



General Assembly

Distr.
GENERAL

A/36/739
5 December 1981

ORIGINAL: ENGLISH

Thirty-sixth session
Agenda item 72 (b)

SPECIAL ECONOMIC ASSISTANCE PROGRAMMES

Assistance to Chad

Report of the Secretary-General

In accordance with the request made by the General Assembly in its resolution 35/92 A of 5 December 1980, the Secretary-General dispatched a mission to Chad to review the needs for reconstruction, rehabilitation and development and to organize an international programme of financial, technical and material assistance to Chad to enable it to meet its short-term and long-term needs. ^{1/} The mission visited Chad from 26 October to 9 November 1981. Its report, which is annexed hereto, summarizes the economic and financial position of the country and describes the main requirements for foreign assistance.

^{1/} The report of the mission on emergency humanitarian assistance sent in accordance with General Assembly resolution 35/92 B was issued as document A/36/261.

Annex

REPORT OF THE MISSION TO CHAD

(26 October - 9 November 1981)

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I. INTRODUCTION

1. On 5 December 1980 the General Assembly adopted two resolutions on assistance to Chad. Resolution 35/92 A referred to financial, technical and material assistance for short-term and long-term needs with respect to reconstruction, rehabilitation and development, while resolution 35/92 B referred to emergency humanitarian assistance.
2. The mission on emergency humanitarian assistance sent in accordance with resolution 35/92 B, visited Chad from 5 to 10 March 1981. Its report was circulated as document A/36/261, dated 26 May 1981.
3. The present report is that of the mission appointed in accordance with resolution 35/92 A, which had the task of reviewing with the Government the financial, technical and material assistance needed for short-term and long-term needs with respect to reconstruction, rehabilitation and development. The mission included representatives of the Office for Special Political Questions, Department of Technical Co-operation for Development, the United Nations Centre for Human Settlements (HABITAT), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO), the United Nations Development Programme (UNDP), the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Health Organization (WHO), and the World Bank. Two observers for the Organization of African Unity participated in the work of the mission. The Secretary-General designated Mr. Iqbal Akhund to lead the mission.
4. The mission visited Chad from 26 October to 6 November 1981. The leader of the mission was received by President Goukouni Oueddei and called on the Foreign Minister. Soon after the mission arrived, the Minister of Planning and Reconstruction gave the mission a full briefing on the prevailing situation and on the Government's plans and priorities. The mission was also given a copy of a memorandum submitted by the Government to the OAU setting forth in details its requirements for emergency aid and for the reconstruction of the country. The mission met also with an interministerial committee, established for the purpose of discussing the reconstruction and development problems with the mission, and consisting of the Ministers of Planning and Reconstruction, the Interior, Public Health, Economy and Finance, National Education, Information and Telecommunication, Transport and Public Works, and Rural Development. The Committee was headed by the Vice-President, who followed the work of the mission closely and made available an aircraft for the purpose of visiting various parts of the country. Individual members of the mission held intensive discussions with ministers and senior officials of the various ministries and departments.
5. Members of the mission visited all parts of the capital city and surroundings as well as the Sahel town of Moussoro, Moundou and Sarh in the South. Circumstances did not allow the mission to visit the north-eastern part of the country but a meeting in N'Djamena with the Préfet of Batha province enabled the mission to obtain full information about the situation there and, in particular, in the provincial towns of Ati and Abeche.

6. The mission wishes to express its appreciation for the assistance and co-operation received from the Government of Chad in facilitating meetings and providing essential information. The mission also acknowledges gratefully the support provided by the Acting Resident Representative of UNDP in Chad as well as the Resident Representative of UNDP in the United Republic of Cameroon.

II. BACKGROUND

A. Political events

7. The report of the Secretary-General on the first mission (A/36/261) dated 26 May 1981, referred to the situation in Chad since the country's accession to independence in 1960. In November 1979, through the good offices of OAU, a transitional Government of National Unity (GUNT) was formed. The Government has been endeavouring to consolidate its authority and restore peace in the country. A pan-African force was expected to arrive in Chad at the request of the Government, to assist it in maintaining peace. The force will replace Libyan troops in Chad whose withdrawal, at the request of the Government of Chad, had already begun during the mission's stay.

8. The Government informed the mission that it was its policy to defend and strengthen the country's independence, sovereignty and integrity and to maintain friendly relations with all countries, particularly with neighbouring countries.

B. Refugee situation

9. A presidential decree was signed recently granting general and complete amnesty to people of Chad who had fled the country because of the political strife. The Decree is effective until 31 December 1981 and it is expected that a further extension of two months will be considered in order to allow time for the return of all Chadians who are now refugees in neighbouring countries.

10. In June 1981, it was estimated that there were 230,000 Chad refugees in the United Republic of Cameroon, Nigeria and the Central African Republic. A number of people had also left the capital city of N'Djamena and returned to their regions of origin especially to the south. The mission also noted that about 250 refugee families from Kousseri in the United Republic of Cameroon cross the Chari river every day. It is estimated that, since the general amnesty was declared, 50,000 people have already returned to Chad, under the supervision of the Office of the United Nations High Commissioner for Refugees. On arrival at designated points of entry, the refugees are provided with food rations, tools, building materials and transportation to N'Djamena and to their regions to rebuild their houses and to start life again. In addition, it is estimated that 84,000 refugees have returned on their own.

C. Economy and finance

1. The general economic situation

11. Chad is the largest land-locked country in Africa with an area of 1,284,000 square kilometres and a population of about 4.6 million. Most of the country consists of Sahel grassland and desert while the remainder is mainly flat savannah though parts of the south have a subtropical environment. The main economic activities are agriculture and the raising of livestock, which provide nearly all exports and about two-thirds of the gross domestic product, while the manufacturing sector contributes about 8 per cent. The economy is based mainly on subsistence agriculture, with cotton the main cash crop. The 1970-1974 drought seriously affected the economy. From 1967 to 1975, the growth rate of GDP was between 0.5 per cent and 1 per cent yearly. As population growth was 2.1 per cent, per capita GDP declined between 1.6 per cent and 1.1 per cent annually. However, indications are that output recovered, particularly in agriculture in 1978, after a better rain pattern but that in 1979, economic activity began to be seriously affected by the armed conflict that exploded in February and continued with varying intensity until 1981. Per capita GNP was estimated at \$US 110 in 1979. National accounting was interrupted in 1977 and the statistical system suffered a breakdown in 1979, which prevented economic estimates. Large-scale displacement of people, the destruction of physical structures, an almost total lack of maintenance of basic infrastructure, the diversion of resources towards military spending, the interruption of education and health services and the dislocation of government machinery, all associated with the war, have sharply reduced production and adversely affected economic and social conditions.

2. Balance of payments

12. The external sector of Chad depends critically on the size of the cotton crop and its international price. On the other hand, high transportation costs, arising from the country's land-locked situation, weigh heavily on the cost, insurance and freight value of imports. The dependence on a single crop, combined with externally induced inflation and the high cost of services, have caused a heavy dependence on inflows of external aid to cover current account deficits.

13. As the armed conflict escalated in February 1979 and economic activity contracted, imports decreased from CFAF 38.5 billion to CFAF 27.0 billion. The conflict also resulted in a decline in exports but at a more moderate rate since export production is located mainly in the southern part of the country, which is less affected by the war. Exports fell from CFAF 17.8 billion to CFAF 15.09 billion. These two factors have sharply reduced the current account deficit to about 50 per cent of that of the previous year.

Current account

14. In 1980, the reduction in the current account deficit continued, owing to diminished imports of goods and services, as a result of the internal conflict.

Exports were also affected, especially the export of cotton, which accounts for more than 80 per cent of the total external sales. The distribution of seeds was hampered by a shortage of vehicles and petroleum during the conflict. Insufficient seeds and other inputs for cotton cultivation, combined with emerging shortages of domestic food supplies, provided incentives for farmers to plant food crops in areas traditionally reserved for cotton. Other export products, such as livestock, meat, hides, skins and gum arabic, essentially supplied by nomadic tribes, were also adversely affected by the war. Cattle herds suffered from the 1970-1974 drought and from over-exploitation and the strife. No recovery in earnings from this export is expected in the near future because it will take time to rebuild the herd.

15. The 1980 deficit in the current account, estimated at about CFAF 17.9 billion, a/ was covered mainly by government transfers. Other capital movements have been negative in recent years.

Capital flows

16. Important capital outflows induced by the war have been registered in the current year and in the two previous years. Because Chad shares a common currency with the United Republic of Cameroon, Gabon, Congo and the Central African Republic (the CFA franc), issued by a common central bank (Banque Centrale des Etats de l'Afrique Centrale) with full convertibility to French francs, capital can very easily be transferred to the neighbouring countries and to the rest of the world.

1981 estimates

17. The disruption of the economy and the breakdown of the statistical system prevent, at this stage, the projection of the balance of payments for 1981. However, there are indications that the volume of both exports and imports may have fallen. A scarcity of consumption goods has been evident in the capital city of N'Djamena, where prices are speedily going up, severely eroding the real income of the population, whose sources of revenue have already been affected by the conflict.

18. As the reconstruction process begins, it is reasonable to expect a substantial expansion in imports of goods and services, particularly in 1982. The Government of Chad submitted to the OAU meeting held at Nairobi in August 1981 and to the United Nations Conference on the Least Developed Countries held in Paris in September 1981 a memorandum on urgent assistance for Chad requesting assistance for a total of CFAF 61.5 billion. b/ Most of that amount is required to rebuild government structures to minimum levels.

a/ Equivalent to \$US 61.46 million at the August 1981 exchange rate. The exchange rate used in this part of the report is \$US 1 = CFAF 291.

b/ Equivalent to \$US 211.2 million at August 1981 exchange rate IMF (291.25).

19. There is no doubt that large amounts of external inflows were needed to restore both the public and private sectors to minimum operational levels. On the other hand, account has to be taken of the external disequilibrium already present before the beginning of the war, and of the absorption capacity of the country. An indication of both factors may be obtained by the level of imports recorded in 1978, before the outbreak of the armed conflict, in which the f.o.b. value of imports was CFAF 38.50 billion (equivalent to \$US 132.19 million), with a current account deficit of CFAF 43.09 billion (equivalent to \$US 147.95 million). The Government's request represents 120 per cent of 1978 f.o.b. imports and 107 per cent of the 1978 current account deficit in current value terms with a 10 per cent rate of inflation.

