



UNITED NATIONS

GENERAL ASSEMBLY



Distr.
GENERAL

A/36/262
30 July 1981

ORIGINAL: ENGLISH

Thirty-sixth session
Item 72 (b) of the provisional agenda*

SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE

Assistance to Sao Tome and Principe

Report of the Secretary-General

1. In its resolution 35/93 of 5 December 1980 on assistance to Sao Tome and Principe, the General Assembly, inter alia, requested the Secretary-General to continue his efforts to mobilize the necessary resources for an effective programme of financial, technical and material assistance to Sao Tome and Principe, and to arrange for a review of the economic situation of the country and the progress made in organizing and implementing the special economic assistance programme in time for the matter to be considered by the Assembly at its thirty-sixth session.
2. The Secretary-General arranged for a review mission to visit Sao Tome and Principe to consult with the Government on the economic situation of that country and on the progress made in implementing the special economic assistance programme. The report of the review mission, which is annexed hereto, describes the economic and financial situation of the country, discusses the need for food assistance and summarizes the progress which has been made in implementing the projects included in the special economic assistance programme.
3. In paragraph 9 of resolution 35/93, the General Assembly invited a number of United Nations organizations and specialized agencies to bring to the attention of their governing bodies the special needs of Sao Tome and Principe and to report the decisions of those bodies to the Secretary-General by 15 August 1981. Furthermore, in paragraph 10, the appropriate specialized agencies and other organizations of the United Nations system were requested to report periodically to the Secretary-General on the steps they had taken and the resources they had made available to assist Sao Tome and Principe. The text of resolution 35/93 has been

* A/36/150.

communicated to the agencies and organizations concerned and their attention drawn to the specific requests addressed to them by the Assembly. The replies of the agencies and organizations will be reproduced in a report of the Secretary-General covering Sao Tome and Principe and a number of other countries for which the Assembly has requested the Secretary-General to organize special economic assistance programmes.

ANNEX

Report of the review mission to Sao Tome and Principe
(30 March-3 April 1981)

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
I. INTRODUCTION	1 - 3	2
II. THE ECONOMIC SITUATION	4 - 22	2
A. General	4 - 14	2
B. Government finances	15 - 17	5
C. Balance-of-payments	19 - 22	7
III. FOOD AID AND FOOD SECURITY	23 - 26	8
IV. PROGRESS IN IMPLEMENTING THE SPECIAL ECONOMIC ASSISTANCE PROGRAMMES	27 - 29	11

APPENDIX

Details of individual projects in the special economic assistance programme	18
--	----

I. INTRODUCTION

1. In accordance with General Assembly resolution 34/131, adopted on 14 December 1979, the Secretary-General dispatched a mission to Sao Tome and Principe to consult with the Government on its urgent needs and to identify the economic problems facing the country. The assessment and recommendations of the mission were contained in the report of the Secretary-General on assistance to Sao Tome and Principe (A/35/333). a/
2. The report of the Secretary-General was considered by the General Assembly during its thirty-fifth session. In its resolution 35/93, the Assembly, inter alia, requested the Secretary-General to arrange for a review of the economic situation of Sao Tome and Principe and of the progress made in organizing and implementing the special economic assistance programme for that country in time for the matter to be considered by the Assembly at its thirty-sixth session. In pursuance of that request, arrangements were made for a United Nations mission to visit Sao Tome and Principe from 30 March to 3 April 1981. The mission was led by the Joint Co-ordinator for Special Economic Assistance Programmes in the Office for Special Political Questions.
3. The mission was received by His Excellency Dr. Manuel Pinto Da Costa, President of Sao Tome and Principe. It also had two meetings with the Minister for Foreign Affairs and Co-operation. During its stay, the mission met with a committee of officials chaired by the Minister of State for Transport and Communications. The mission wishes to place on record its appreciation of the co-operation it received from the Government of Sao Tome and Principe. Every effort was made to provide the information needed by the mission. The mission also wishes to acknowledge the valuable support it received for the personnel of the United Nations Development Programme (UNDP).

