works: Recovery

The building-public works sector has enjoyed a substantial recovery beginning in the second half of 1979, particularly in Pointe-Noire, which has received the benefits of oil investments. Nevertheless, activity is hindered by the scarcity of cement. It would appear that the construction market in the Congo is too small for major enterprises.

Since the dissolution of the Congolese Housing Office, which financed, built and managed social housing, the sector has been in the hands of four government organizations: the National Construction Company (SONACO), which has had Cuban aid since 1979; the Property Promotion and Management Company (SOPROGI); the Center for Housing Research and Technical Studies (CRETH) and the Construction, City Planning and Housing Directorate. The first program deals with the construction of 300 housing units, 12 of which were delivered at the end of December 1979.

State Enterprises

According to the view of high-ranking officials, difficulties in the state industrial sector result from poor management, the inertia of the tutelage structures, the lack of discipline, disorder, a lack of unawareness, casual attitudes and deviations in the action of political and trade union organizations.

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Although exact information is not available, the debt of state enterprises is officially put at over 88 billion CFA francs, not including guarantees supplied by the government on the order of 79 billion CFA francs. From 1976 to 1979, direct budgetary balancing subsidies exceeded 8 billion CFA francs and treasury aid amounting to 6 billion CFA francs was awarded on a foreign loan.

On 1 January 1980, the National Aviculture Company (SONAVI) was set up in Loubomo, bringing together all state poultry farms, most of which have ceased operating for several years. The new company receives Cuban assistance and predicts a turnover (eggs, chickens and baby chicks) amounting to 200 million CFA francs by 1980, which figure would increase to 478 million by 1981 and 745 million in 1982.

The Dihesse Ranch Office in Loudima, set up in 1974 with financing from the World Bank, continues its development: 10,000 head of livestock are expected by the end of 1980. The second phase of the project (35,000 head in 1983) will be modified into small livestock raising operations in rural areas.

A project to rehabilitate the industrial manioc processing complex is underway with the repair of the root line (5,000 tons per year) and the setting up of a bread flour line.

In 1979, banking activity had two very distinct periods: The first 6 months were affected by the slowdown of the economy and the second half of the year was marked by the economy's beginning recovery.

Oil taxes provided the budget with a steady supply of funds and resulted in the recovery of public finances. Government officials were once again regularly paid.

Support for public enterprises and the large number of employees in public and para-public service placed a burden on previous budgets. In his message at the end of the year, the chief of state said that the foreign and domestic debt had become overwhelming: It is estimated at 250 billion CFA francs. Measures have been taken and agreements have been made with foreign lenders, particularly the IMF.

The program to get production off to a new start, the reorganization and rehabilitation of state enterprises and the completion of equipment projects halted in midstream should enable the Congo to resume its development in a healthier financial situation, thanks to oil royalties.

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CONGO

BRIEFS

CONFERENCE ON STATE ENTERPRISES--On 21 September, in Brazzaville, Col Sassou-Nguesso presided at the ceremony reopening the Congo state enterprises' conference which started last January. In a brief speech, the chief of state said that it was necessary "to more clearly define the problems of the enterprises" and emphasized the need for being more precise during this conference resumption period. He added that the question was one of "finding remedies for the ailing enterprises." Col Sassou-Nguesso also said that it was necessary to take steps to permit the recovery of the enterprises and that "every error in this second phase will have incalculable consequences for the future of the Congo." The work of this second phase of the conference is being chaired by the prime minister, Col Louis Sylvain Goma, who is also president of the permanent committee of the state enterprises' conference. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2364] 8143

EDF FINANCING OF CFCO--The committee of the European Development Fund (EDF) has given a favorable opinion on a grant of 4 million units of account and a special loan of 2.86 million European currency units for the supplementary financing of the realignment of the Congo-Ocean Railroad. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2364] 8143

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DJIBOUTI

DATA ON PORT OF DJIBOUTI

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2307

[Text] On 16 August 1980, the Council of Ministers of the Republic of Djibouti approved the creation of, and the statutes for an autonomous international port at Djibouti, effective 1 January 1981.

To understand the scope of this measure, we are publishing below a brief list of Djibouti port activities for the last two years:

	1978	1979
Ships docked (number)	1,267	1,182
Net tonnage (1,000 tons)	5,826	7,728
Passengers embarked	1,000	871
Passengers debarked	1,283	1,152
Total hydrocarbons loaded (1,000 tons)	302	343
Total hydrocarbons unloaded (1,000 tons)	424	508
Total hydrocarbons re-exported (1,000 tons)	38	17
Merchandise loaded (1,000 tons)	125	120
Merchandise unloaded (1,000 tons)	270	250
Transshipped merchandise (1,000 tons)	55	16
Water supplied to ships (1,000 tons)	147	117

In 1979, the port's profits were only 36.1 billion DF [Djibouti francs] while in 1978, they amounted to 157.3 million (1 DF equals 0.025 French francs). Receipts which amounted to 902.9 million in 1978 dropped to 860.3 million in 1979. Yet, from 1978 to 1979, costs rose from 745.6 million to 824.2 million although capital outlays dropped from 86.4 million to 65.9 million.

