



General Assembly

Distr.
GENERALA/37/131
3 September 1982

ORIGINAL: ENGLISH

Thirty-seventh session
Item 74 (b) of the provisional agenda*

SPECIAL ECONOMIC AND DISASTER RELIEF ASSISTANCE; SPECIAL
PROGRAMMES OF ECONOMIC ASSISTANCEAssistance for the reconstruction, rehabilitation
and development of the Central African RepublicReport of the Secretary-General

1. In its resolution 36/206 of 17 December 1981, the General Assembly requested the Secretary-General, inter alia, to organize a special emergency assistance programme for the Central African Republic, to continue his efforts to mobilize necessary resources for an effective programme of financial, technical and material assistance to that country and to arrange for a review of the economic situation and the progress made in organizing and implementing the special economic assistance programme in time for the matter to be considered by the Assembly at its thirty-seventh session.
2. The Secretary-General accordingly arranged for a review mission to visit the Central African Republic to consult with the Government on the economic situation of the country and the progress made in implementing the special economic assistance programme. The report of the review mission, which is annexed hereto, describes the economic and financial situation, outlines the priority needs and projects, and summarizes the progress made in implementing the projects that were included in the special economic assistance programme (see A/36/183, annex, sect. IV).
3. In paragraphs 5, 6 and 7 of resolution 36/206, the General Assembly requested the appropriate organizations and programmes of the United Nations system to maintain and expand their programmes of assistance to the Central African Republic, to co-operate closely with the Secretary-General in his efforts to organize an

* A/37/150.

effective international programme of assistance and to report periodically to him on the steps taken and the resources made available. The Assembly also called upon regional and interregional organizations and other intergovernmental bodies and non-governmental organizations, as well as international financial institutions, to give urgent consideration to the establishment of a programme of assistance to the Central African Republic. The text of resolution 36/206 has been communicated to the organizations concerned and their attention drawn to the specific requests addressed to them by the Assembly. The replies of the organizations will be reproduced in a report of the Secretary-General covering the Central African Republic and a number of other countries for which the Assembly has requested the Secretary-General to organize special economic assistance programmes.

ANNEX

Report of the mission to the Central African Republic
(13-17 June 1982)

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
I. INTRODUCTION	1 - 5	2
II. BACKGROUND	6 - 10	2
III. ECONOMIC SITUATION	11 - 33	3
A. Domestic economy	11 - 18	3
B. Balance of payments	19 - 28	5
C. Public finance	29 - 31	9
D. Money and banking	32 - 33	11
IV. DEVELOPMENT PROGRAMMES	34 - 72	12
A. Government objectives	34 - 35	12
B. Food assistance	36	12
C. Special economic assistance programme	37 - 72	12

I. INTRODUCTION

1. The economic and financial problems of the Central African Republic were brought to the attention of the General Assembly in a report of the Secretary-General submitted to the Assembly at its thirty-sixth session (A/36/183). The Minister for Foreign Affairs of the Central African Republic also made a statement to the Assembly on 7 October 1981 (A/36/PV.29, pp. 56-68), in which he described the situation in his country and stressed the urgent need for external assistance.
2. On 17 December 1981, the General Assembly adopted resolution 36/206, in which it noted with satisfaction the efforts made by the Government and people of the Central African Republic and urgently reiterated its appeal to all Member States to contribute generously to the reconstruction, rehabilitation and development of that country. The Assembly also requested the appropriate organizations and programmes of the United Nations system, as well as regional and interregional organizations and other intergovernmental bodies, non-governmental organizations and international financial institutions to provide assistance.
3. The Secretary-General was requested, inter alia, to arrange for a review of the economic situation of the Central African Republic and the progress made in organizing and implementing the special economic assistance programme in time for the matter to be considered by the General Assembly at its thirty-seventh session. Arrangements were accordingly made for a United Nations mission, led by the Director of the Office for Special Political Questions, to visit the Central African Republic from 13 to 17 June 1982.
4. The mission held extensive discussions with the Minister for Economy, also responsible for planning. It also had meetings with senior officials of all the ministries directly concerned and the Central Bank. Talks were held, in addition, with members of the diplomatic corps accredited to the Central African Republic and with members of the United Nations and other organizations active in the country.
5. Appropriate preparations had been made for the mission's visit and the information requested was readily made available, for which the mission wishes to express its appreciation to the Government. The mission would also like to place on record its gratitude to the Resident Representative of the United Nations Development Programme (UNDP) in Bangui and his staff for their helpful co-operation.