Reserves

20. Gross international monetary reserves at the end of May 1981, consisting of special drawing rights, reserve position at the International Monetary Fund and foreign exchange holdings, amounted to CFAF 1.3 billion (equivalent to \$US 4.7 million), and representing about three weeks of imports. It is evident that with restricted access to external credit sources, such a low level of international liquidity is a handicap to any effort directed towards restoring normal levels of economic activity.

Balance of payments 1978-1980
 (Billions of CFA francs)

	<u>1978</u>	<u>1979</u>	<u>1980 a/</u>
		(Deficit)	
Goods and services			
Exports	17.80	15.09	11.00
Imports	(-38.50)	(-21.00)	(-18.40)
Freight and Insurance of goods	(-11.40)	(-8.30)	(-7.50)
Other services	(-11.30)	(-8.49)	(-3.00)
	(-43.40)	(-22.70)	(-17.90)
Private transfers	0.31	(-0.99)	-
<u>Current account balance</u>	(-43.09)	(-23.69)	(-17.90)
Government transfers	27.52	26.00	21.50
Long-term capital			
Private	7.71	3.00	-
Official	0.51	(- 3.60)	(- 2.43)
SDR allocation	-	0.44	0.43
	7.20	(- 0.16)	(- 2.00)
Short-term capital, errors, omissions	-	(- 9.45)	(- 7.80)
Balance (deficit)	(- 8.37)	(- 7.30)	(- 6.20)

Source: Chadian authorities.

a/ Estimate.

3. External public debt

21. After 1970, the Treasury began facing difficulties in meeting a growing external public debt service. Such difficulties were associated with the impact of the drought and protracted civil disturbances on exports and on the capital account behaviour. It should be noted that, in an effort to re-activate the economy, bank credit to the private sector increased to high levels after 1975 and the liquidity thus created worsened the external disequilibrium, making it more difficult to honour external principal and interests obligations. By the end of 1975 substantial arrears had been accumulated, half of which was unpaid interest due mainly on suppliers credits.

22. In 1976 the Caisse Autonome d'Amortissement (CAA) was established to service public debt and to help liquidate arrears. Taxes on beer and cigarettes together with other revenues were earmarked as CAA resources. These proved inadequate and arrears accumulated further.

23. According to the World Bank report on external public debt of developing countries as of 31 December 1979, the outstanding public debt of Chad had reached a level of \$US 171.7 million with a yearly service obligation of \$US 18.4 million. This represents about 25 percent of exports revenue at the prevailing exchange rate of year-end 1973. It is evident that such a heavy burden of external debt would impede any effort to return to normal levels of economic activity. The situation has worsened during the past two years because of accumulated arrears and diminished exports. Estimates made by CAA at the end of October 1981 place external public debt and government guaranteed external debt at the equivalent of \$US 203.4 million, excluding debts of public entities whose records and files have been lost or destroyed during the conflict.

24. As shown in the following table, about 83 per cent of external public debt has been contracted with governments and international organizations.

External public debt as of 31 December 1979

(Millions of US dollars)

	<u>1977</u>	<u>1978</u>	<u>1979</u>
Outstanding (disbursed)	116.5	156.4	171.7
Net borrowing	27.4	30.6	12.1
Total debt service	13.2	15.4	18.4

Structure of external public debt by lender

(Millions of US dollars)

Governments		53.7
International organizations		88.7
Private lenders: suppliers	23.2	
	financial	<u>6.1</u>
		<u>29.3</u>
Outstanding (disbursed), total		<u>171.7</u>

4. Public finance

25. The public sector in Chad comprises the central administration, several autonomous agencies, various regional and local authorities, and a number of non-financial public and semi-public enterprises.

26. Central government transactions are normally affected through the budget and a number of special treasury accounts. However, the growing defense expenditures, the deterioration of the financial and recording systems and weakened control by the central Government have seriously affected public finances. The last year for which the Government prepared a budget was 1978. Since then, both revenues and expenditures have been effected without a budget and it was only for the period July-December 1981 that a mini-budget was approved.

27. The financial situation, which was precarious during the early 1970s, remained exceedingly difficult during the four-year period 1974-1978 because of rising expenditures for internal security, reduced tax revenues, the effects of protracted drought, and import price inflation. The overall treasury deficit rose to CFAF 2.25 billion in 1978 from CFAF 1.9 billion in 1975. As a percentage of budgetary revenue, the deficit went from 12.2 per cent in 1975 to 18.5 per cent in 1978. However, the actual increase was higher both because 1978 figures do not include the October-December quarter and because public debt service was shifted to the CAA.

Government budgetary revenues and expenditures for 1975-1977,
 January-September 1978 and July-December 1981

(Billions of CFA francs)

	1975	1976	1977	1978 a/	1981 b/
<u>Revenues</u>					
Income and profit tax	3.22	2.80	2.91	3.00	0.60
Payroll tax	0.30	0.34	0.30	0.30	0.08
Tax on property	0.86	0.65	0.78	0.44	0.01
Tax on goods and services	2.21	2.84	1.41	1.30	0.70
Customs receipts	6.70	5.52	7.32	5.00	2.04
Poll taxes	0.90	0.92	0.88	-	-
Other	<u>1.06</u>	<u>1.90</u>	<u>1.30</u>	<u>2.11</u>	<u>0.19</u>
Total revenues	<u>15.25</u>	<u>14.97</u>	<u>14.90</u>	<u>12.15</u>	<u>3.62</u>
<u>Expenditures</u>					
Wages and salaries	9.66	11.34	11.86	9.00	8.05
Maintenance and supplies	4.45	4.43	3.85	3.00	11.81
Transfers and subsidies	1.88	1.79	1.70	1.30	0.82
Public debt service	0.58	0.06	-	-	-
Other	<u>0.20</u>	<u>1.72</u>	<u>0.81</u>	<u>1.10</u>	<u>-</u>
Sub-total current expenditure	16.77	19.34	18.22	14.40	20.68
Capital expenditure	<u>0.34</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>17.11</u>	<u>19.34</u>	<u>18.22</u>	<u>14.40</u>	<u>20.68</u>
Deficit (Revenue - Expenditure)	<u>(-1.86)</u>	<u>(-4.37)</u>	<u>(-3.32)</u>	<u>(-2.25)</u>	<u>(-17.06)</u>

Source: National authorities.

Note: No budget was prepared for 1979, 1980 and the first semester of 1981.

a/ 1978 figures refer to nine months of budget execution.

b/ 1981 figures represent the budget approved for the second semester of the year.

28. Deficits during the 1975-1978 period have been financed by accumulating domestic and external arrears, by external budgetary aid, and to a lesser extent by drawing on the central bank.

29. The budgeting process has been reactivated for the second half of 1981. The deficit for this period has been programmed at the unprecedented level of CFAF 17.06 billion, which represents 471 per cent of expected budgetary revenue. For adequate interpretation of these figures, however, it is necessary to take into account the special circumstances prevailing this year.

30. First, a complete disruption of the tax administration apparatus has greatly reduced tax collection capacity, both on external and internal activity. Secondly, the drop in economic activity in general and the unemployment in northern cities have reduced tax payers' capability. Thirdly, incomplete administrative control by government of all regions still prevents the flow of tax revenue from certain areas to the treasury. Tax collection is also affected by the fact that staff have received salaries only for three months this year and many have not yet returned to their posts.

31. The expenditure side for the second half of 1981 takes into account the need to pay salaries, repairs and supplies in order to provide the public administration with minimum facilities to begin operations. Equipment represents 57 per cent of expenditures, and personnel 39 per cent.

32. Regarding the financing of the 1981 deficit, a \$US 18 million loan was signed in April 1981 with the Libyan Arab Jamahiriya and has already been spent, mainly on salaries, and France made commitments for about \$US 10 million. However, additional funds will have to be found to finance the expected deficit of CFAF 17.06 billion (approximately \$US 58.8 million) for the second half of 1981.

33. The mission believes that budgetary support from external sources is important as an inducement to public servants to return to and stay on their jobs, to fill the balance-of-payments gap and to promote reactivation of the economy through the stimulation of demand.

5. Public administration

34. The over-all impact of recent events on the public administration has been to reduce it to less than the barest minimum of operational efficiency. Previous structures, which were in any case not firmly rooted, have been dislocated. New ones need to be established but, given the existing difficulties within the administration system and in other sectors, the process will be slow.

35. Rebuilding the administrative infrastructure is the most basic element in any programme for reconstruction, rehabilitation and development of the country. In the current circumstances, the perspective must necessarily be confined to the short- and medium-term. Measures should, nevertheless, be devised for consolidating and reinforcing the infrastructure in the long-term in order to

create an administration capable of promoting the economic and social development of the country.

36. In the immediate future, restoring a certain level of administrative capability is vital for the proper functioning of the State and, more specifically, for the management of the assistance anticipated and for the delivery of basic services. Such capabilities must be restored at the central as well as the territorial and local levels of government and in all development sectors.

37. At the territorial level, the major impact of recent events has been a dismantling of pre-existing administrative systems and the creation of local politico-military organizations in their place. The policy of the Government is to reinstate, throughout the country, a uniform system of territorial, local and municipal administrations, with necessary reforms and adjustments. The implementation of this policy is dependent on the re-establishment of a proper administrative system at the centre and the growth of greater confidence in the government's ability to provide security and maintain peace in all parts of the country.

38. There is a marked shortage of trained and experienced staff, equipment and supplies, and of records-keeping services. Over the last few months, there has been a gradual return of public servants who had left their posts during the hostilities. Despite this, most key ministries and departments suffer from undermanning and important decisions are taken by only a handful of technicians. A pressing issue is the payment of salaries. For most public servants, salaries have been outstanding since May 1981. It is generally believed that if resources were made available for payment of salaries - past and future - many more functionaries would return. Other required actions include the provision of transportation within the capital, basic accommodation facilities and the replacement of lost personal property. Without a return of the more experienced and trained public servants, the levels of administrative performance cannot be raised significantly. The supply of personnel - especially of middle- and lower-level cadres - has also been affected by closing down of training institutions. Students whose training has been interrupted are unemployed even though the administration needs trained people for its functioning.