A study of port improvements was completed in 1980 by BCEOM [Central Study Office for Overseas Equipment]; it was financed by the EDF [European Development Fund] at a cost of 65 million DF for the master plan and by the FAC [Aid and Cooperation Fund] at a cost of 15 million DF for a container terminal. Construction work on the latter has not yet begun. The cost is estimated at 2 billion DF, of which 500 million will be financed by the Federal Republic of Germany (for the purchase of Krupp cranes); financing by Kuwait is under consideration.

Saudi Arabia is expected to provide 318 million DF for the construction of a 15,000 cubic meter refrigerator warehouse.

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LIBERIA

BRIEFS

PROPERTY EXPROPRIATION MEASURES--The People's Council for the Redemption of Liberia announced on 24 September the expropriation of property of about 20 officials of the old regime who had fled abroad and not answered the ultimatum to return to Liberia by 16 September (see MARCHES TROPICAUX ET MEDITERRANEENS 19 Sep 80 p 2298). Only one person is said to have replied. Among the people affected by the measure are: the former vice-president, Bennie D. Warner; the general secretary of the True Whig Party, which was then in power, Mr Clarence L Simpson; and four former ministers. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 3 Oct 80 p 2423] 8782

GOOD RELATIONS WITH FRANCE RESTORED--The charge d'affaires of the Liberian embassy in Paris proposed on 18 September the establishment of a Franco-Liberian investors' association. This initiative confirms Liberia's desire to keep good relations with France, as expressed on 21 June by the foreign affairs minister, Mr Gabriel Bacchus Matthews (see MARCHES TROPICAUX ET MEDITERRANEENS 27 Jun 80 p 1629). Also noted was the declaration made by the charge d'affaires a few days before the private visit to Paris of the minister of Planning and Economic Affairs, Dr Togba Nah Tipoteh. It may be recalled that Franco-Liberian relations became strained following the kidnapping from the French embassy in Monrovia of the eldest son of former President Tolbert, Mr Adolphus Benedict Tolbert, who had taken refuge there after the coup d'etat of 12 April (see MARCHES TROPICAUX ET MEDITERRANEENS 20 Jun 80 p 1568). The Liberian government then asked that the French ambassador, Mr Dollot, be recalled to Paris, but it rescinded its request. Mr Dollot was nonetheless recalled for consultations by the French government and returned to Monrovia only on 15 September. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 3 Oct 80 p 2423] 8782

GOOD RELATIONS WITH EEC RESTORED--Before coming to Paris, as mentioned above, to negotiate essentially for financial aid for the expansion and remodeling of the free port of Monrovia, the Liberian minister of Planning and Economic Affairs went to Brussels on 18 September to restore his country's relations with the EEC; these relations had also been strained by the kidnapping of former President Tolbert's son from the French embassy in Monrovia. European aid to Liberia this year is supposed to come to about \$500 million. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 3 Oct 80 p 2423] 8782

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MOZAMBIQUE

STATE OF ECONOMY, NEED FOR WESTERN EXPERTISE SURVEYED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 pp 2341-2343

[Article by Jacques Latremoliere; "Mozambique Explains Its Call for Western Financial Aid"]

[Text] We have already mentioned the change imposed on Mozambique, which is a former population-settlement colony whose economy was based on encouraging immigration until the colony became independent. Now the immigrants have gone back to Europe (see MARCHES TROPICAUX ET MEDITERRANEENS 22 Feb 80 p 417). However, a technocracy does remain (it has 7 representatives in the present government); it is of Portuguese, Goan, or Luso-African origin. It is quite competent, but it is also extremely sensitive because of its uncomfortable position. It has few intermediary structures and feels that it burned its bridges behind it when it chose to remain. This has naturally led the "intelligentsia" to Marxist solutions, and they have been helped along by many friendly cooperating countries of the Eastern bloc.

However, frequent recourse to Western capital shows that the situation is changing. This can be explained first of all by psychological factors. The closeness of relations with South Africa, the country's primary supplier, obviously makes it easy for the leaders to reconcile Marxist-Leninist theory with day-to-day reality, i.e. the pursuit of a permanent dialogue with a neighboring country that is diametrically opposed in ideology to Mozambique. That is why Mozambican officials complain that Westerners are not firm enough with Pretoria when the Mozambicans are not very firm themselves. The reason is, they say, that "they are in a poor position to do otherwise and can assert themselves only in the United Nations or the OAU." But there is another cause: the inevitable rise of purely African elites, who do not have the same reasons for appearing simon-pure in terms of dogma and who are quite willing to adopt empirical solutions in the increasingly numerous positions they occupy.