II. BACKGROUND

6. The physical characteristics of the Central African Republic have been described in the report of the Secretary-General (A/36/183, annex). The Republic has a sparse population, officially estimated at 2,440,870 in 1982. This figure is

derived from the census of 1975 (2,054,610 inhabitants) and an estimated 2.4 per cent annual rate of growth.*

7. The economy is mainly agricultural and there is a large subsistence sector. Most foodstuffs are domestically produced, cassava being the main food crop, except in the north-east where millet is cultivated. Ground-nuts, maize, yams, sesame, rice and vegetables are also grown. Cattle are important.

8. Diamonds, coffee, cotton, timber and tobacco constitute the major exports. It is believed that the production of palm-oil could also be developed. However, lack of investment and poor management are two reasons why the productive potential of the country is far from being realized.

9. Development is also complicated by an internal road system much of which needs rehabilitation and reconstruction, and the fact that the nearest sea ports are some 1,400 kilometres away (in the case of Douala) and 1,800 kilometres away (in the case of Pointe-Noire). This inevitably entails high transport costs, making exports less competitive and inflating the local price of imports.

10. The Central African Republic was created a Republic on 1 December 1958 and attained independence on 30 August 1960. On 31 December 1965, Jean Bedel Bokassa came to power in a coup d'état. He remained in office until September 1979 when he was overthrown. David Dacko became Head of State until 1981, when a Government, led by the Chairman of the Military Committee for National Rehabilitation, General of the Army André Kolingba, came to power.

III. ECONOMIC SITUATION

A. Domestic economy

11. In 1978, the gross domestic product (GDP) grew at a rate of 3 per cent in real terms. Economic activity declined thereafter, and over the period 1978-1981 GDP at constant prices declined by a total of close to 10 per cent. There were major declines in real terms in agricultural exports, mining, manufacturing and construction, but there has been some growth in the service sectors. This change in the structure has contributed to the imbalance between aggregate supply and demand of goods. The consequent pressures have resulted in an average annual inflation rate of 12.85 per cent in the period 1977-1981, and this has been associated with increased external disequilibrium. The trade and services items of the balance of payments show a deficit, which over the last three years has represented on average 12.3 per cent of GDP.

* A recent study suggests that this may be an over-estimation based on inaccuracies in the 1975 census, and that a lower rate of population growth prevails (2.2 per cent), in which case the total population would be around 2,089,000.

Table 1. Gross domestic product, sectoral origin 1977-1981 preliminary estimates
1982-1985 projections a/
(Millions of CFA francs) b/

	1977	1978	1979	1980	1981	1982	1983	1984	1985
1. Agriculture, forestry, husbandry	46 751	49 918	55 774	63 365	70 549	75 633	86 455	99 959	115 010
2. Mining	8 979	13 226	12 966	13 102	11 503	13 461	16 225	19 840	24 390
3. Manufacturing	12 546	10 790	11 828	11 437	12 179	15 608	17 852	20 570	23 830
4. Water, electricity	731	824	985	1 205	1 930	2 400	2 954	3 662	4 560
5. Construction	4 785	4 932	6 424	6 065	6 953	9 909	11 821	10 294	11 340
6. Commerce	18 549	20 036	21 201	24 635	27 269	31 824	37 628	44 771	53 240
7. Transport and telecommunications	3 409	4 603	4 437	5 631	6 832	8 402	10 671	13 603	16 230
8. Public administration	15 003	17 950	22 052	25 353	31 238	35 842	38 343	43 850	50 160
9. Other private services	5 608	6 237	7 180	7 669	9 427	11 403	13 363	15 789	18 600
10. Customs duties and indirect taxes	7 133	8 076	8 136	9 863	10 982	14 250	17 557	21 515	25 750
GDP at current market prices	123 494	136 592	150 983	168 325	188 862	218 732	252 869	293 853	343 150
GDP deflator	-	7.4%	13.9%	16.0%	14.3%	14.0%	14.0%	14.0%	14.0%
GDP at constant 1977 market prices	123 494	127 181	123 424	118 621	116 443	118 297	119 965	122 288	125 260
Annual change in GDP at constant prices		+3.0%	-3.0%	-3.9%	-1.8%	+1.6%	+1.4%	+1.9%	+2.4%

Source: Secretariat d'Etat au Commerce, au Plan et aux Statistiques.

a/ The figures for 1982-1985 are official projections prepared for the "Programme for Economic Reactivation".

b/ The national unit of currency is the Communauté financière africaine franc (CFAF).