39. All ministries and departments are operating with little or no office furniture, equipment, stationery or means of transportation. Similarly, there has been a serious loss of government documents and records, and archival services are non-existent. Those salvaged are rapidly deteriorating because of poor storage conditions. As information contained in these public records is important for decision-making and administrative actions, efforts should be directed to retrieval, proper classification and storage.

40. For the rebuilding of an effective administrative infrastructure, a range of governmental initiatives is called for. Initially, there is a need for a clearer definition of the powers, responsibilities and functions of the various ministries and larger departments. As the existing machinery for central administration is too cumbersome, its structure, staffing, institutional relationships and methods of

operation should be examined, initially in a selected number of functional ministries. Administrative and financial decentralization to territorial and local levels may also be desirable.

41. The formulation of a coherent development strategy is needed early in the reconstruction process and attention should be paid to developing machinery for the planning and implementation of the development strategies, programmes and projects. This will be the major task of the Ministry of Planning and Reconstruction. It must have frequent contact with ministries that take decisions affecting the pattern of development to assist in the formulation of a long-term strategy. Teams should be formed by mid-1982 and given the responsibility of preparing basic papers on development options, covering both social and economic aspects, as a run-in to the task of planning. In all this, it is imperative that adequate administrative capabilities be provided.

III. SECTORS

A. Fiscal administration

42. The most important tax revenue has been customs receipts and export duties (representing between 40 per cent and 50 per cent of revenue) handled by the Direction des Douanes; and income and profit taxes and turnover and excise taxes on goods and services managed by the Direction des Impôts. When the armed conflicts began and different regions fell under the control of separate military groups, the processes of tax assessment, collection and expenditure shifted from the central government to the regions. In the process, the administrative apparatus suffered a loss of personnel, records and equipment and the destruction of buildings and facilities. Thus, the tax system, as a national instrument for the implementation of economic policies and the mobilization of resources, has been paralysed.

43. Further, the budget-making process was suspended for two years and a half. At present, the Ministry of Finance is understaffed and without equipment. Because the computer centre and all the soft-ware systems were destroyed or lost during the war, some activities that previously had been computerized, such as pay-rolls and purchases, have now to be processed by hand. In addition to personnel required to process pay-rolls and purchases while computerized systems are restructured, the Budget Office needs to be strengthened for programming and managing a budget increased by reconstruction requirements. By the same token, financial procedures have to be streamlined in order to ensure that the greater volume of funds associated with reconstruction and directed through the Trésorerie Centrale shall be managed and disbursed efficiently and in accordance with appropriate controls and adequate norms and procedures. Similar arrangements will be needed in regard to the purchase and management of stores.

44. Finally, for the improved financial management required both for reconstruction and for long-term development, it will be necessary to have better trained officers for budgetary analysis, programming, costing, cash management,

accounting and tax administration. There is therefore a need for a training institution to produce the manpower necessary to manage the finances of the public sector.

B. Financial institutions

45. At the present time, only the International Bank for West Africa (BIAO) and the Bank Arab-Chad-Libyan have resumed operations in N'Djamena. Other institutions with some quasi-banking functions exist, such as the postal system. In addition, credit is provided locally by marketing organizations. Although it is expected that, as life returns to normal and reconstruction goes on, commercial banking will be re-established, the mission believes that the need exists for two financial institutions to fill credit and promotional gaps. The importance of these institutions will increase as reconstruction and long-term development take place.

46. The first institution is a caisse de crédit, to lend money for the reconstruction of low-income housing, the re-equipment and inventories of small business, and the purchase and repair of trucks and vehicles. It is believed that credit support through this institution will make possible a greater private sector effort towards reconstruction and will contribute to economic recovery.

47. The type of second assistance proposed is a development bank to promote activities in both the manufacturing and the agricultural sectors and to hold and manage government interests in enterprises. It is believed that this institution should also carry out some commercial banking functions.

C. Trade

48. The conjunction of unfortunate events, both natural and man-made, has nearly nullified the development efforts undertaken in the past in order to broaden the basis of exports from Chad. Exports are extremely limited and are confined mainly to cotton and cattle which, together, represent about 95 per cent of the total. Other exports (gum-arabic, hibiscus, sesame seeds, natron) have contributed little to foreign exchange.

49. At the present time, the administration and management of internal and external trade activities are completely disorganized. In the capital, the government departments concerned have just begun to function after being disrupted for two years. Their staff is new, inadequate and often without any experience.

50. State enterprises such as the Office National de Développement Rural (ONDR) and the Société Nationale de Commercialization du Tchad (SONACOT) are either inoperative or function at a low level since their staff has not been paid for many months. Import and distribution enterprises, insurance services such as the Société Tchadienne d'Assurances et de Reassurances (STAR), car dealers, transit services, hotels and transport operators have either ceased to function or are

functioning irregularly. Internal and external trade are affected by inadequate infrastructure, the breakdown of customs administration and understaffing of the departments concerned.

51. One of the few exceptions is COTONTCHAD, an enterprise with 75 per cent government participation, which has been successfully purchasing, ginning and marketing cotton. Its operations are carried out mainly in the south, which suffered little destruction during the conflict. The Government is to start negotiating with the European Economic Community for a five-year agreement under which the European Development Fund will supply inputs for cotton production.

D. Agriculture and livestock

52. The main food crops, grown mostly for domestic consumption, are millet, sorghum, ground-nuts and rice. Cotton is the most important cash and export crop.

53. Millet and sorghum, the main food staples, are grown in central and southern regions, covering about 1.2 million hectares. After recovery from the 1970-1974 drought, output was again affected by unfavourable weather conditions in 1977 and 1978 necessitating large cereal imports. Transportation difficulties aggravate food problems, particularly in the north.

54. Cotton has been the single most important source of employment for the labour force because at all stages it remains a highly labour-intensive activity. This product accounts for 15 per cent of the gross domestic product and for more than 80 per cent of the export earnings. Chad has been the leading cotton producer among the west African countries and the fourth largest producer in Africa. Cotton is grown in the south on some 277,000 hectares.

55. Although cotton production is the most advanced and integrated activity, unfavourable rainfall, inadequate inputs and, during the war, use of land for food production have sharply reduced the area under cultivation and the yield as can be seen from the following table.

Production of unginned cotton (Thousand metric tons)

	<u>1975/76</u>	<u>1976/77</u>	<u>1977/78</u>	<u>1978/79</u>	<u>1979/80</u>	<u>1980/81</u>
Production	174.1	147.4	125.8	136.7	90.8	85.7

Source: COTONTCHAD.

56. The 50 per cent decline in cotton production during the last six years has reduced employment and income in the rural areas and further weakened the external sector of the economy.

57. Moreover, the 1981/82 agricultural season is expected to be very poor owing to drought in the Sahelian zone and untimely rains in the south. According to government estimates (based on admittedly inadequate data), there will be a 6 per cent drop in production compared with the previous year.

E. Industry

58. The manufacturing sector had consisted of about 30 enterprises, mainly in cotton-ginning and textiles, meat, beverages and other consumer goods. This sector had been severely constrained by the high costs of inputs, energy and transport owing to the small and dispersed domestic market, inadequate transport infrastructure and unfavourable export possibilities in view of the distance and transport costs.

59. The political events and the civil war have halted almost all industrial activities in Chad. In the capital city of N'Djamena there is almost no ongoing activity in the industrial sector, while in the south some industrial units and enterprises have maintained their operations (COTONTCHAD, Société Tchadienne des Textiles) and others have resumed their activities recently (Brasseries du Logone).

60. Although the industrial zone of N'Djamena (Farcha) suffered relatively little damage from the war itself, the looting of stocks, theft of equipment and destruction of files have halted operations. Outside this industrial perimeter, the industrial enterprises were damaged extensively by bombing.

61. Small-scale enterprises have lost all their capital and are in a particularly difficult situation since they lack technical support and financial resources to begin operations again. The handicraft sector has however resumed its activities but at very low level.

62. Public enterprises have very little human resources and lack adequate means for operating (vehicles, telecommunications). Moreover, non-payment of salaries and uncertainty with regard to the future have led to a wait-and-see attitude at all levels.

F. Transport sector

General situation

63. Chad suffers not only from its land-locked situation, and thus a dependence upon its neighbours, but also from a difficult combination of soil, climatic and hydrological conditions. Coupled with the vast distances between centres of population, the transport sector in Chad was already considerably disadvantaged before the war. The road maintenance service suffered from lack of funds, trained personnel, equipment and spare parts.

64. The effects of the war have been fourfold:

(a) Maintenance of the roads and airfield system, already poor, ceased altogether while deterioration continued unabated;

(b) About 76 per cent of the maintenance equipment fleet has disappeared;

(c) At least half the truck fleet and some of the barge fleet were lost during hostilities or deteriorated because of the absence of maintenance;

(d) Essential civil air transport services have almost ceased although the main airport runway has been reopened to civilian national and international flights.

The road network

65. The national network consists of about 4,560 kilometres of roads and tracks, of which about 1,400 kilometres were engineered and 253 paved. Because of the great distances, the sparse population and the general poverty of the country, economic justification of road investments has always been difficult, so the network has been poorly developed, except in the south, and maintenance funds have been stretched over impossible distances. It is arguable that poor connections between the main centres of population were a major cause of the factionalism and regionalism that have wracked the country for so long; thus, any approach to building an effective communication network should be biased towards achieving political unity, even if the network is not always economically viable. This would require huge sums of money. For example, to connect Abéché in the east with N'Djamena, the political capital, and Sarh, a principal economic sector, with paved roads, would cost over \$230 million, and yet traffic estimates for 1978 showed only 10 vehicles per day on any of these links. Construction of the triangle, as it is known, would thus not seem to be an urgent economic need although it is the long-term political goal of the government in the transport sector.