The result is a gradual slide toward a form of national socialism adapted to local needs. This is illustrated by the elimination from the government last April of radical elements like Marcelino dos Santos, a former Planning minister who had been demoted to secretary for Economic Production, or by the assurance offered by President Samora Machel to the representatives of the Business International Corporation, an American company, that "Mozambique, as a socialist

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country, is well-organized enough to work with private enterprise, multinational or not, by preserving the principle of mutual advantage."

But no one should jump to conclusions about mere tendencies, be they Marxist orthodoxy or people, for fear of provoking hostile reactions from the leadership, whatever its background. But psychological factors are not the only ones at work, and the weight of events is actually more important.

It works in several ways. The return of peace to Zimbabwe spares the Maputo authorities the periodic destruction inflicted on the country by Rhodesian air and commando raids, and it spares them having to support about 200,000 refugees living on their soil, although it is true that they were receiving appreciable international aid for this purpose. Hence there has been a relative slackening of financial tensions. Normal railway links have been reestablished between Mozambique, Swaziland, South Africa, Zimbabwe, and Malawi, with the accompanying large amounts of revenue, and new prospects have been opened up for markets and supplying Zambia and even Zaire.

Finally, concerning agricultural and industrial production, the authorities realize that corporate profitability is tied to managerial competence, and the departure of skilled employees is sorely felt. Continual resupply of raw materials and spare parts is expensive, detailed, and hard to organize; the government bureaucracy is incapable of doing the job. Hence foreign technicians have been brought in, and their effectiveness is conditioned by transportation facilities and autonomy in the use of the credits at their disposal, particularly concerning orders for foreign materials and their shipping into the country; this makes procedures more flexible and gradually wears off on methods of management in other sectors.

Railways

The Mozambican authorities are fully aware that a situation exists making it possible to increase national revenues; it must be taken advantage of quickly, before the reestablishment of normal rail traffic to Benguela and Dar-es-Salaam from Lubumbashi and Lusaka takes away the production of the Zambian and Katangan Copperbelt permanently from the ports of Nacala and Beira, which should provide the most economical sea outlet, in any case.

The TAZARA (Tanzania-Zambia Railway) had only one political objective: freeing Zambia from having its production controlled by the "colonialist" nations of Rhodesia, Portugal, and South Africa. As this objective no longer has any purpose, there can be no assurance that China will continue to lavish money and technicians on a railway that has already cost it a pretty penny. Likewise, the endless Angolan rail line from Benguela, which was made useless by UNITA commandos, made up for the break between the Zambian and Mozambican lines in Malawi. Continued fighting in southern Angola and the very nature of the Luanda regime make the Atlantic rail line much less attractive to Zaire. The possibility of Zaire's channeling part of its foreign trade through Mozambican ports was, as a result, one of the themes of talks between Presidents Mobutu Sese Seko and Samora Machel in Maputo last 7-9 June.

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It can thus be seen that not only temporary advantages are involved, which are already not entirely devoid of interest, but that wise decisions might definitely channel to Mozambique trade that has so far gone elsewhere.

Concerning Zimbabwe, it is only a matter of reopening the shortest access routes to the sea and freeing its trade from the transit fees charged by South African railroads during the interruption in rail traffic between Maputo and Salisbury, thus bringing this money into Mozambican coffers.

The ports and railways will have to be reconditioned to accomplish all that. Before WW II, Portugal equipped the country with a remarkable transportation infrastructure, but problems of settlement caused maintenance and modernization to be neglected since then, except on the two lines directly linking Maputo with Swaziland and Pretoria, and there the lines were always maintained by the South African republic. The equipment at the port of Maputo and its Matola mining annex used to take 12 million metric tons in traffic before the hostilities with Rhodesia, but they now take only 9 million tons; however, they could achieve 18 million tons once the railway is back in service along the Limpopo valley to the border. The port of Beira provides a direct rail link to Salisbury by way of Umtali; it could operate normally beginning in 1981, once the necessary repairs are made on the Zimbabwe side. The rail line's capacity is commensurate with that of the port. Dredging operations have been contracted to a British company and should open its channel to high-tonnage shipping and supertankers, thus permitting 10 million tons of traffic compared to the present 1.6 million tons.

In the north, finally, Nacala is one of the best port sites on the east coast of Africa; in light of what has already been mentioned, it could become the normal gateway to Zambia and southern Zaire by way of the spur into Malawi and its possible extension into Zambia by way of Lilongwe.