II. THE ECONOMIC SITUATION

A. General

4. The economy of Sao Tome and Principe was described in some detail in the annex to the report of the Secretary-General on assistance to Sao Tome and Principe (A/33/120), hereafter referred to as the "principal report". That report was updated in 1979 by a further report of the Secretary-General (A/34/371) and again in 1980 (A/35/333).

a/ See also the report of the Secretary-General on special economic assistance programmes to 10 countries, including replies and information provided by specialized agencies and other organizations of the United Nations system (A/35/497).

5. As described in the principal report, Sao Tome and Principe at independence inherited an agrarian economy based on plantations owned by foreign investors. The export crops include cocoa and, to a much lesser extent, copra, palm-oil and coffee. Following the pattern of the pre-independence economy, these crops still occupy most of the cultivated land, leaving insufficient land devoted to the production of food for local consumption.

6. To correct this situation, the Government has, since 1979, been carrying out a food production campaign. Continued drought and various other difficulties have prevented the targets for the production of such food-stuffs as rice, corn, sweet potatoes and manioc from being attained, and the dependence on food imports has been increasing. Food imports are expected to reach 34 per cent of total imports in 1981 compared to 27.3 per cent in 1980.

7. The food situation has seriously deteriorated since the 1979 outbreak of African swine-pest, which necessitated killing all the pigs in order to control the disease and to prevent it from reaching nearby countries. This represented a major sacrifice for the people of Sao Tome and Principe, who depend heavily on pork. The situation is now reported under full control, and a pilot project directed towards re-establishing the pig population will be launched at the end of 1981.

8. The most serious blow to the country's attempt to develop, however, resulted from the sharply declining prices of cocoa on the international market. Cocoa exports represented 94 per cent of total exports in 1978, 90 per cent in 1979 and 93 per cent in 1980. As a result of the price decline, total earnings from exports fell from \$25.9 million in 1979 to \$16.6 million in 1980.

9. The country also found it difficult to make the large agro-industrial units productive. Lack of spare parts, poor management and the difficult transport and communications links with the outside world have kept cocoa production below the pre-independence level. Total exports of cocoa were 6,630 tonnes in 1978, 8,173 tonnes in 1979, and 7,335 tonnes in 1980. Copra, palm-oil and coffee exports reached a total value of \$2.5 million in 1979, but fell to \$1.1 million in 1981. Shortages of technical assistance and spare parts are major reasons for the difficulties.

10. Thus, Sao Tome and Principe faces the continuing effects of increased food shortages and of a declining capacity to cover its food shortage with imports. Production for export is unlikely to expand in the short run. Moreover, the rising prices of imports - particularly petroleum, which represents 10 per cent of total import value - will lead to an increasingly difficult situation over the next few years.

11. A major effort has been made by the Government to improve the links between the islands and with the rest of the world. Although communications between Sao Tome and the smaller Principe Island remain poor, a major step has been taken to reduce the country's isolation with the inauguration of an earth station for telecommunications, linking the country to the international system through Angola, Algeria and Portugal.

12. Another major project for reducing isolation is the new commercial port. The feasibility study is almost complete and is expected to indicate solutions for one of the major causes of isolation and economic difficulties of the country. The current situation has resulted in heavy ship-operating costs, storage difficulties and irregular supplies to the population.