Present road conditions

66. Traffic has been moving on most major routes since the start of the dry season but with very great difficulty; 20 to 30 kilometres per hour is considered a good pace, but wear and tear on vehicles raises transport cost by a factor of two to three times. South of Bongor, the Bongor-Lai road is now impassable and Moundou-N'Djamena traffic is obliged to pass via Leré, through Cameroon and the Kousseri ferry.

67. The few laterite roads in the south-west are reported to be almost without surfacing and need full regravelling, while the bitumen roads north-east and south from N'Djamena have been largely abandoned by traffic in favour of side tracks, because of the massive pot-holes that form when the surface is damaged and the sand clay base and foundations are undermined by water. In the Sahelian zone, drifting

sand and erosion have caused abandonment of much of the old road, but self-made side tracks allow the low traffic volumes to proceed with difficulty.

68. Key ferries across the Chari and Logone rivers at Bongor, Lai, Bousso and Hellinbongo (Sarh) are reported to operating but at a low level of efficiency. Suspensions of service for up to a week at a time are common because of difficulties relating to spare parts, and capacity restrictions limit the movements of larger trucks. Remarkably, only one structure is reported to be impassable - a 60-metre-long causeway at Doro on the Koumra-Moissala road.

The transport industry

69. All Chadian truckers, large and small, belong to the Co-operative des transporteurs tchadiens (CTT), which was granted an effective monopoly by the Government in 1977 and in theory administers a series of tariffs decreed by the Directorate of Transport (DT). Because of a lack of expertise, and latterly, even the lack of office space, DT has not revised its tariffs since 1974. The truckers urgently need assistance. Meanwhile, CTT has negotiated with various factions controlling trade in the south the acceptance of ruling Cameroonian tariffs.

70. Prior to the war, CTT had 350 members, of whom 317 owned three or fewer trucks; only three companies had 10 or more trucks. CTT estimates that war damage or pillage, suspension of spare parts supply and consequent stripping of trucks for parts have led to a loss of 50 per cent of general freight capacity. In the crucial fuel transport sector, of 158 large tankers working before the war, only 50 remain and not too many are fit for the gruelling run to Lagos and back (4,000 kilometres). Chadian truckers who operated outside the country may well return with their vehicles intact, but it is certain that many small internal operators have been wiped out. Some vehicle and parts suppliers are reported to be repairing their premises prior to re-opening but most suffered crippling losses from looting and, like their customers, will be in financial difficulty. Lake and river transport could play a bigger role if the navigation season could be extended by river management and dredging. At present the Logone and the Chari rivers are navigable from N'Djamena to Moundou and Sarh respectively for 4 or 5 months only and from N'Djamena to the Lake for 6 or 7 months of each year.

External links

71. As a land-locked country, Chad in theory enjoys a choice of exits to the sea and its neighbours: via N'Djamena to Cameroon and Nigeria, via Leré to Cameroon, via La Sido to Bangui, the Congo river and the Pointe-Noire railway, and via Advé to the Sudan and the Red Sea. For the courageous, it is also possible to reach the Libyan Arab Jamahiriya and the Mediterranean, but this link is unlikely to be of economic importance.

72. The important links at present are Leré to Garoua and thence, via the railway at Ngaoundéré, to Douala which operates normally, and N'Djamena via the ferry to Kousséri to either Garoua and Douala, or to Fotokol, Maiduguri and Lagos.

73. Early emergency assistance re-established the ferry services at N'Djamena and by April of 1982 there should be 3 x 60 ton and 1 x 70 ton ferries in service or on stand by. The worst external problem for transit traffic is the Kousseri-Fotokol road (120 km) entirely within the thin strip of northern Cameroon which Nigeria-Chad traffic must cross, and which Donda traffic must use before turning on to the bitumen road at Maltam (28 km). This road is an un-engineered road through low-lying sandy clay or black clay terrain now in need of total rebuilding and resurfacing, and is almost impassable in the rainy season.

G. Electricity

74. The shortage of electricity is very serious. In the four principal production centres in the country - N'Djamena, Sarh, Moundou and Abechye - none of the power-plants are able to offer a continuous and firm supply of electricity. Through the efforts of the United Nations Development Programme (UNDP), some repair work is now going on in the N'Djamena power-station and the supply of electricity in that town may well be reliable by the end of 1981. There is hope that, by that time, two of the diesel generators will be operative, each machine being sufficient to cover the present demand so that an adequate operating reserve will then be available. Three other machines must still be repaired and a fourth installed. When this work is done, the capacity of the power-plant will be 25 per cent greater than the capacity in 1978, before the crisis. On the other hand, because of the destruction of part of the distribution network and the substantially reduced number of consumers, the day peak demand has fallen from about 11,000 kilowatts in 1978 (18 May) to 4,000 kilowatts in October 1981. It is likely that the peak demand will now progressively increase in step with the reconstruction of the city. It is nevertheless not a matter of immediate urgency to bring the capacity of the power-plant up to its full level. As several international and bilateral agencies are interested in reconstructing the power-station, it is essential to have an engineer-co-ordinator on site as early as possible as was originally foreseen by UNDP. This engineer should deal with the reconstruction of the power-station and its services - buildings, workshop equipment, fire-fighting facilities, transformers and auxiliaries - and the network. Most of the high-voltage network is underground and undamaged and only the sections lying above ground and the central switching station have suffered damage and must be rebuilt.

75. The commercial service of the electricity supply company (STEE) faces considerable difficulties because most of the electricity meters have been lost and the accounting facilities are inadequate to cope with normal billing procedures. The electricity tariffs have been left unchanged since 1978 and the fuel price now exceeds the price charged to the consumers. A second urgent project is therefore one of making technical assistance available to the electricity company to overcome these difficulties. Such assistance can be included within the scope of the reconstruction project to be carried out by UNDP or it can be taken over by a bilateral agency. In the provincial centres, the need to repair the power-plants and re-establish efficient management calls for technical assistance as well as the supply of replacement parts and maintenance equipment. This work should be done in parallel with the activities already in hand in the capital.

H. Energy

76. In Chad the supply of energy comes from two sources: imported diesel fuel and firewood. The consumption of firewood - a non-commercial energy form - predominates. The excessive consumption of firewood has led to serious deforestation; the disturbances in the production of electricity because of the crisis have made the firewood situation much more serious because even those sectors of the population who tended to abandon firewood in favour of electricity have now had to fall back on a more extensive use of firewood. Large amounts of wood are also used to make charcoal, but the processes are inefficient and allow only about 20 per cent of the energy in the wood to be recovered. Technical assistance is therefore needed as an important step towards the more efficient use of wood and the halting of deforestation. This objective is also to be supported by the exploitation of renewable energy resources, particularly solar and wind energy, for which the climatic conditions in the country hold considerable promise. It is essential in the present situation that there should be no undue experimentation and that only well proven concepts should be introduced. Before the crisis, 3 solar pumps and 10 wind pumps had been installed on an experimental basis for water supply purposes but none of these pumps is now in operation and neither the necessary maintenance personnel nor the replacement parts and materials are available.

77. Biomass based on agricultural and human waste offers an important energy source for the rural population and could replace part of the wood now used. The country has no experience whatsoever in the more advanced applications of gas production through biomass processes for heating, pumping and electricity generation; and technical assistance and personnel training are essential for the future. It appears to be too early at the present time to consider the production of liquid hydrocarbons from biomass and to investigate the merits of more complex energy forms such as geothermal energy.

78. In the commercial energy sector, the most important project is the exploitation of the Sedigi oil-field, which has already been extensively studied. Drilling should be recommenced and a pipeline from the oil-field to a new refinery near N'Djamena reconsidered. Discussions on this development had already been held with Conoco before the crisis and these should now be taken up again. The particular merit of the petroleum scheme is that it offers the ready availability of oil products for reconstruction and allows foreign currency requirements to be considerably reduced. This project therefore merits attention as a matter of urgency.

79. Because of the particular meteorological conditions in the country, the rain-based river flows are concentrated into only four months of the year. The only feasible hydropower potential identified is at the Gauthiot Water Falls, but its realization is unlikely to be achieved before the end of this decade. This means that the electricity supply will have to rely on oil products for the next 5 or 10 years. New sources of energy can replace oil only on a very small scale. The reconstruction of the country and the reactivation of its industry and commerce make it essential that increasing amounts of electricity be produced efficiently

and at the lowest possible cost. These matters form an important constituent of an over-all energy plan.

80. To summarize, the importance of energy in the economic life of the country emphasizes the urgent need to set up a nucleus of personnel qualified in this sector. The need to improve the utilization of non-commercial energy requires special studies for firewood and renewable resources and also the formation of expert teams in these sectors.

I. Natural resources

81. This sector was already somewhat neglected before the events of 1978-1981 and none of the many studies carried out have led to the commercial exploitation of mineral resources. The reconstruction of the country demands that all the possibilities that might exist should be carefully looked into and that the first steps towards ultimate exploitation should be undertaken. Mineral resources already identified include kaolin, diatomite, sodium bauxite, quartz and gold. Some deposits of iron, tin, tungsten and uranium have also been found. The limestone deposits in the region of Mayo-Kebbi could encourage building of a cement plant for the national market. Tibesti has sand and salt suitable for glass manufacture.

82. What is missing at the present time is an evaluation of the most promising deposits and an assessment of the needs of the country in the mineral and geological sector. These needs cover equipment for research and development, qualified personnel and identification of the most promising resources. The commercial exploitation of natural resources is of the greatest importance for the economy and as the lead times for development are necessarily long, an attack on these matters is proposed as a matter of urgency in the interest of reconstruction of the national economy.

J. Human settlements

83. The years of war and lack of security have damaged human settlements in many ways. First, the internal fighting in N'Djamena destroyed or damaged many concrete or "modern" buildings (mainly public administration and residential housing). Secondly, many traditional houses in the south-west of the capital city have been looted of all movable material, including windows, doors and roofs. Thirdly, physical and social services which have been disrupted since 1979 are in bad shape. Fourthly, the arrival of refugees from N'Djamena in the southern part of the country has overpopulated regional and secondary centres, which were mainly servicing surrounding areas, causing the spreading of slums and squatter settlements and also the disruption of physical and social urban services, which were not designed for this sudden increase of population.