12. In 1981, GDP at constant prices decreased by 1.8 per cent and the rate of inflation was 14.3 per cent.

13. Agriculture supplies most of the country's food, the production of cassava and millet being the most important. The major agricultural export crops are cotton, coffee and tobacco. Poor performance in this sector in the 1981/82 growing season derived mainly from a drastic drop in the area of cotton cultivated, resulting in a projected fall in production of 20 per cent. On the other hand, in spite of unfavourable market conditions, coffee production increased by about 20 per cent.

14. Forest exploitation, another important source of export revenue, showed a moderate increase. The Government has requested technical and financial assistance from the World Bank in this sector.

15. Animal husbandry includes cattle, pigs and goats. Unofficial border trade in cattle makes it difficult to obtain accurate statistics; during the first three months of 1981 the number of cattle slaughtered under official control increased by 25 per cent over the same period in the preceding year.

16. Mining production, which includes both diamond and gold extraction, declined by at least 20 per cent in 1981. In the first six months of 1981 the number of gross diamond carats was 17.2 per cent below the level of the same period the year before, the fall in output of cut stones being even greater. According to official estimates, the level of illegal diamond production may be almost as great as that controlled by the authorities. Gold production, which in the first six months had been discouraging, experienced only a moderate decline over the entire year.

17. The manufacturing sector includes food processing, beverage industries, tobacco, paints, acetylene, oxygen, aluminium articles and the assembly of radios, lamps, motor cycles and bicycles. A new brewery began operating in July 1981 and there is a sugar-cane project in hand. The textile industry, which in 1979 consumed 691 tonnes of domestic cotton production, has virtually ceased to function; in 1981 it used only 5 tonnes of cotton. There are, however, plans to rehabilitate the industry. Although sales of the seven most important industrial corporations increased during the first six months of 1981 by 14.1 per cent over the same period in 1980, it is believed that, in real terms, production fell by about 7 per cent for the year.

18. In commerce and transportation, sales in the first six months of 1981 by the five largest trading corporations fell by 8.2 per cent compared to the same period in the year before. The two most important river ports experienced a similar reduction in tonnage handled. Activity in the transportation sector recovered in the second half of the year, showing an over-all increase of about 5 per cent in real terms for the whole year.

B. Balance of payments

19. The over-all balance of payments during the last three years has been characterized by large trade and services deficits, partly offset by significant

official transfers, in particular development aid. Capital movements subsequent to 1979 have not sufficed to cover current account deficits, in spite of efforts undertaken by the public sector to compensate for the diminishing inflow of private capital. During the last two years the level of net foreign exchange reserves has accordingly fallen.

20. The Central African Republic has a relatively diversified export base, as can be seen from table 2. The main export products are diamonds, cotton, coffee, timber and tobacco.

Table 2. Principal exports: Value, volume, unit price
1979-1981

	1979	1980	1981
Diamonds: value (billions of CFAF)	9.5	9.7	8.4
volume (thousands of carats)	300.0	332.0	301.0
unit price (thousands of CFAF per carat)	31.7	29.2	27.9
Cotton: value (billions of CFAF)	2.4	3.8	4.9
volume (thousands of tonnes)	7.5	11.4	11.1
unit price (thousands of CFAF per tonne)	319.6	333.9	441.7
Coffee: value (billions of CFAF)	6.9	6.9	6.4
volume (thousands of tonnes)	9.2	11.1	13.5
unit price (thousands of CFAF per tonne)	753.2	620.1	474.1
Timber: value (billions of CFAF)	5.9	6.1	8.4
volume (thousands of cubic metres)	149.0	157.0	162.0
unit value (thousands of CFAF per cubic metre)	39.6	38.8	51.8
Tobacco: value (billions of CFAF)	1.1	1.2	1.4
volume (thousands of tonnes)	1.4	1.5	1.3
unit value (thousands of CFAF per tonne)	786.3	771.2	1,080.2
Other: (billions of CFAF)	0.2	3.4	3.9

Source: Direction de la statistique générale et des études économiques.