The roadbeds, rails, ballast, signaling, and rolling stock must all be replaced or renovated on the three main lines and their branches. Plans drawn up for this need a lot of money to be carried out. Mozambique seems to be seeking this money more in the West than in the Eastern countries, whose previous loans, especially for the central network, were disappointing. Local sources have been drawn upon in building a boxcar works with technical aid from a Portuguese company; appeals have been made to Romania, which is to deliver a first shipment of 10 diesel locomotives by the end of the year, with 22 more to follow. Brazil has signed a \$20 million contract for the sale of 21 General Electric locomotives partially financed by the United States. And France has been felt out about renovating the Malawi spur on the northern line in the context of a general project estimated to cost Fr 620 million, about a third of which would come from France.

In order to start work on these projects, it was necessary to coordinate international transportation closely; Mozambique was put in charge of this coordination at the conference held in Maputo in the first half of July after the economic summit conferences of Lubumbashi and Lusaka. A commission headed

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by the Mozambican representative and including the eight other countries participating in the conference (Angola, Botswana, Lesotho, Malawi, Swaziland, Tanzania, Zambia, and Zimbabwe) will maintain the continuity of options and the works progress schedule, but it will not exclude contacts between Mozambican technicians and those of each of the countries involved. The task of management that has been assigned to Mozambique is very important for the continuity of work in other countries, though Mozambique may have only terminus sections of the projects on its own territory.

The Ups and Downs of Industrial and Agricultural Production

While the present situation requires that a financial and technical effort be made quickly to solve the problem of international railway links, agricultural and industrial production also needs foreign aid, for several reasons: local resources are inadequate to the amount of financing necessary, and problems have appeared in the management of hastily nationalized companies, whose purposes do not always correspond to the needs of "decolonialized" Mozambique; not to mention that these companies are hampered by a lack of qualified personnel. The desire to diversify the sources of aid and the government's refusal to apply to the World Bank or to adhere to the Lome Convention oblige Mozambique to seek aid through bilateral agreements.

It would take a long time to list the breakdowns in supplies and the technical accidents causing production stoppages, though it would not be hard to do so, because they are reported in the press and on the radio. The more or less valid excuses given for nationalizing without compensation the few, already languishing Portuguese businesses surviving in the food or fisheries sector are not designed to improve the quality of the tool thus falling into the national domain. The country's main plastics factory has been paralyzed since January for the lack of raw materials. There has been more than a year's delay in putting into service the Fabrica de Refeicoes, a Beira beverage company. The biggest paint factory, whose 1978 production was already below that of 1975, has been out of production for three months. In the distribution sector, slipshod management and corruption caused the head of state to order that the "people's stores," the "lojas do povo," be closed. It is significant that at the same time, Norway was asked to finance, build, and staff a sawmill; Hungary, a bus assembly line; Italy's SNAM Progetti [National Gas Pipeline Company], a textile mill; Sweden (Lineflyg), to maintain domestic airlines; and the USSR or France, to deliver fishing boats.

Appeals for foreign aid in sectors where factories and repair shops used to abound would be surprising except that in this country where illiteracy reigns, specialized workmen were provided almost entirely by the Portuguese. These appeals are more easily explained by the size of the bill for the railway or industrial projects, such as the north extension of the Cabora Bassa dam, which involves installing new turbines rated at 1,800 megawatts at a cost of \$1 billion.

The fall in agricultural production has also led the authorities to turn to foreign countries. This decline is not peculiar to Mozambique, for with the rare exception of countries such as the Ivory Coast or Cameroon, it is common

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to tropical Africa. The high percentage of the population (90 percent) that lives off of agriculture and low industrial wages combine to keep food production down. While food imports have grown from 0.2 percent to 6 percent since independence (the government has announced a 250,000-ton deficit in corn for 1980, not to mention wheat and rice, which gifts and sales from the United States, Sweden, Canada, and France and international organizations make it possible to fill), the real reason is a farmers' holdback linked with the disappearance of markets in the countryside and with the corresponding difficulties of supplying the large urban centers of Maputo (800,000 people) or Beira (250,000 people).

This decline has been felt especially in agricultural export production; Portuguese activity was especially important in this area, from agronomic research to marketing, including the organization, staffing, and supervision of farming in areas comprising nearly half of the country's arable land. The cashew nut harvest fell from 215,000 tons in 1973 to 75,000 tons in 1978; it is the country's primary export and has fallen again in 1980. Production is down especially in Sofala province, the main area of production, because of harvesting troubles, in both manpower and trucking. In the area of cotton, which is a priority area because it supplies the spinning and weaving mills, production seems to have dropped by 2/3 since 1973, despite official harvests of 1.5 tons per hectare on state farms or 800 kg per hectare in the cooperative sector. Actually, the general average of the harvests does not seem to exceed 250-300 kg/ha in zones of suitable rainfall (600-800 mm) on water-retentive land, which could bring harvests up to 2 tons per hectare if well worked and treated.