84. In the capital city of N'Djamena, public buildings represent 15 per cent of the building stock, housing 75 per cent and building for industry 10 per cent.

85. The situation for public buildings is as follows: 10 per cent are in good condition requiring only minor repairs; 75 per cent is recoverable with extensive repairs and 15 per cent is non-recoverable.

86. Nine tenths of housing is made with local materials, mainly mud and of this, 60 per cent has been destroyed and the remaining 40 per cent is still in relatively good condition. Concrete or brick houses represent one tenth of housing. Of this, 20 per cent is non-recoverable, 50 per cent requires major repairs and 30 per cent is in relatively good condition.

87. Buildings for industry, shops and services are 10 per cent non-recoverable, 16 per cent need repair and 74 per cent are in relatively good condition.

K. Education

88. The estimated adult literacy rate is 15 per cent, with an enrolment in normal years of 20 per cent of the school-age population, of which only 1 per cent reaches secondary level. Recently, the budget allocation for education was reduced from 10 per cent of government expenditures to 7 per cent, resulting in a deterioration in the quality of education, overcrowded class-rooms and a reduced supply of textbooks and teaching materials. During the war, schools were closed in the areas under conflict. Expatriate teachers left the country and locally recruited staff moved to other areas and to different activities. In view of the situation, the Government has decided not to undertake a previously programmed education reform but first to re-establish the school system to the pre-1979 level.

L. Health

89. The situation in the health sector, which is precarious under normal conditions, has been seriously affected by the recent internal political strife.

90. Lack of medical personnel has been accentuated by the massive withdrawal of expatriate technical assistants and by the relocation of national medical technicians to other parts of the country, partly because of non-payment of salaries.

91. The infrastructure has suffered extensive damage. For instance, the main hospital of the capital city is half destroyed. The polyclinic and the two health centres of Farcha and Chagiua have been considerably damaged. The building of the service for major endemic diseases has been partially destroyed while the building housing the "Direction urbaine de Surveillance Epidemiologique" has been completely levelled. In other parts of the country the situation does not appear much better.

92. The lack of medicines and laboratory equipment has contributed to the deterioration of the health situation. The National Pharmacy Depot (Pharmacie Nationale d'Approvisionnement) has been empty for many months and the international assistance received so far is clearly insufficient.

93. Because of lack of communications, difficulties of transport and shortage of funds, the Ministry of Health cannot discharge its responsibilities of supervising and co-ordinating the various health services throughout the country. Training activities are no longer provided.

94. In the field of preventive medicine, no vaccination campaign has been undertaken for the last two years and there has been no control of general health and environmental sanitation conditions. The result is the re-appearance of many diseases such as tuberculosis, measles, malaria, tetanus and gastro-intestinal disorders. Protein-caloric malnutrition unknown hitherto in Chad has appeared in several parts of the country.

M. Water

95. The water supply system for N'Djamena was designed to produce about 10,000 cubic metres per day. Water was taken from boreholes and pumped to storage reservoirs. Ten pumping stations ensured distribution to some 8,000 consumers in the city. Water consumption was metered at the consumer's premises and charged for according to a tariff last revised in March 1978.

96. The hostilities in the city have seriously affected the water supply. All the storage reservoirs have been damaged so that, on the one hand, there is no storage capacity and, on the other, the system pressure is inadequate for the pumps still in service to function properly. Only three out of the 10 pumping stations remain in service; the remaining 10 stations were either damaged directly or became inoperative because of lack of maintenance. The water treatment plant is not in operation and there is no water treatment at the present time. The quantity of water now supplied within the city is about 3,000 cubic metres per day or 30 per cent of the consumption prior to the hostilities.

97. Some of the 8,000 water meters installed before the hostilities have been damaged but the greater number have been looted. There is in effect no water metering at the present time and the supply utility, the Société tchadienne de l'Eau et de l'Electricité (STEE), obtains no income from the present water consumption. The accountancy and billing arrangements have become largely inoperative.

98. Reconstruction of the water supply in N'Djamena requires:

- (a) Repair of the pumping stations and of the water treatment plant;
- (b) Reconstruction of the storage reservoirs;
- (c) Replacement of the water meters;
- (d) Restitution of the commercial service and the billing procedures.

99. UNDP has set up a project for the repair of the pumping stations and have earmarked the sum of \$1.4 million for this purpose. A suitable contractor is now being sought. No progress appears to have been made to date on the other three items requiring attention although the UNDP project includes an adviser for the rehabilitation of the storage reservoirs and related facilities. The serious issues remaining are metering and commercial services. A new and urgent project is proposed to cover these activities.

100. The water supply in the provincial centres served by STEE has generally been left undamaged except at Abéché, where the storage facilities were partially destroyed. However, no effective maintenance has now been done for about three years and no additional plant installed to cope with the growth of demand. STEE should be able to deal with the situation when its operating régime and management structure have been fully restored.

101. Study of improvements in the water supply in rural areas was held up during the hostilities and the matter now needs to be taken up afresh. Technical assistance should be offered to the authorities to make them aware of modern developments in the supply of potable water under arid conditions. This activity warrants some urgency in view of the time lost during the hostilities.

IV. EMERGENCY AID

102. On the basis of its discussions with the government authorities and of its own assessment of the emergency problems facing Chad, the humanitarian assistance mission sent to Chad in March 1981, in pursuance of General Assembly resolution 35/92 B, had recommended an urgent programme of assistance, which called for measures:

- (a) To provide a ferry service across the Chari river at N'Djamena;
- (b) To provide electricity around the clock to the capital city, thus permitting also proper water supplies and telecommunications;
- (c) To supply water to dwellings in the capital in order to restore acceptable conditions of life;
- (d) To re-establish telecommunication links, (telephone, cable and telex) within the country and with the outside world;
- (e) To distribute some 12,000 tons of food grains to cover the requirements for three months;
- (f) To distribute 600 tons of seed in selected rural areas in time for the next planting season;
- (g) To maintain and repair wells and pumps for water supplies in rural areas;

(h) To improve urgently the health and medical services available in the capital city as well as in other parts of the country;

(i) To undertake cattle treatment and a vaccination campaign and to provide veterinary services;

(j) To refurbish schools which are in need of repair and lack basic equipment (textbooks and teaching aid);

(k) To reopen the airport to civilian traffic.

103. Some of the mission's recommendations outlined above have been implemented. Others are in the process of execution or, because of their nature, have been included in the reconstruction, rehabilitation and development programme. Transport services across the Chari have now been restored by a ferry repaired with UNDP financing. Three more ferries will soon be put into operation with the assistance of the Fonds Européen de Développement (FED). The capital city has round-the-clock electricity services but on a precarious basis; the extensive repairs and operations still needed will be financed jointly by the UNDP, the African Development Bank and the Government of France in order to restore the servicing and operations of five power generators. A project to supply potable water to N'Djamena will be reactivated by UNDP as soon as a subcontractor is found to execute the required work. A preliminary study on re-establishing telecommunications links with the outside world is being undertaken by UNDP and it is expected that the implementation phase will be financed by the Government of France. The international airport of N'Djamena has been reopened to civilian traffic through a UNDP-financed project and the African Development Bank has shown interest in underwriting the costs of repairs.

Food aid

104. On the subject of food aid, the World Food Programme, in addition to the assistance given to the refugees, has allocated \$2.2 million in emergency food aid and, in September, allocated a further \$3,554,000 for aid to displaced persons in Chad and to those returning home. This contribution, which will be in the form of cereals, milk powder and edible oils, is designed to meet the emergency needs of 80,000 for a period of five months. The Executive Board of UNICEF has approved a special allocation of \$6 million for Chad in the current budget, of which \$1.6 million has already been committed. Part of the funds will cover distribution of high-grade food (benefiting an estimated 30,000 children and 20,000 women).

105. During the discussions held by the mission, the Government at all times stressed the need for the provision of emergency food assistance in view of the severe drought that has affected some parts of the country, especially the Sahelian zone. An FAO/OSRO mission which visited Chad in September 1981 recommended that 30,000 tons of food be provided for a period of eight months, beginning in November. The present mission was able to observe, in the course of its visit to the region, the severity of the drought. After further consultations with the Government, the mission recommends that food assistance be given to Chad for a

total amount of 50,000 tons for a 12-month period beginning in November 1981. The cereals required include millet, sorghum, wheat, corn meal, maize and rice. At a meeting convened in Paris on 12 and 13 November at the request and under the chairmanship of Chad, France pledged 5,000 tons of cereals and the European Economic Community announced a contribution of 4,000 tons of cereals and 800 tons of milk powder. Other countries, including Canada and the United States of America, expressed a willingness to consider food assistance.

106. In this connexion, it should be noted that logistical, storage and distribution aspects of the delivery of food will also need to be taken into account. The mission observed that existing silos in N'Djamena needed only minor repairs and could readily be used for storage of food grains. Lastly, in order to prevent an undue influx of people into N'Djamena, the capital city, in search of food, the mission reiterates the recommendation made in March that distribution centres for food be reestablished at Massaguet, Massakori and Bol in the north, at Dourbali, Massenia and Bousso in the south-east, and at Mandelia and Guelendeng in the south. In view of the significant food needs and the difficulty of transporting large tonnages into Chad, a land-locked country, the World Food Programme stands ready to co-ordinate international food assistance and to arrange for the transport and delivery of food to Chad from bilateral and multilateral sources.

Health

107. With regard to the needs in the health sector, the World Health Organization has allocated \$1 million for the biennium 1980-1981 for drugs and medical supplies. UNICEF has also made a contribution for the supply of medicines and drugs (benefiting an estimated 200,000 persons), rehydration salts (benefiting an estimated 50,000 persons) and vaccination of 15,000 children so far, as well as for salaries for 100 persons employed in the social service centres. UNICEF has also been involved in executing a project for the construction and equipping of a health service that is being financed by Norway at a cost of \$669,000.