21. The decrease of 13.4 per cent in the value of diamond exports in 1981 involves both the number of carats shipped and the unit price. The volume of registered exports is widely believed to suffer from illegal trading, which received an additional incentive when the ad valorem tax was raised from 17 per cent to 25 per cent. (It has since been reduced to 20 per cent.) The Government intends setting up a mines brigade to prevent the illegal export of diamonds.

22. The value of cotton exports rose by 29 per cent in 1981, owing to an improvement in prices. Volume declined modestly. The Government intends to raise producer prices in order to stimulate the recovery of cotton production, which contributes not only to export earnings but also to employment.

23. Improved productivity in coffee cultivation accounts for the increase in the volume exported in 1981. However, the depressed international market was reflected in a 23.5 per cent deterioration in prices and, in consequence, a 7 per cent reduction in the value of exported coffee.

24. Timber exports have been increasing during the last three years and in 1981 their value rose by some 38 per cent, making timber as important as diamonds. The country has abundant forest resources but suffers from the inevitable high transportation costs arising from its geographical position.

25. Tobacco and other exports together increased by 15 per cent in 1981 in comparison with the preceding year.

26. The value of imports grew by 4.3 per cent in 1981 over the previous year, but owing to price increases it is believed that there was a reduction in real terms. The moderate reduction in the trade deficit in 1981 was offset by freight and insurance expenditures which raised the cost of imports by about 30 per cent. For the first time in the three-year period "tourism and other services" showed a positive balance. Together these and other factors combined to reduce by about 28 per cent the goods and services deficit vis-à-vis the previous year and, in spite of a substantial reduction in the net inflow of development aid, the current account deficit was about half that of the preceding year, at a level of CFAF 3,897 million or 2.1 per cent of current GDP.

Table 3. Balance of payments, 1979-1981
 (Millions of CFA francs)

	1979	1980 <u>a/</u>	1981 <u>a/</u>
Exports f.o.b.	26 003	31 100	33 400
Imports f.o.b.	<u>28 270</u>	<u>39 109</u>	<u>40 785</u>
Trade balance	-2 267	-8 009	-7 385
Freight and insurance, net	-8 311	-11 827	-11 584
Other transportation and insurance, net	-2 004	-2 812	-1 767
Tourism and other services, net	<u>-7 932</u>	<u>-1 857</u>	<u>3 034</u>
Total goods and services	-20 514	-24 505	-17 702
Transfers: Private, net	-1 946	-4 024	-3 708
Public, net	<u>18 450</u>	<u>20 191</u>	<u>17 513</u>
Current Account balance	<u>-4 010</u>	<u>-8 338</u>	<u>-3 897</u>
Private long-term capital movements, net	7 341	1 065	1 145
Official long-term capital movements, net	1 110	8 564	875
Private short-term capital movements, net	1 539	1 518	-497
Official short-term capital movements, net	-558	-517	-450
Errors and omissions	<u>-1 614</u>	<u>-2 759</u>	<u>-545</u>
Capital Account balance	<u>7 818</u>	<u>7 871</u>	<u>528</u>
Over-all balance	3 808	-467	-3 369
Change in net reserves <u>b/</u>	<u>-3 808</u>	<u>467</u>	<u>3 369</u>

Source: Central Bank.

a/ Provisional figures.

b/ A minus (-) sign denotes an increase in reserves.

27. The capital account deteriorated in 1981 mainly owing to decreased long-term Government borrowing. Private long-term capital inflows improved slightly. Short-term capital movements were negative, both for private and official items, as high external interest rates encouraged limited use of suppliers and bank credit lines and stimulated repayment of earlier balances. Reduction of the usually large negative balance in the "errors and omissions" item represents a methodological improvement but results in an increase in the registered outflow in other capital items. The net inflow of resources in the capital account of CFAF 528 million was insufficient to cover the current account deficit. In consequence, net foreign exchange reserves fell by CFAF 3,369 million. According to the international financial statistics for June 1982 supplied by the International Monetary Fund (IMF), total gross reserves plus gold (at national valuation) stood at \$73.72 million, which, at the then prevailing rate of CFAF 287.40 to \$US 1.00 were equivalent to CFAF 21,187.1 million. This represents about 3.8 months total goods and services imports.

28. Total public and publicly guaranteed disbursed external debt at the end of 1981 was equivalent to \$213.1 million, which represents around 32 per cent of current GDP. The servicing of public and publicly guaranteed external debt amounted to \$5.82 million in 1981, representing about 5 per cent of f.o.b. export revenue. The World Bank is providing technical assistance to improve the control and management of external public indebtedness.