13. In spite of the difficulties faced by the Government, the mission found significant improvements in its administrative and management capacity. The Government attaches the highest priority to the following measures, which it intends to carry out during 1981:

(a) Increasing exports, particularly of cocoa, coffee and copra, by adopting better cultivation techniques and more efficient treatment methods, and by obtaining additional technical assistance;

(b) Continuing the diversification of food crops in order to ensure regular supplies of corn, onions and beans;

(c) Carrying out a feasibility study on irrigation, particularly for some of the larger export plantations;

(d) Enlarging projects for raising poultry, goats, sheep and rabbits, and increasing dairy production at Agua Ize farm;

(e) Developing fishing capacity, by constructing the Neves fishing port, and a cold-storage network, with emphasis on artisanal fisheries through the creation of co-operatives for small fishermen;

(f) Enlarging the thermal electricity plant and the electric power distribution network in order to achieve more reliable power supplies and a wider distribution;

(g) Carrying out feasibility studies on a new brewery, a plant to produce edible oil and soap, and a factory for plastic articles;

(h) Examining the possibility of developing tourism;

(i) Continuing efforts to solve air, sea and land transport problems. Special attention will be given to co-operation with other countries in air and maritime transport and to technical training;

(j) Establishing a teacher training plan, a programme to raise the technical level of workers and a course to train financial administrators for state farms;

/...

(k) Constructing and equipping new schools;

(l) Developing preventive medicine, and reinforcing curative programmes.
(Attention will be given to sports and to national fitness.)

14. In spite of all the difficulties faced by the country, the gross domestic product appears to have been growing steadily and was estimated, in constant 1976 prices, at \$15.9 million in 1976, \$18.7 million in 1977, \$19.3 million in 1978 and \$22.3 million in 1979. Nevertheless, with the current weakness in cocoa prices, increased assistance from the international community will be necessary to ensure that basic consumer foods are supplied to the population, and to maintain the trend of development of the last few years.

B. Government finances

15. Full financial accounts are not published in Sao Tome and Principe. The following estimates were provided by the Government:

Table 1

Government finances

(Thousands of United States dollars) a/

	1975	1976	1977	1978	1979 <u>b/</u>
Current receipts	4 442	6 208	9 879	11 910	15 527
Current expenditure	4 073	4 282	4 941	7 803	10 268
Current surplus	369	1 926	4 938	4 107	5 259
Investment expenditure	2 338	2 575	5 332	5 298	8 986
Total expenditure	6 411	6 857	10 273	13 101	19 254
Budget deficit	-1 969	-649	-394	-1 191	-3 727
Non-budget transfers	1 113	870	2 177	10 969	-1 245
Over-all surplus/deficit	-856	222	1 783	9 777	-6 972

a/ Rate of exchange used throughout the report:

1976 to 1979 \$1 = 34.5 dobra
1980 \$1 = 35.0 dobra
1981 \$1 = 40.0 dobra

b/ Provisional estimates.

/...

16. Figures for 1980 are not available and those for 1979 are provisional. In spite of a significant current surplus, investment costs are rising, and the over-all budget deficit is growing. After 1979, with the decline in cocoa prices, the Government's financial position deteriorated sharply, but detailed estimates have not yet been produced.

17. The gross domestic product in real terms has grown by approximately 8 per cent a year (see table 2):

Table 2

Real gross domestic product

(Thousands of 1976 United States dollars)

<u>Gross domestic product</u>	
1975	16 408
1976	15 876
1977	18 662
1978	19 335
1979	22 345

18. The structure of the 1979 gross domestic product (in 1976 dollars) is shown in table 3. The small contribution of construction in a developing country should be noted.

Table 3

Structure of gross domestic product

Gross domestic product - 1979		
	Thousands of 1976 United States dollars	Percentage
Agriculture, forestry, fishing	10 622	47.5
Banking, insurance	1 479	6.7
Commerce	2 701	12.1
Construction	670	3.0
Public services and administration	4 262	19.0
Manufacture	1 518	6.8
Transport and communications	606	2.7
Other services	487	2.2
	<u>22 345</u>	<u>100.0</u>

C. Balance of payments

19. The most important factor in determining the balance-of-payments position has been the sharp fall in cocoa prices. Cocoa provides more than 90 per cent of the value of exports from Sao Tome and Principe, and the country will continue to face a very difficult situation until cocoa prices improve.