108. The present mission took note of the fact that the situation in the health sector had deteriorated and that the shortage of drugs and medicines had reached a critical level. No substantial assistance has been received so far by Chad. It wishes therefore to reiterate that the earlier proposals and requirements in this regard (A/36/261, sect. IV), are more urgent than ever and that drugs and medical equipment should be provided without further delay.

Education

109. In respect of education, a programme for the rehabilitation of schools and health centres is about to begin under financing provided by UNICEF. The construction supervisor is already in Chad. Reading and writing materials benefiting an estimated 15,000 persons will also be provided by UNICEF.

V. RECOMMENDATIONS

A. Programme of action

110. The mission's task was to discuss with the Government its needs for international assistance in the reconstruction and rehabilitation of the country and to communicate these needs to the international community with its own findings and recommendations.

111. The mission came to the conclusion that, at this stage, a programme of action was needed which could be carried out in a period of two to three years and which would help to revive economic activity in the public and private sectors. The Government fully concurred with this conclusion and the programme which is set out below has received its endorsement. However, at all levels of Government, it was emphasized that emergency assistance to meet the most immediate needs of the country, particularly in the matter of food and medical aid, took precedence over everything else. Although the present mission's terms of reference do not include emergency assistance, the Government's request in this regard as well as the mission's own recommendations, which follow to some extent those made in the report prepared by the emergency humanitarian assistance mission of March 1981, are set out in section IV of this report, on "Emergency aid".

112. To sum up, these recommendations call for:

(a) Implementation of the recommendations outlined in the report of the emergency mission (A/36/261);

(b) The speeding up of food and medical aid;

(c) An additional supply of 50,000 tons of food grains for the coming 12 months, beginning November 1981;

(d) Priority work on the logistical and other problems connected with food supply; such as, repair of food grain silos, the provision of trucks and vehicles and administrative arrangements for the distribution of food in N'Djamena and various regional centres.

113. The Government gave great importance also to assistance for re-opening schools in view of the fact that for the last three years most of the children have had no schooling. While the two projects in the field of education, which are outlined below, do not fall into the category of emergency aid, the mission shares the Government's view of the matter and would urge that the supply of equipment, textbooks and teaching material should receive urgent attention.

114. The programme for reconstruction and rehabilitation set out below consists of 58 projects with a total estimated cost of approximately \$226 million. It should be noted that the cost estimates were prepared on the basis of insufficient data and should only be taken as approximates. The projects were selected in full consultation with the Government and were chosen on the basis of four criteria:

(a) Urgency;

(b) Essential nature;

(c) Feasibility, bearing in mind existing circumstances and the country's absorptive capacity;

(d) The mutually re-enforcing effects of the implementation of projects within the programme as a whole and of giving an impetus to the economy and paving the way for longer-term development.

115. Taken together, the programme calls for investments and technical assistance required to restore the Government's capacity to function actively, to collect revenues and to operate the public sector efficiently, to rebuild basic physical infrastructure, to mobilize and support reconstruction and redevelopment efforts within the private sector, and to strengthen institutional infrastructure in the social sectors.

116. It should be noted that the reconstruction, rehabilitation and development programme proposed contains ideas or proposals for projects that cannot be considered as projects in the full sense. The duration of the mission and the paucity of available data did not allow its members to elaborate full project documents. For the same reasons, the project costs indicated are to be considered merely as rough estimates giving an order of magnitude of the financial requirements. Interested donors would need to undertake an in-depth study and elaboration of the projects and, after consultation with the government authorities concerned, revise and update the costs of the projects in which interest has been shown.

117. The sectors covered by the programme are as follows:

	<u>Percentage</u>
Human settlements	32.6 per cent
Transport	24.3 per cent
Industry	17.8 per cent
Agriculture	8.3 per cent
Health	7.9 per cent
Education	4.7 per cent
Energy/Water/Electricity	1.8 per cent
Fiscal administration	1.4 per cent
Public administration	0.7 per cent
Commerce	0.3 per cent
Financial institutions	0.2 per cent

B. List of projects proposed

<u>Project title</u>	<u>Estimated cost</u> (US Dollars)	<u>Duration</u>
PA. <u>Public administration</u>		
PA-1 Assistance in the establishment of a national commission for reconstruction	170 000	2 years
PA-2 Assistance for the restoration of territorial administration	85 000	1 year
PA-3 Assistance to the Directorate of Public Service	1 020 000	3 years
PA-4 Preliminary study for a system of administrative reform	200 000	6 months
FA. <u>Fiscal administration</u>		
FA-1 Public finance management	608 00	
FA-2 Project on computer centre	483 800	
FA-3 External taxation and customs administration	1 438 000	
FA-4 Tax administration	589 000	
FA-5 Middle-level school of financial management	28 000	
FI. <u>Financial institutions</u>		
FI-1 Caisse de crédit for small users	189 000	2 years
FI-2 Development Bank	293 000	2 years

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<u>Project title</u>	<u>Estimated cost</u> (US Dollars)	<u>Duration</u>
C. <u>Commerce</u>		
C-1 Institutional support to Chad in transport-transit	280 000	2 years
C-2 Institutional support to the Directorate of Commerce	350 000	2 years
I. <u>Industry</u>		
I-1 Assistance to the Office of Exploitation of Quarries	4 000 000	18 months
I-2 Brick production plants	14 500 000	36 months
I-3 Small and medium-scale enterprises	500 000	24 months
I-4 Feasibility study and construction of central garage	6 000 000	18-24 months
I-5 Study and construction of a cement plant at Mayo Kebbi		
(Phase 1)	300 000	12-18 months
(Phase 2)	15 000 000	30-36 months
A. <u>Agriculture and livestock</u>		
A-1 Reconstruction of seeds stocks	1 920 000	1 year
A-2 Creation of a substation at Doughi	150 000	3 years
A-3 Creation of a seed production centre in Sudanion Zone (Deli)	300 000	3 years
A-4 Rice cultivation in Perimeters A and B of Bongor	2 110 000	3 years
A-5 Rice cultivation in perimeter C of Doba	520 000	4 years
A-6 Operation Beréberé	4 280 000	4 years

<u>Project title</u>	<u>Estimated cost</u> (US Dollars)	<u>Duration</u>
A-7 Mobile centre of maintenance and repairs of polders works exploited by peasants around Lake Chad	990 000	3 years
A-8 Reinforcement of the service against agricultural pests	710 000	3 years
A-9 Reinforcement of the Rural Hydrology Service (SERARHY)	2 390 000	3 years
A-10 Cattle vaccination and treatment campaign	920 000	1 year
A-11 Veterinary clinic	890 000	1 year
A-12 Rehabilitation of the Farcha slaughter house	2 060 000	2 years
A-13 Assistance to the Center for the Modernization of Animal Products	610 000	2 years
A-14 Restoration of tree nurseries in urban centres	180 000	2 years
A-15 Wildlife protection	640 000	2 years
T. <u>Transport</u>		
T-1 Summary rehabilitation of a priority road network of 2500 km	35 000 000	2 years
T-2 Assistance to the Ministry of Public Works, Transport, Mines and Geology	8 000 000	2-3 years
T-3 Air transport	6 600 000	2 years
T-4 Assistance to the Directorate of Transport	350 000	2 years
T-5 Rehabilitation of bituminous roads	5 000 000	3 years

<u>Project title</u>	<u>Estimated cost</u> (US Dollars)	<u>Duration</u>
E. <u>Electricity/Energy/Natural resources</u>		
E-1 Technical assistance for the reconstruction of electrical plants (Moundou, Sarh, Abeche)	700 000	9 months
E-2 Assistance for the establishment of an energy department	600 000	2 years
E-3 Improvement of traditional methods of supplying and using firewood and charcoal	240 000	1 year
E-4 Setting up of a development centre for renewable energy forms	450 000	18 months
E-5 Strengthening of the Department of Geology and Mines	750 000	2 years
E-6 Assistance with the rehabilitation of the water metering and billing system and associated commercial services	1 250 000	18 months
E-7 Study of improvement of water supply situation in rural areas	220 000	18 months
HS. <u>Human settlements</u>		
HS-1 Reconstruction of public buildings	44 600 000	3 years
HS-2 Co-operative for housing construction	8 200 000	3 years
HS-3 Re-equipment of the municipal technical services	2 550 000	3 years
HS-4 Control of the redevelopment and reconstruction of N'Djamena	1 900 000	3 years
HS-5 Urban development of Chad	16 500 000	3 years

<u>Project title</u>	<u>Estimated cost</u> (US Dollars)	<u>Duration</u>
ED. <u>Education</u>		
ED-1 Assistance to elementary and secondary education	9 000 000	3 years
ED-2 Assistance to the Directorate General of Education	1 500 000	2 years
H. <u>Health</u>		
H-1 Extended programme of vaccination	1 500 000	3 years
H-2 Service of contagious diseases	2 000 000	3 years
H-3 Rehabilitation of the Central Hospital of N'Djamena	10 000 000	2 years
H-4 Rehabilitation of the National School of Public Health and Social Services	1 000 000	1 year
H-5 Environmental sanitation of N'Djamena	1 316 000	2 years
H-6 Rehabilitation of the Polyclinic of N'Djamena	2 000 000	2 years

C. Description of projects

PA. Public administration

PA-1 Assistance in the establishment of a national commission for reconstruction

The project will assist in setting up a national commission for reconstruction and in providing technical support to it and the subsidiary organs. The commission will be responsible for supervising the implementation of the reconstruction programme, and for co-ordinating the receipt and utilization of external aid. The cost of the technical assistance requested is \$170,000 c/ for two years.

PA-2 Assistance for the restoration of territorial administration

The objective of the project is to assist the Government in restoring a uniform system of administration throughout the country. The cost of the assistance required is estimated at \$95,000 for one year (one expert and logistical support).

PA-3 Assistance to the Directorate of Public Service

This project will assist the Directorate of the Public Service in undertaking a census of the public service personnel, in preparing and/or revising the legislation governing the public service, in creating a central service for documentation and archives and in setting up an organization and methods bureau. The total cost of the project is estimated at \$1,020,000 for three years.