C. Public finance

29. The public sector comprises the central administration with 16 ministries and five secretariats of State as well as a number of parastatal and public enterprises.

30. Table 4 shows the imbalance between budgetary revenue and expenditure. In an effort to correct the financial disequilibrium, various measures have been adopted, including the reduction of public sector posts by about 2,000 (out of approximately 25,000) and the creation of a Commission on Public Administration, which, through a process of rationalization, hopes to reduce public sector posts by a further 3,000 in 1983. The growth of expenditure in 1982 is, accordingly, projected at a restrained rate of 7.7 per cent, which represents in real terms a reduction of about 5.5 per cent. It is hoped that the measures being taken to correct the fiscal deficit, particularly the reduction in public sector employment, will encourage the continued provision of budgetary support to the Central African Republic.

31. Corrective policies have also been applied to public enterprises and parastatals. Rates have been raised for utilities, posts and telecommunications and other services, while the number of persons employed has been reduced. As part of the Government's programme to rationalize the state economic sector, the transfer of certain activities to the private sector is envisaged.

Table 4. Budgetary revenue and expenditure, 1981-1982
 (Millions of CFA francs)

	1981 a/	1982 b/
I. <u>Total budgetary revenue</u>	<u>23 606.3</u>	<u>29 295.0</u>
A. <u>Fiscal revenue</u>	<u>22 547.9</u>	<u>28 075.0</u>
1. Direct taxes	5 636.2	6 090.0
2. Import and export taxes	10 517.7	13 157.5
3. Excise tax on beer	1 317.1	1 750.0
4. Special tax on fuel	783.7	950.0
5. Other indirect taxes	2 940.5	3 007.2
6. Other taxes on fees	1 352.7	1 420.3
7. Tax surcharge	-	1 700.0
B. <u>Non-fiscal revenue</u>	<u>1 058.4</u>	<u>1 220.0</u>
II. <u>Expenditure</u>	<u>34 085.0</u>	<u>36 703.2</u>
A. <u>Current</u>	<u>31 848.0</u>	<u>34 125.6</u>
1. Salaries	20 987.0	21 223.1
2. Supplies	5 162.0	6 365.5
3. Public debt service	1 908.0	2 808.5
4. Other payments and transfers	3 791.0	3 728.5
B. <u>Capital</u>	<u>2 237.0</u>	<u>2 577.6</u>
III. <u>Deficit</u>	<u>10 478.7</u>	<u>7 408.2</u>
IV. <u>Grants and loans</u>	<u>9 532.1</u>	<u>700.0</u>
Grants	5 322.1	700.0
Loans	4 210.0	-

Source: Ministry of Finance.

a/ Actual.

b/ Official projection.

/...

D. Money and banking

32. The Central African Republic, a member of the French franc area, shares a common currency and common central bank with Chad, the Congo, Gabon and the United Republic of Cameroon. The common monetary unit is the Communauté financière africaine franc (CFAF), the convertibility of which is guaranteed by France at an exchange rate of CFAF 50 per French franc. The banking system comprises the Central Bank, three commercial banks and a development bank. Besides strengthening the banking system, the Government plans, within its over-all programme intended to correct the financial disequilibrium of the national economy, to diversify financial mechanisms. The creation of a new development bank and the organization of a credit system for small farmers, rural communities and handicrafts are envisaged.

33. In the year ending July 1981 the money supply grew by 34.8 per cent. The policies adopted to correct financial problems in the public sector required support, both externally and domestically, and the significant growth in quasi-money can be interpreted as an indication of increasing confidence in these policies.

Table 5. Assets and liabilities of the banking system
31 July 1980-31 July 1981

(Millions of CFA francs)

	31 July 1980	31 July 1981	Change during 1981/82	Percentage change
External assets (net)	5,791	10,174	4,383	75.7
Domestic credit:	30,680	36,386	5,706	18.6
To Government	(12,983)	(16,868)	(3,885)	(29.9)
To rest of economy	(17,697)	(19,518)	(1,821)	10.3
Other net assets	-5,501	-4,945	556	(10.1)
Money supply	30,970	41,615	10,645	34.4
Represented by:				
Currency in circulation	21,210	30,469	9,259	43.6
Demand deposits	8,185	9,151	966	11.8
Quasi-money	1,575	1,995	420	26.7

Source: Central Bank.