The government has proceeded to make a geographical division of cotton-farming aid. Romania has been assigned the province of Cabo Delgado, in the north, and the Russians, Nampula province, next to Malawi, while the CFDT [French Company for Textile Fiber Development] has been requested to work in Sofala and around Caia, on the south bank of the Zambezi river. The results achieved in Cabo Delgado in 1980 show average yields of 300 kg/ha. The Russians claim yields of 2.4 tons/hectare on experimental fields, but the actual average in their zone does not exceed 500 kilos; the plants suffered from fungus blight and their average density per hectare had to be lowered. The French should have good chances in this peaceful competition to the extent that they have, however, enough autonomy not only to provide their choice of tools, fertilizer, herbicides, and insecticides, but also to staff the farms effectively. The structures consist of government corporations where the salaried workers may eventually become part owners; as they are required by the government, the French technicians will have to get along with them.

France and Mozambique

Mozambique has sound reasons to turn to the West, and the question arises, obviously, whether the corollary is true. Zimbabwe, Zambia, Zaire, and Malawi are free-economy countries. Will the West's aid cause them to associate more closely with Maputo, especially in transportation? As it is, socialist Mozambique has already shown itself to be pragmatic, and in Africa, political insignificance almost always indicate mixed structures in which the government's omnipotence is tempered in direct proportion to development. In any case, Mozambique,

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like Tanzania and Madagascar, appears to be an indispensable partner to France's peacemaking policy in this corner of the Indian ocean.

Mozambique's transportation and electrical infrastructure projects hold great interest for the foreign trade of European countries and for France in particular because of the implied opportunity to supply services and materials. Of course, this interest depends on Maputo's financial credibility. This credibility is sometimes questionable: the 1979 budget deficit was 20 billion meticaïs, and the annual debt service is 1.5 billion meticaïs, which represents 35 percent of export receipts (5.3 billion meticaïs against 17.2 billion in exports, for a coverage rate of 1/3). (The "metical" (plural: "meticaïs") replaced the Mozambican escudo on 1 June 1980. Its value is Fr 0.135.) While the crisis is causing more red ink to flow, it must be admitted that the easing of expenditures and increase in railway and port usage fees, not to mention the outlook for industry and trade, does encourage some optimism. This optimism is expressed in the annual increase in the volume of foreign financial aid to Mozambique (\$330 million in 1978, \$45 million of which was from South Africa, and nearly twice as much in 1980).

This is the context in which French aid to Maputo should be evaluated. Mr Guiringaud outlined its beginnings in 1977. They were sealed on 18 March 1980 on the occasion of Mr Sergio Vieira's visit to Paris. He is a governor of the Bank of Mozambique and a member of the Council of Ministers. This aid was confirmed and extended during Mr Joaquim Chissano's recent visit to France; Mr Chissano is the Foreign Affairs minister. Some French companies did not wait for officialdom to open the way: the UTA [Air Transportation Union] started a weekly Paris-Maputo flight via Kinshasa this year; the Salins du Midi are giving technical aid to the big Nicala salt works; the BRGM (Bureau of Geological and Mineral Research) and the General Geophysics Company are prospecting for minerals and oil in Niassa, Cabo Delgado, and on the north coast; and, finally, the CFDT [French Company for the Development of Textile Fibers], which is also working in the field, is furnishing an advisor to the National Cotton Institute.

The agreement of 18 March signed with the French government sets financing terms at Fr 117 million for 15 shrimp boats with spare parts and crew training provided by a shipyards group from the West. A 10-year export credit of Fr 200 million has been set up to build a high-tension line between Cabora Bassa and Mocuba. The loans will be granted by a Franco-Italian consortium in which CGE-Alsthom will supply electric cables and materials up to the aforementioned credit limit, plus a 2-year, Fr 100-million line of credit for the purchase of light equipment and spare parts. A food aid grant of 2,000 tons of grain has also been decided upon, but delivery has been delayed by a serious accident that happened off of Djibouti to the cargo ship that was carrying it.

This first series of projects is being accompanied by two others that are being actively pursued: a Fr 50-million line of credit is being opened for the purchase of foodstuffs and reconstruction, and another one, for Fr 30 million, is being established for the Mavuzi electrical plant, which was destroyed by Rhodesian raids.

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Besides this package of Fr 500 million, the considerably more expensive projects mentioned earlier have been examined; they can be studied only in the context of international finance. That may explain the authorization given in June by the Treasury directorate to the Central Fund for Economic Cooperation to extend its activities to Mozambique. There it may make more modest grants in the industrial or agricultural sector and, in the absence of the World Bank or the EDF [European Development Fund], play a leading role in co-financing exports, which are likely to put a new face on trade relations between the two countries.