PA-4 Preliminary study for a system of administrative reform

The project will assist in the preparation of a preliminary study for the establishment of a system of administrative reform. The project will last six months and is estimated to cost \$200,000 (experts, consultants, fellowships and logistical support).

FA. Fiscal administration

FA-1 Public finance management

To advise the Ministry of Economy and Finance on fiscal policy and organization and on translating policy decisions into budgetary measures, streamlining procedures for cash management at the Treasury and for the management of supplies and stores. The components are an

c/ The exchange rate used in this part of the report is \$US 1 = CFAF 280.

adviser in fiscal policy for two years, an expert in Treasury procedures for two years, an expert in budgetary programming and administration for two years, an expert in supplies and stores management for one year, fellowships and other expenses. Duration of the project is two years and the cost is \$608,000.

FA-2 Computer centre

To set up the new computer centre, advising on system configuration, hardware selection, monitor installation and initial operations. The project should assist on systems development and training of analysts, programmers, operators and administrative personnel, and should advise on leasing hardware. The duration of the project is two years and the cost is \$483,800. The cost of hardware is not included because leasing is assumed.

FA-3 External taxation and customs administration

To restore and strengthen the foreign trade taxation system and customs administration for the collection of duty and implementation of policy. The project includes expertise and equipment. The duration is one year and the cost \$1,438,000.

FA-4 Tax administration

To restore and strengthen the internal tax administration system through organizational arrangements and methods, and through logical improvements designed for proper implementation of tax policies. The project includes expertise, equipment and training. Its duration is two years and the cost \$589,000.

FA-5 Middle-level school of financial management

To design, within the existing education system and attached to the Ministry of Economy and Finance, a school of financial management to serve the personnel needs of the public sector, including para-statal and mixed economy enterprises. The project will, at this stage, only propose the general design and basic legislation and make estimates of investment and operational requirements. A four-months consultancy is required, at an estimated cost of \$28,000.

FI. Financial institutions

FI-1 "Caisse de Credit"

The institution will receive and manage funds, initially mostly from external sources, and direct them to small credit users for low-income housing and small enterprises in manufacture, handicraft, transportation and other services. Technical assistance will be needed

to determine capital requirements, draft laws and by-laws, and assist in organization and management for two years. The cost of technical assistance is estimated at \$189,000 for two years.

FI-2 Development Bank

The institution will provide development finance mainly to agriculture and manufacturing sectors, would have some ingredients of commercial banking and would manage the government interest in enterprises of mixed economy. Technical assistance will be needed to determine capital requirements, draft basic legislation and by-laws, propose organization and assist in management for two years. The cost of technical assistance is estimated at \$293,000 for two years.

C. Commerce

C-1 Institutional support to Chad in transport-transit

The objective is to assist the Government in improving the management and exploitation of the various modes of transport, to simplify and harmonize agreements on administrative and customs procedures with transit countries. The cost of the technical assistance required is estimated at \$280,000 for two years.

C-2 Institutional support to the Directorate of Commerce

The project will assist the Directorate of Commerce in the organization of the Department and facilitate the revival of its activities of internal and external trade. The project will assist also in the formulation of policies of export diversification and promotion. The cost of the project is estimated at \$350,000 for two years.

I. Industry

I-1 Assistance to the Office for the Exploitation of Quarries

The objective of the project is to assist the Government in resuming the operations of the quarry of Mani and in opening two new quarries for production. The assistance needed includes equipment, vehicles and technical expertise. The total amount of the contribution requested is estimated at \$4 million for 18 months.

I-2 Brick production plants

The combined programme of brick production will call for the rehabilitation of one existing plant in N'Djamena, the creation of a number of new small-scale brick production enterprises, and the construction of two industrial brick production units. The inputs will

be in the form of equipment, vehicles and technical expertise. The programme will be carried out in three phases at an estimated cost of \$14.5 million over a period of up to 36 months.

I-3 Small- and medium-scale enterprises

The objective is to participate and assist in the rehabilitation of the private enterprises destroyed by the civil war, and to advise in a programme of modernization and of financing of the required equipment and inventories. Training of the national counterpart personnel will also be provided. The total cost of the project is estimated at \$500,000 for a period of 18 to 24 months.

I-4 Feasibility study and construction of a central garage

The project will carry out a study to determine the feasibility of setting up a central garage and will assist in the establishment of such a unit in N'Djamena. The central garage will provide mechanical, electrical, metering and other services to both the public and private sector. The inputs anticipated will include equipment, spare parts, technical assistance and training. The study phase will last three months at a cost of \$30,000. It is estimated that the construction phase will cost between \$3 million and \$6 million and will last from 18 to 24 months.

I-5 Study and construction of a cement plant at Mayo Kebbi

The reconstruction of the Chadian infrastructure will require an adequate supply of cement at reasonable prices. It is useful therefore to undertake geological and hydrological studies to determine the availability of raw materials and other inputs necessary and the feasibility of constructing a cement plant in the country. The study phase will cost between \$200,000 and \$300,000 over 12 to 18 months. The cost of the cement plant (not included in the present programme) is estimated at approximately \$15 million over 30 to 36 months.

Agriculture and livestock

A-1 Reconstitution of seed stocks

Taking into account the present lack of seed stocks, the purpose of the project is to purchase and distribute seeds for the main food crops (sorghum, beréberé, maize, wheat) for the 1982/83 season. The cost of the project is estimated at \$1.92 million for a one-year period (450 tons of sorghum, 550 tons of beréberé, 600 tons of maize, 350 tons of wheat and 800 tons of penicillin).

A-2 Creation of a substation at Doughi

The Doughi Centre situated in the Sahelian zone is responsible for introducing, adapting and experimenting on new varieties of seeds. It is, however, very dependent on the amount of rainfall in that region. The purpose of the project is therefore to create a substation for seeds production in the same area but in an irrigated zone near the river and close to the main centre and accessible all year round in order to ensure the continuous availability of seeds. The cost of the project is estimated at \$0.15 million for three years (preliminary studies, seeds, technical assistance).

A-3 Restoration of a seed production centre in the Sudanian Zone (Deli)

This centre will be similar to the one at Doughi but will produce seeds adapted to the climatic conditions of the Sudanian zone. The cost of the project is estimated at \$0.3 million for three years (studies, seeds, technical assistance, training).

A-4 Rice production in perimeters A and B of Bongor

Around the region of Bongor 10,000 hectares have been set up for rice cultivation and are exploited by 1,500 families. The civil strife had halted the activities previously undertaken. The purpose of the project is therefore to assist in resuming rice production by reconstructing the infrastructure, acquiring the needed equipment and means of transport and facilitating the return of the people concerned. The estimated cost of the project is \$2.11 million for three years (construction of dams, waterways, tracks, technical assistance).

A-5 Rice production in perimeter C of Doba

The perimeter "C" of Doba is part of a 500-hectare rice production area in the valley of the Logone River. The purpose of the project is to resume rice production activities by undertaking the repair of the infrastructures and providing the equipment needed. The estimated cost is \$0.52 million for three years (repair works, equipment, technical assistance, training, pesticides).

A-6 Operation beréberé

The beréberé is a valuable and high-yield variety of sorghum which gives a crop between the normal sowing seasons. The exploitation of an area of 30,000 hectares with locally adapted techniques will contribute to a substantial increase in production. The estimated cost is \$4.28 million for three years (purchase and distribution of seeds, equipment, technical assistance).

A-7 Establishment of a mobile centre for repairs and maintenance

The polders of Lake Chad are rich lands with great agricultural potential. Their exploitation requires the building of dams to allow the waters of the Lake to flow into the polders and to rebuild the underground water reserve. Their exploitation by modern techniques is done by SODELAC (Société de Développement du Lac), while the traditional sector is in the hands of the farmers. The purpose of the project is to help the latter to rebuild the infrastructure, which has been damaged, and to undertake new works for their efficient exploitation. The cost of the project is estimated at \$0.99 million over a period of three years (equipment, technical assistance).

A-8 Reinforcement of the services against agricultural pests

Taking into account the enormous damage caused to the crops by the different pests, the purpose of the project will be to reinforce the services responsible for their control by providing equipment, pesticides and training for the national counterpart staff. The project will last three years and the cost is estimated at \$0.71 million (pesticides, equipment, logistical support, vehicles, technical assistance, training).

A-9 Reinforcement of the Rural Hydrology Service (SERARHY)

This government service is responsible for rural water supply and control. In addition to the assistance provided by bilateral or multilateral organizations, the project will provide additional equipment in order to enable SERARHY to maintain and repair the existing water wells in rural areas. The cost of the project is \$2.39 million and the anticipated duration is three years (drilling equipment, heavy equipment, vehicles, repair works, maintenance, technical assistance, training).

A-10 Cattle vaccination and treatment campaign in the Sahelian zone

The purpose of the project is to undertake a cattle vaccination and treatment campaign in the Sahelian zone in order to preserve this important source of revenue for the country. The project will provide medicine and drugs as well as the technical personnel needed to undertake the campaign. The cost of the project is estimated at \$0.92 million for one year (drugs, vehicles, equipment and technical assistance).

A-11 Establishment of veterinary clinic

The purpose of the project is to rebuild the veterinary clinic in N'Djamena and to provide a stock of medicine to cover the needs of the livestock sector, and to create a revolving fund for a regular supply of the drugs required. The cost of the project is estimated at \$0.89 million for one year (drugs, revolving fund, technical assistance).

A-12 Rehabilitation of the Farcha slaughter-house

Lack of maintenance has contributed to the deterioration of this modern slaughter-house. It is important to maintain the installations properly and to train national personnel for the production of meat. The project will therefore provide for vehicles and equipment and for the maintenance of the cold chain system. The estimated cost of the project is \$2.06 million over a period of two years (technical assistance, laboratory equipment, material, vehicles, logistical support).

A-13 Assistance to the Centre for the Modernization of Animal Products

The Dairy Plant is the only source of supply of milk and butter and of poultry and eggs to the capital city. The object of the project is to reactivate its production units and to assist in the training of the national technical personnel. The cost of the project is estimated at \$0.61 million for two years (2 experts, equipment and vehicles).