Table 4

Exports

	1978		1979		1980	
	Tonnes	Thousands of US dollars	Tonnes	Thousands of US dollars	Tonnes	Thousands of US dollars
Cocoa	6 630	21 675	8 173	23 310	7 335	15 295
Others	-	<u>1 370</u>	-	<u>2 577</u>	-	<u>1 109</u>
Total		<u>23 045</u>		<u>25 867</u>		<u>16 404</u>

20. Thus, in 1980, exports from Sao Tome and Principe fell to \$16.4 million, well below the 1978 and 1979 figures, largely as a result of lower prices.

21. The country has so far been unable to diversify its exports. Copra exports barely reached \$1 million in 1980, while exports of palm kernels and coffee were negligible. Since the major effort of the Government is to diversify food crops to ensure a better diet for the population and to make the country more self-sufficient in food, Sao Tome and Principe will continue to depend on a single crop for foreign exchange earnings for some years.

22. It will be extremely difficult for the country to reduce the value of imports. Although detailed information on imports is not available, the Government estimates that, in 1980, food imports represented 27.3 per cent of total imports, while petroleum and non-food basic consumer goods represented respectively 8.2 per cent and 18.1 per cent. The foreign exchange allocations for 1981 are 36 per cent for food imports, 9 per cent for petroleum and 17 per cent for other basic consumer goods, leaving a very small margin for intermediate and capital goods imports. Any reduction in the value of exports will have a negative impact on development unless there is increased assistance from the international community

III. FOOD AID AND FOOD SECURITY

23. As most of the cultivated land and most of the agricultural activity is devoted to the production of export crops, mainly cocoa, Sao Tome and Principe is heavily dependent on imported foods. Furthermore, because of its distance from the mainland and the inadequate and irregular shipping services to Sao Tome and Principe and between the islands, assuring regular food supplies poses a serious problem.

24. In spite of the Government's efforts, there are still great difficulties in producing import figures. Thus, the information on food aid received in 1980 was not available, nor was information on food aid pledged for 1981. Nevertheless, it is clear that the country, which has a structural food deficit, will face a particularly difficult period as a result of the fall in import capacity and the destruction of the pig population.

25. The following table shows the quantities of major foods which will need to be imported in 1981:

Table 5

Imported food requirements: 1981

	<u>Tonnes</u>	<u>Litres</u>
Rice	3 000	
Sugar	1 500	
Beans	700	
Beef	100	
Milk (powder and canned)	250	
Wheat flour	3 350	
Maize flour	200	
Salt	1 000	
Olive oil		13 000
Edible oil		550 000

26. Delivery of international food aid has often been delayed. For example, some aid pledged for 1980 has not yet arrived while much of the food arrivals in 1980 correspond to 1979 pledges. The major donors are the European Economic Community (EEC) and the World Food Programme (WFP). No firm pledges have been reported so far for 1981.

IV. PROGRESS IN IMPLEMENTING THE SPECIAL ECONOMIC ASSISTANCE PROGRAMME

27. Sao Tome and Principe receives international assistance under a number of bilateral and multilateral programmes. The major sources of assistance and the sectors and fields in which assistance is being provided was given in document A/35/333, annex, appendix I.

28. Fewer than half of the projects included in the special economic assistance programme for Sao Tome and Principe have attracted international support during the past three years. Of the 52 projects reviewed by the mission, 10 projects have been fully financed and partial funding has been secured for 6 others. The Government has withdrawn 14 projects and 7 new projects have been identified.

29. Table 6 provides a list of projects identified in previous reports that either have been completely funded or have been withdrawn by the Government and provides information where the source of funds differs from that given in table 4 of the annex to document A/35/333 or where new funding has been provided. Table 7 lists those projects for which partial funding has been arranged or provided. Table 8 lists projects which have attracted no international funding and new projects for which the Government is seeking international assistance. Details of the seven new projects identified by the Government, together with information about previously reported projects that have been modified, are given in the appendix. It should be noted that in many cases cost estimates are not available as further studies and documentation are required.