French-Mozambique Trade (in millions of francs)

General Trade Balance				
	1976	1977	1978	1979
Imports	60.9	43.1	45.0	52.7
Exports	74.0	107.1	146.9	137.3
Balance	+13.1	+64.0	+101.9	+84.6

Main Products Imported by France

	Quantities (in thousands of tons)		Value (in millions of francs)	
	1978	1979	1978	1979
	Total	48.3	27.9 (-42.2%)	45.0
shrimp	1.0	1.0	18.9	30.3
turnips and grapefruit	2.0	1.2	3.6	2.8
molasses	41.5	22.5	11.8	11.1
sisal fibers	1.2	2.3	3.1	5.6

Main Products Exported by France

Total	58.4	69.4 (+18.8%)	146.9	137.3 (-6.5%)
milk products		0.6		8.1
grain	39.0	51.2	42.2	46.3
flour products	6.0	2.3	5.9	2.7
prepared meats	0.8	0.6	8.5	5.7
oils and combustible minerals		11.6		8.9
pharmaceutical products			1.9	3.3
steel products	8.8	0.7	15.5	3.6
machines	0.6	0.2	24.1	12.1
electrical apparatus	0.1		6.2	3.4
vehicles and spare parts	1.4	1.0	30.4	27.4

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NIGER

BRIEFS

SOUTHEASTERN STOCKRAISING PROJECT--The Niger government is planning to increase productivity and stock production in the southeastern part of the country, which includes three departments: Maradi, Zinder, and Diffa. This cattle raising project is being prepared in cooperation with the World Bank, and work is scheduled for both the pastoral and agricultural zones. Dr Akilu, the project director, says that this action is intended to make the cattle raisers able to manage their own businesses in the framework of the future "development society" by establishing cattle-raisers' associations. The project will cost 3.3 billion francs CFA [African Financial Community], 2.5 billion of which will be in loans from the International Development Association, a branch of the World Bank. In the first 5-year phase, 7 cattle-raisers' associations and 5 grazing unit centers will be established. The project is not expected to yield results till after 10-20 years. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 3 Oct 80 p 2417] 8782

FOOD CROP AREA EXPANDED--According to initial official estimates, the areas devoted to growing milo and sorghum in Niger this year have increased 7 and 9 percent, respectively, over 1979, i.e. by 200,000 hectares for milo and 65,000 hectares for sorghum. Peanut-growing areas have increased 4 percent over last year. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 3 Oct 80 p 2417] 8782

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NIGERIA

BRIEFS

POLICE DEVELOPMENT PROJECT--In addition to the reorganization and development of the army, aimed at greater effectiveness (see MARCHES, 4 July, p 1687), analogous measures are planned for the police. This announcement was made in August at Calabar, in the state of Cross Rives, by Minister of Police Emmanuel C. Osammor at the conclusion of a police sports exhibition. Osammor is convinced of the need for Nigeria to have well-trained, well-led security forces in order to maintain order. The minister also revealed that the Federal Government has granted 37 million naira in credits for construction of housing, barracks and administrative offices. He added that a hospital exclusively for police personnel was being planned and might be built within the framework of the next development plan. Nigeria's police forces now have some 80,000 men. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2298] 11,464

CZECHOSLOVAK AID--The Czechoslovak-Nigerian joint committee on cooperation held its first meeting in Lagos this month. Following the meeting, an agreement protocol was signed on 11 September according to which Czechoslovakia has pledged to grant aid to Nigerian industries to enable them to reduce their dependence on other foreign countries. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2298] 11,464

EXCHANGE RESERVES INCREASE--The financial situation in Nigeria is steadily improving, as shown by the level of its exchange reserves which, according to the Central Bank, amounted to 4,270,000,000 naira by the end of May of this year compared with 3,953,300,000 at the end of April, 3,216,700,000 at the end of January and some 2.6 billion at the end of September 1979. This growth, which began with the application of the 1979-1980 budget on 1 April 1979, has been due to severe restrictions on imports decreed at that time and above all, to the very substantial increase in oil receipts stemming from the successive price hikes for crude (1 April, 16 May and 6 November 1979; 1 January -- retroactive to 17 December -- 2 February, 1 April and 22 May of this year, the latter retroactive to the same date as the preceding one. The total at the end of September of last year was already as high as that registered at the end of November 1977 (MARCHES, 30 November 1979, p 3336) and the figure for the end of May this year surpasses the record attained in April 1974 of 4,031,400,000 naira. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2299] 11,464