A-14 Restoration of tree nurseries in urban centres

The object of the project is to assist in the creation of tree nurseries in the urban centre of N'Djamena and in Massakori in order to fight against desertification around urban areas. The cost of the project is estimated at \$0.18 million over a period of two years.

A-15 Wildlife protection

Wildlife is an important national resource, which should be protected in order to create the basis for the development of tourism. The reason for including this project in the present short-term programme is that some species of animals are in danger of decimation. The project will provide to the competent government technical services the required means for the protection and maintenance of the national game reserves. The project will last for two years. The cost of the required assistance is \$0.64 million (logistical support, vehicles and technical assistance).

Transport

T-1 Summary rehabilitation of a priority road network

The objective is to put into passable condition a priority road network of about 2,500 kilometres: N'Djamena-Abeché; N'Djamena Bongor-Doba; Leré-Moundou-Sarh; Djermaya-Djintilo; Ngoura-Mongo-Am Timan. The work will consist of reforming, reshaping and recompacting side-worn natural materials on non-engineered alignments. The estimated cost of the project is \$35 million over two or three years.

T-2 Urgent assistance to the Ministry of Public Works, Transport, Mines and Geology (MPTMG)

The project aims at providing technical assistance, spare parts, equipment, vehicles, laboratory equipment to the MPTMG in order to allow the Department of Public Works to build up its absorptive capacity and to undertake the necessary maintenance and public works. The total cost of the project is \$8 million, and the duration two to three years.

T-3 Air transport

The aim of the project is to relaunch the existing company Air Chad by providing it with management assistance, two aircraft capable of carrying 40 to 50 passengers and some freight, and a smaller aircraft, and to training its personnel. The estimated duration of the project is over two years. The cost of the project is estimated at \$6.6 million.

T-4 Assistance to the Directorate of Transport

Under the project it is proposed to transport planning expertise, scholarships, office equipment and vehicles to the Directorate of Transport to enable it to carry out its responsibilities. The estimated cost of the project is \$350,000 for a period of two years.

T-5 Rehabilitation of bituminous roads

The object is to rehabilitate main roads for heavy traffic at all seasons in parts of the country most used by the transport sector. These are N'Djamena-Massaguet and N'Djamena-Bongor. The estimated cost is \$5 million for a period of three years.

Electricity

E-1 Technical assistance for the reconstruction of the electric power stations in the interior of the country

The following services are foreseen:

(a) Identification of the requirements of material and technical services;

(b) Supply of materials and replacement parts for urgent maintenance work;

(c) Repair services by foreign contractors;

(d) Training of local staff for maintenance;

(e) Operational support;

- (f) Planning for the medium-term future.

The duration of the project is estimated at nine months and the cost at \$700,000.

Energy

E-2 Assistance for the establishment of an energy department in the Ministry of Public Works

This is to include the services of experts and the training of local personnel, as follows:

- (a) The setting-up of a permanent organization which can promote a coherent and dynamic energy policy;
- (b) The assessment of the national energy situation and the formulation of development plans for the commercial energy sector as well as the non-commercial (traditional) sector;
- (c) The creation of a petroleum division which can represent the State as counterpart to commercial interests;
- (d) The formulation of a training programme;
- (e) The setting-up of a documentation centre;
- (f) The supervision and training of the exploitation of new and renewable energy sources.

The duration is estimated at two years and the cost at \$600,000.

E-3 Improvement of the traditional methods of supplying and using firewood and charcoal through the provision of studies and expert services

The principal objective is the study and introduction of new methods which can improve firewood supply management and lead to the development of special plantations of rapidly growing timbers as sources of renewable energy. The cost is estimated at \$240,000 for one year.

E-4 Setting up of a development centre for renewable energy forms (solar energy, wind energy, biomass/biogas, geothermal energy)

The assistance proposed includes expert services and fellowships for the formation of a local team. The project is to facilitate the application of new sources, the introduction of new technologies already developed elsewhere and their adaptation to local conditions. This is to be treated as an urgent matter. The duration is estimated at 18 months and the cost at \$450,000.

Natural resources

E-5 Strengthening of the Department of Geology and Mines in the Ministry of Public Works

The project includes the services of experts and training fellowships for:

- (a) The identification of requirements in personnel, equipment and procedures and the setting up of a training programme;
- (b) The review of existing studies and an intensive campaign with a view to the exploitation of commercially interesting mineral deposits;
- (c) The supply of equipment for geological and mining research;
- (d) The establishment of a documentation and study centre.

The duration is estimated at two years and the cost at \$750,000.

E-6 Assistance with the rehabilitation of the water metering and billing system, and the associated commercial services, in N'Djamena

The project will comprise:

- (a) Technical advisory services;
- (b) The provision of 8,000 water meters;
- (c) The provision of accountancy equipment.

The cost is estimated at \$1.25 million for 18 months.

E-7 Study of improvement of the water supply situation in rural areas

This study is to take account of the local climatic conditions as well as of the particular needs of consumers in arid areas. The cost is estimated at \$220,000 for 18 months.

Human settlements

HS-1 Reconstruction of public buildings

The project will provide assistance to the Government in setting up an emergency unit to prepare projects, invite tenders and undertake and control the rebuilding or repairing of public institutions or buildings. The total cost of the project is estimated at \$44,600,000 for three years.

HS-2 Co-operative for housing construction

The objective is to assist in the establishment of three co-operatives in the capital city to enable the urban poor to rebuild their housing. The inputs will be in the form of a revolving fund, technical assistance and equipment. The cost of the project is \$8,200,000 for three years.

HS-3 Re-equipment of the municipal technical services

The object of the project is to re-equip the municipal technical services of the capital city and to provide the necessary material and technical assistance to permit the proper functioning of these services. The cost of the project is estimated at \$2,550,000 for three years.

HS-4 Control of the redevelopment and reconstruction of N'Djamena

The object of the project is to enable "Direction de l'Habitat de l'Urbanisme et du Cadastre" (DHUC) to obtain the equipment, personnel and technical assistance required for its activities. These include the preparation of legislation for urban development, a master plan for N'Djamena and other cities, and the control of slums and squatter settlements. The cost of the project is estimated at \$1,900,000 for three years.

HS-5 Urban development of Chad

The project will assist in improving the quality of life by upgrading slums and squatter settlements and by designing and implementing sites and services projects. The inputs anticipated are in the form of personnel and equipment. The estimated cost of the project is \$16.5 million for three years.

Education

ED-1 Assistance to elementary and secondary schools

The object of the project is to equip a number of schools in N'Djamena and in other parts of the country, to provide for the training of 300 national teachers and to allow for the purchase of teaching materials and textbooks required to help reopen the elementary and secondary schools. The estimated cost is \$9 million for three years.

ED-2 Assistance to the Directorate General of Education

The project will help the Directorate General of Education in organizing its structures and in carrying out its responsibilities for co-ordinating education activities throughout the country. The cost of the project is estimated at \$1.5 million for two years.

Health

H-1 Extended programme of vaccination

The objective is to undertake a vaccination campaign to cover some 600,000 children and women against six main contagious diseases (tuberculosis, measles, tetanus, poliomyelitis, whooping cough and diphtheria). The programme will last three years at an estimated cost of \$1.5 million.

H-2 Service of major endemic diseases

The project aims at assisting the major endemic diseases service in its activities of preventing and controlling a number of contagious diseases throughout the country. The cost of the project is estimated at \$2 million for three years (equipment, vehicles, drugs, technical assistance).

H-3 Rehabilitation of the Central Hospital of N'Djamena

The objective of the project is to rehabilitate the main hospital of N'Djamena, which has been partly destroyed. The estimated cost of the assistance required is \$10 million and the duration of the project is two years.

H-4 Rehabilitation of the National School of Public Health and Social Services

The objectives of the project are to extend and equip the school and to assist in the training of the medical personnel. The estimated cost is \$1 million for one year.

H-5 Environmental sanitation of N'Djamena

The objective is to assist the Ministry of Health in improving the environmental sanitation of the capital city. The cost is estimated at \$1,316,000 for two years.

H-6 Rehabilitation of the Polyclinic of N'Djamena

The project will contribute to the rehabilitation and re-equipment of the Polyclinic of N'Djamena. The estimated cost is \$2 million for two years.

VI. CONCLUSIONS

118. The set of projects proposed above has been conceived as a comprehensive short-term programme which, if implemented effectively and in the period envisaged, should enable Chad to turn towards recovery. The country does not at present have the funds, adequate qualified manpower or the administrative structures required to execute the programme on its own. External aid is required immediately to restore the Government's ability to function effectively and to implement the programme.
119. In this context, mention should be made of a meeting held in Paris on 12 and 13 November 1981, at the request of the Government of Chad and under the chairmanship of its Minister of Planning, to consider the reconstruction and development needs of Chad and the international assistance that would be necessary. The meeting was organized with the help of the Government of France and was attended by representatives of the Federal Republic of Germany, the United States of America, the European Development Fund, the World Bank, the International Monetary Fund, the African Development Bank, the Central Bank for Central African States, and the United Nations Development Programme.
120. The leader of the mission was invited to participate in the meeting and submitted to it the mission's preliminary findings and recommendations. There was considerable sympathy at the meeting for the needs of Chad and a number of specific offers of aid or pledges were made. A more widely based pledging conference should be held at an early date in accordance with the decision taken by OAU at its meeting held at Nairobi in August 1981 and with resolution 35/92 in which the General Assembly requested the Secretary-General to organize a programme of international, financial, technical and material assistance for Chad.
121. Maintenance of peace and security in Chad and the reconciliation of political differences are evidently prerequisites of the carrying out of even the modest short-term programme proposed in the present report. The implementation of the programme should, however, enable the country to turn its attention to the more fundamental, longer-term problems, including the socio-political problems that have been at the root of the protracted conflict in Chad and those that the conflict itself has generated or aggravated.
122. To resolve these problems, a massive and sustained effort will be required over a long period of time. Given peace in the country and the region and international co-operation, there need be no doubt that the people of Chad have the capacity and the potential to overcome their problems.