Table 6
Summary statement of projects which have
been withdrawn or funded

Project	Remarks
A-1 Pilot banana plantations	Funding covered by the Government of Sao Tome and Principe
A-4 Forest inventory	Withdrawn
A-6 Motorization of fishing canoes and improvement of fishing methods	Funded
I-1 (b) Mineral water and table-water plant	Withdrawn
I-1 (d) Fruit-juice plant	Withdrawn
I-1 (e) Coffee roasting and packing plant	Withdrawn
I-2 Industrial zone	Withdrawn
I-4 Brick, tile and ceramics plant	Funded
I-5 Improvement of sawmills and use of wood	Withdrawn
M-1 Topographical information	Funded
M-2 Geological information	Funded

/...

Table 6 (continued)

Project	Remarks
M-3 Mineral exploration	Funded
M-4 Search for petroleum	Withdrawn
T-5 Development of the National Meteorological Service	Funded
T-9 150-ton self-propelled barge	Funding covered by EEC
T-12 Technical co-operation for maritime transport development	Withdrawn
T-14 Construction equipment for Public Works Department	Funded
H-1 Buildings and equipment for health centres and health posts	Withdrawn
H-6 Medical books and journals	Withdrawn
S-2 Old people's home	Withdrawn
L-1 Comprehensive housing study	Withdrawn
L-2 Urban development planning	Withdrawn
L-3 Development of urban water supplies	Withdrawn
L-4 Housing for technical co-operation staff	Funded

Table 7Summary statement of projects which have been
partially funded

Project	Remarks
M-5 Hydroelectric power	Technical studies are complete and can be made available by the Government. Financing for construction is required.
T-1 Sao Tome airport, runway extension	Bid documents have not yet been completed. Financing for construction is required.
E-4 Sports equipment	Donations of sports equipment are still required.
S-1 Crèches and kindergartens	Additional financial assistance is still required.
H-4 Ambulances	Additional financial assistance is still required for 4 radio-equipped (4-wheel drive) ambulances, together with minimum spare parts. Seven new radios for existing ambulances are also needed. The total estimated cost for the above amounts to \$125,000.
H-5 Vehicles and other supplies for the malaria eradication campaign	The second cycle <u>a/</u> of the campaign is under way. Assistance is required to finance four additional cycles of DDT beginning July 1982. The additional cost amounts to \$600,000.

a/ A campaign cycle covers six months.

Table 6

Summary statement of projects for which no funding
has been provided

Project	Remarks <u>a/</u>
<u>Projects listed in previous reports</u>	
A-3 Agricultural census	The Government has asked for Cuban technical assistance for this project. Financing has not yet been confirmed.
A-5 Fisheries development	Funding is still required for the 250-ton fishing boat (dragger) the cost of which is still to be determined. Technical assistance for a 14-month period is also still needed at a cost of approximately \$150,000.
I-1 Fabrication of cocoa-powder and cocoa-butter, modernization of salt production	
I-1 (c) Vegetable-oil plant, including refinery and production of margarine and soap	UNIDO study completed. Financing of construction and equipment is still needed.
I-1 (f) Animal feed plant	The financing of a study and eventual construction of this facility is still required.
I-3 National maintenance and repair network	Funds are still needed for construction, equipment and spare parts in the amount of \$2 million. The technical assistance portion of this project is now costed at \$530,000.
I-6 Fish canning and fish-meal production	
E-1 Primary school facilities	The first-phase funding of 100 classrooms, related facilities and equipment has not been secured. The estimated cost amounts to \$700,000.
E-2 Preparatory and secondary school facilities	

/...