25

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HIGHER INFLATION--The rate of inflation, which last year showed a substantial drop compared with 1978, going from 16.6 percent to only 11.8 percent (MARCHES, 16 May, p 1156), seems to have resumed its upward movement, as demonstrated by the large increases registered in recent months in the food sector where, depending on the region, grain and flour prices in particular have gone up between 40 and 100 percent. The 1980 result therefore risks being much worse than the 1979 figure, without reaching the levels of the 1970's, when the rate was nearly 30 percent yearly. It is likely that the delay in the issuance of import licenses, which has made many articles scarce and caused prices to go up, has had its effect (MARCHES, 12 September, p 2248). The Federal Government has decided to improve the productivity of the economy, especially in agriculture, but it can scarcely hope for immediate results. Certain social movements can already be discerned, precisely because of the high cost of living and it is to be feared lest the discontent become more widespread, especially since the increase in the minimum wage to 100 naira per month recommended by authorities in April is far from being made applicable to the entire private sector. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2299] 11,464

POPULATION IN IBADAN--According to semi-official estimates, the city of Ibadan, capital of the state of Oyo, Nigeria, now has nearly 6 million inhabitants and would therefore be the largest black city in the world. It should be recalled that according to reliable sources, the 25 December issue of BUSINESS TIMES reported that the city of Lagos, the federal capital, had 4.1 million inhabitants. According to that same weekly newspaper, at its current rate of growth, the city could have some 13 million inhabitants by the year 2000 (and between 16 and 24 million if the establishment of the new capital in Abuja had not been decided upon [MARCHES, 4 January, p 28]). The total population of Nigeria is still placed at between 80 and 100 million inhabitants, with 47.7 million registered voters over 18 years of age. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2299] 11,464

OIL AGREEMENT WITH INDIA--Nigeria has promised India to support its request asking OPEC countries to extend it, as a developing country hard hit by the world oil crisis, preferential treatment for its oil imports. This announcement was made on 22 September in the Indian capital by Mrs Gandhi's special envoy upon his return from Africa. The envoy, Swaran Singh, former minister of foreign affairs, was returning from a visit to Nigeria when he said that President Shagari himself had assured him of his country's support. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2361] 11,464

KADUNA INTERNATIONAL FAIR--British exporters wishing to participate in the next international fair in Kaduna from 14 to 22 February of next year have been informed that the deadline for registration has been set for 30 September. The exhibition, which will be the third of its type, has begun to interest France much more and it is now expected that the French flag will be seen at the 1981 fair (MARCHES, 18 August, p 931). For all information,

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inquiries may be sent in English to the Kaduna Chamber of Commerce and Industry, Kaduna International Trade Fair Secretariat, 2 Junction Road, POB 728, Kaduna, Nigeria. [Text] [Paris MARCHES TROPICAUX ET MEDITERREENS in French 26 Sep 80 p 2361] 11,464

IBADAN TRADE FAIR--A trade fair will be held from 29 November to 8 December at the exposition center in the city of Ibadan, capital of the state of Oyo. The fair will emphasize small industries, agriculture, wood-working, building, automobile manufacturing, industrial equipment and materials, electronic equipment and pharmaceutical products. The deadline for registration is 30 October. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2361] 11,464

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SENEGAL

BRIEFS

EEC DELIVERING FOOD AID--The general delegation of the European Communities commission in Dakar says that the EEC has made a real effort to speed up deliveries under its food aid program to Senegal because of the winter-end food shortage in Senegal, which follows upon the bad harvests of 1979. On 8 September 1980, some 2,000 metric tons of seed corn was unloaded from the freighter "Padami"; on 15 September, some 5,000 tons of wheat was unloaded from the "Wakafuji." Some 160 tons of fortified milk are scheduled to be loaded at Rouen, and 1,700 tons of nonfortified powdered milk is also supposed to be loaded between 20 September and 10 October. In addition to this grant of corn, wheat, and milk, which are part of the 1980 program, the European Community is also giving Senegal an extra allocation of 2,070 tons of rice, which will be loaded at Savona, Italy on 10 October. These shipments are in addition to those from France (5,000 tons of corn), and the Netherlands (3,400 tons of wheat); this food aid, be it bilateral or multilateral, shows the attention being paid to the problem by the member countries of the Community and the delegation of the European Communities commission in Dakar. The distribution of 28,000 tons of milo to the general public from May to July was also made possible by emergency aid from the European Development Fund, which released 292 million CFA [African Financial Community credits] to defray the cost of shipping the milo. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 3 Oct 80 p 2414] 8782

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ZAIRE

BRIEFS

PETROLEUM PRODUCTION--Production of crude petroleum in the maritime zone of Zaire reached 1,749,155 barrels during the second quarter of 1980, or an average daily production of 19,221 barrels, compared with 20,899 barrels for the second quarter of 1979. For the first quarter the daily average amounted to 18,949 barrels, compared with 20,840 barrels for the first quarter of 1979, which corresponds to about 950,000 tons per year for 1980, compared with 1,050,000 tons for last year. The production of the Mwambe structure, which started up in a continuing fashion on 14 April 1980, is included in these figures. Since mid-June seepage of water into a well in the Mibale structure caused a drop in production of about 5000 barrels a day. The operator, Gulf Oil Co., is doing everything possible to remedy this situation. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 29 Aug 80 p 2146] 6108