Table 8 (continued)

Project	Remarks <u>a/</u>
E-3 Preparatory and secondary teachers and administrators	
E-5 Technical training institute	
<u>Projects listed in previous reports</u>	
T-2 Principe Airport, runway improvement	
T-3 Provision of aircraft	
T-4 Other civil aviation development	
T-6 300-ton inter-island and costal vessel	
T-10 New port at Santo Antonio, Principe	
T-11 Fork-lift trucks for ports	
T-13 Extension of east-west road	
H-2 Study of the Central Hospital Project	Design funds for this project have not been secured.
H-3 Vehicles and equipment for the sanitation development	The \$230,000 requested for this project has not yet been secured.
<u>Modified projects</u> (see appendix for details)	
A-2 Livestock development	
I-1 (a) Extension of existing brewery	

Table 8 (continued)

Project	Remarks <u>a/</u>
<u>New projects</u> (see appendix for details)	
E-6	Construction of a national library
E-7	Construction of a teacher-training school
E-8	Construction of a central warehouse
H-7	New health infrastructure construction programme
T-14	Construction of a new commercial port at Sao Tome
T-15	Fire/crash facilities at the Sao Tome airport
K-1	Visual aids equipment

a/ . The absence of remarks indicates no change from the previous report.

APPENDIX

Details of individual projects in the special
economic assistance programme

CONTENTS

	<u>Paragraphs</u>
A. Modified projects	1 - 2
B. New initiatives in the education sector	3 - 7
C. New initiatives in the health sector	8 - 12
D. New initiatives in the transport sector	13 - 15
E. Information sector	16 - 17

A. Modified projects

A-2 Livestock development

1. In the 1979 mission report (A/34/371), extensive comments were provided on an outbreak of African swine-pests. More than 13,000 pigs have been destroyed during an eradication campaign. After conducting laboratory tests in November and December 1980, of organs, flesh and blood samples taken from domesticated and wild pigs on Sao Tome and Principe, a technical mission from Portugal reported that the swine-pest had been eradicated. A pilot programme is proposed for the re-introduction of pigs to the island. The Food and Agriculture Organization of the United Nations is participating in this experiment, which is expected to lead to a large-scale meat-processing programme that will eventually require external financial and technical assistance.

I-1(a) Extension of existing brewery

2. Preliminary studies of the existing privately-owned brewery in Neves on the island of Sao Tome have shown the plant to be totally inadequate. In particular, the equipment is old and not dependable; thus reasonable production levels cannot be maintained due to outages and excessive maintenance requirements. The benefits to the island from a full-scale commercial enterprise have been noted by the Government authorities, who have given this project a high priority. A new plant with modern equipment will require commercial financing of approximately \$9 million to \$10 million, including the preparation of final documents.

B. New initiatives in the education sector

3. The Government of Sao Tome and Principe is currently preoccupied with the goal of providing universal education through the development and improvement of the national system of education. This is to be accomplished through the already established Integrated Education Reform Plan, whose fundamental objectives are to raise the level of training for workers together with providing education for promising scientific and managerial students.

4. The priority tasks of the new system are to eliminate the current widespread illiteracy and to provide the needed infrastructure and human resources for the development of the projected levels of education. To meet these objectives, the Government faces enormous problems, notably the shortage of classrooms which necessitates the use of three shifts in primary schools (see table 1). Another serious obstacle confronting the Government is the lack of ancillary facilities for the training of technical cadres, economists, teachers, etc.

Table 1
1980/81 school year

	Primary	Secondary	Lycée
Registered students	18 754	2 354	1 450
Classrooms	233	41	29

E-6 Construction of a national library

5. There are no existing library facilities within the country. This project would provide for the construction of and an initial supply of books for a national library. A preliminary estimate of costs is \$750,000. A technical study will be required to provide a firmer estimate.

E-7 Construction of a teacher training school

6. There is an urgent need to provide for the training of teachers to meet the goals of the new educational reform programme. Accordingly, the Government proposes the construction and equipping of a teacher training school. A technical study is required to establish the financial implications of this project.

E-8 Construction of a central warehouse

7. Warehouse facilities to protect and store food products for school lunch programmes do not exist. Tropical climatic conditions, together with rodent problems, necessitate secure storage for approximately 400 tonnes of food supplies. There is also a need to store books and school supplies in a central location. To meet these needs, the Government proposes a feasibility study of a single central warehouse to store food and school supplies. A small cold-storage unit in the food area will be needed.