REPORT ON MINES--In its last report, the Geological and Mineral Prospecting Office [BRGM] said that its Zairian branches, mainly SEREMI and Societe Miniere de Goma [Goma Mining Company] are carrying out a detailed study of various deposits, exploitation of which could be envisaged fairly rapidly as soon as an appropriate legal status can be defined with the Zairian authorities. It is mainly a question of the alluvial tin deposits of Kania and Katondo, in the northern part of Shaba, each containing about 5000 tons of cassiterite, and of the Dikulushi high-grade copper deposit near Lake Moero, where a huge drilling program was completed in 1979. Studies have also been pursued in northern Kivu, where exploitation of the small Kalimbi eluvial tin deposit was to have been started up at the end of 1979. With the agreement of the Zairian Government, the BRGM has increased to 34 percent its participation in the Tenke-Fungurume Mining Company, which holds large copper and cobalt deposits in western Sahaba. With its partners and in concert with the interested Zairian agencies it is planning in an appropriate framework to study the resumption of the exploitation project suspended in 1975. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 12 Sep 80 p 2252] 6108

BELGIAN ELECTRICITY CONTRACTS--Belgium will undertake studies of the electric power grid of Kinshasa and of the Matadi-Kinshasa rail electrification project, the AZAP agency announced on 3 September. The two agreements were signed on 2 September in Kinshasa by the secretary of state

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for international cooperation, Mr Lengema Dullia, in the name of Zaire, and by Mr. J.P. Van Bellinghen, the ambassador of Belgium. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2303] 6108

OIL PROSPECTING--The U.S. ESSO company, which has established a branch in Zaire, is going to prospect for oil in the Oshwe (Maindombe) zone, where the possible presence of deposits has been determined. The work should start in the fall and will probably last 18 months. A mission of the U.S. ESSO company arrived in July at Bandundu, coming from Kinshasa. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Sep 80 p 2303] 6108

INGA-SHABA ELECTRIC LINE--According to Mr Heisy, public relations service director of the CIS [Inga-Shaba Builders] consortium, the present state of work on the Inga-Shaba high tension line leads one to hope that this line will be put into service on schedule, during the first quarter of 1982. The work of converting the Inga station is 61 percent complete. Of the 8500 pylons necessary, 7,250 (85 percent) are already in place, and 1360 kilometers of cable (74 percent) already hung over the 1700 needed kilometers. The Kolwezi station work is 44 percent complete. It began in the four operating posts of Silo, Kiwit, Kananga, and Kamina while the clearing of central axis of the project is being cleared of brush. Last July the CIS was using 1892 workers, of whom 1625 were Zairians. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2365] 6108

SMALL POWERPLANTS--Zaire is studying the possibility of installing small hydroelectric or steam plants. The Department of Energy, which is responsible for this work, confirms that these small power plants are called upon to play an important role in the development of the country. They will replace the diesel groups of the SNEL [National Electric Company] mainly installed in the interior. Several foreign countries are interested in setting up these small power plants and would be ready to cooperate with Zaire to achieve this result. Among others, the Chinese People's Republic, the German Federal Republic, Italy, and France are mentioned. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2365] 6108

FRG-FINANCED ROADS--The Kreditanstalt fuer Wiederaufbau [Kfw, a West German agency] is now financing, for the roads office, the construction work of a bridge which will be installed in August 1981 over the Mbuji-Mayi River, 6 kilometers from the town of the same name, replacing the ferry. Costing 6.1 million deutschemark, this work will be 90 meters long and will have a total width of 9.4 meters [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2365] 6108

CONTINUED FRG SUPPORT--The German-Zairian mixed commission met in Bonn from 10 to 12 September. Following this 7th session, the West German ministry of foreign affairs said that the German Federal Government would continue to support Zaire, particularly in the field of transportation and agriculture. The Bonn government is already to help, in the future, in the reorganization of administration in Zaire. The total development aid of the FRG amounts to 65 million deutschemark (about 140 million French francs

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in 1980). The two countries came to agreement on the execution of concrete projects such as the coffee plantation, road construction, lumbering, and the establishment of a development bank. In the framework of technical cooperation, particularly affecting the transportation sector, the FRG granted 20 million deutschemark to Zaire this year. The mixed German-Zairian commission was created in 1979 in order to insure a regular exchange of points of view on problems of common interest, mainly in the field of economic cooperation. At this 7th session the West German minister of foreign affairs, Mr Hans Dietrich Genscher, and the state commissioner for foreign affairs and international cooperation of Zaire, Mr Inonga Lokonga L'ome directed the work. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 26 Sep 80 p 2365] 6108

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31

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