C. New initiatives in the health sector

8. Provisional data for 1980 indicate an infant mortality rate of up to 97 per 1,000. Malaria, influenza, gastro-intestinal disorders, hepatitis, tuberculosis, poliomyelitis and other tropical sicknesses are made more serious by malnutrition and generally unsanitary living conditions. The World Health Organization (WHO) is providing assistance in the Malaria Eradication Campaign (see project H-5). The United Nations Children's Fund (UNICEF) is participating in programmes for vaccinations (measles, poliomyelitis and smallpox), the construction of latrines and hygiene studies in the public schools. The vulnerable groups require special attention. The number of existing health units include 2 central hospitals, 16 rural hospitals and 11 dispensaries.

/...

9. The following table lists the number of doctors in the country by speciality. Sao Tome and Principe suffers from an acute shortage of nationals trained in the medical field and almost all doctors are expatriates. Some 22 nationals are overseas studying medicine and at least 49 are abroad in other study programmes related to the medical field.

<u>Speciality</u>	<u>Doctors in country in 1980 a/</u>
Internal medicine	1
General practice	11
Paediatrics	4
Dermatology	1
Neurology	1
Lung diseases	1
Radiology	-
General surgery	3
Urology	2
Paediatric surgery	1
Orthopedics	2
Gynaecology	3
Psychiatry	2
Anaesthesiology	1

a/ There are at present approximately two trained nurses to one doctor.

H-7 New health infrastructure construction programme

10. The Government plans to provide eventually, in each of seven areas, a health delivery system consisting of the following:

- 1 health centre;
- 1 urban centre;
- 1 rural centre;
- 1 dispensary;

Small units for community medicine.

11. Programmes for five of these areas have been partially implemented but lack equipment and trained personnel. Sweden and EEC have provided some assistance in which emphasis is given to preventive medicine.

12. The outstanding elements of the health infrastructure programme that still require funding for design studies, construction and equipment are as follows:

	<u>Estimated cost in US dollars</u>
1 polyclinic	29 000
1 district health centre	100 000
5 rural health centres	290 000
10 dispensaries	230 000
3 urban health centres	69 000

The Government also wishes to establish a nursing school combined with a documentation centre. However, no cost estimates are available.

D. New initiatives in the transport sector

13. Communications and, particularly, sea transport have long provided serious constraints to the rational growth of this island economy. The completion of the satellite ground station, with assistance from Algeria, will do much to overcome some of Sao Tome's long-standing isolation. Frequent and regular shipping has been inhibited by inadequate port facilities, including severe draft limitations and a lack of docking gear and cranes, which has resulted in holding higher levels of stocks of essential imports and exports and contributed to periodic shortages. The Government accordingly gives high priority to improving commercial port facilities.

T-14 Construction of a new commercial port at Sao Tome

14. Norway and Portugal are expected to fund the feasibility studies relating to this facility; the results should be available in late 1981.

T-15 Fire/crash facilities at the Sao Tome airport

15. New fire/crash equipment is required to replace the existing inadequate fire truck. The new vehicle should meet current international safety standards consistent with the type and frequency of aircraft using the airstrip. The Government's provisional estimated cost for this equipment is \$400,000.

E. Information sector

K-1 Visual aids equipment

16. The Ministry of Information requires the following equipment to upgrade its visual aids capabilities:

- 1 vehicle equipped with exterior loudspeakers;
- 1 220-volt/50-cycle cassette recorder;
- 2 vehicles equipped with movie projectors (16 mm) and a portable screen;
- 1 35 mm movie projector for theatre use;
- 2 16 mm movie cameras equipped with sound recorders, type "Nagra" (with synchro-heads to be used while filming);
- 1 film developer tank (large capacity);
- 1 small-scale news-printing device.

17. Technical assistance is required to assess the needs, to provide cost data, and to train personnel in the use of new equipment.