IV. DEVELOPMENT PROGRAMMES

A. Government objectives

34. The Government of the Central African Republic has prepared a National Programme of Action for the years 1982-1985 inclusive. The Programme comprises two phases. The first, covering the current year, has as its objectives the strengthening of public finance, the rehabilitation of the state sector and state machinery and the reorganization of the banking system. The second phase is a three-year development programme expected to lead to continuing growth. Its objectives are: to revitalize economic activity through the development and diversification of production and exports; to restore equilibrium in the balance of payments and in public finance; to raise the standard of living, especially in rural areas; to develop human resources; and to ensure a better balance between rural and urban development.

35. In quantitative terms, the aim is to raise real GDP by 11 per cent between 1981 and 1985, implying an average annual increase of 2.7 per cent. This means executing an investment programme of CFAF 110 billion at 1981 prices over the period 1982-1985, and then raising the average investment rate to 15 per cent GDP from 1985 onwards. In order to obtain the financial and technical resources essential to supplement their domestic efforts, the Government of the Central African Republic looks to international assistance.

B. Food assistance

36. A number of donors provide food aid for budgetary support and to enable the Government to meet its critical development needs. The European Development Fund (EDF) has made available 120,000 European currency units (ECU) in addition to direct food assistance. The World Food Programme (WFP) continues to provide food assistance, within the framework of a multi-purpose project, to such vulnerable groups as pre-school and rural primary-school children and hospital patients, and in mother and child health centres. However, a serious need for additional food assistance remains.

C. Special economic assistance programme

37. The projects presented by the Government and included in the special economic assistance programme conform to the National Programme of Action. Of the 33 projects, 14 have been fully funded, 6 partially funded and 11 still require financing (2 have been withdrawn).

1. Projects that have been fully funded

A-2 Integrated development programme in the coffee area

38. The project has been revised and expanded to include: production of food crops, rural roads, marketing services, co-operatives, training activities,

extension services and water supplies over a four-year period beginning July 1983. Financing has been obtained as follows:

European Development Fund	3.3 billion CFAF (50 per cent in grants) (50 per cent in soft loans)
African Development Bank	2 billion-3 billion CFAF (in soft loans)
Central African Republic (through the Caisse de Stabilisation)	1.4 billion CFAF

A-3 Integrated development programme for cattle-raising

39. The project has been financed by the following:

African Development Bank	\$3.3 million (loan)
International Fund for Agricultural Development	\$2.5 million (loan)
International Development Association	\$2.5 million (loan)
European Economic Community	\$0.5 million (loan)
Central African Republic (Cattle owners)	\$3.0 million

A-8 Bee-keeping development

40. Financing for the project has been assured by the French Fonds d'aide et de coopération for a total of CFAF 15 million; in addition, the technical services of a volunteer have been provided. The United States Agency for International Development (USAID) has earmarked an amount of \$279,500 for the period 1982-1985 and provided three volunteers. The assistance covers training activities in co-operatives, improving traditional beehives and the marketing of wax and honey.

A-9 Chicken and pig breeding

41. The United Nations Capital Development Fund (UNCDF) has agreed to finance the project for a total amount of \$800,000 during the period 1982-1984. An evaluation mission will be undertaken soon by UNCDF to finalize the details. The objective is to construct a centre for the production of animal feed and a storage area, to equip a poultry station, to provide for poultry and pig breeding and to create a laboratory for analysis of animal diseases.

E-1 Rehabilitation of existing schools

42. The project has been reformulated to include rehabilitation of 300 classrooms and construction of 100 houses for teachers to benefit 35,000 primary-school pupils.

The World Bank has agreed to lend about \$10 million. A pre-feasibility study financed by the World Bank for CFAF 90 million will lead to a two-year project in 1983-1984. The project can be considered as fully funded.

E-2 Assistance to the Production Unit of the National Pedagogic Institute

43. The total cost of the project has been financed from the following contributions:

European Development Fund	83 million CFAF
Fonds d'aide et de coopération	62 million CFAF
Central African Republic	30 million CFAF

44. Sixty-five per cent of the funds allocated are for construction and the remainder for equipment.

E-3 Development of the Technical High School

45. The project has been financed as follows:

European Development Fund	135 million CFAF
Fonds d'aide et de coopération	30 million CFAF
Central African Republic	24 million CFAF

E-5 Construction of a teachers' training centre (Bambari)

46. The project has been financed in 1982 by the African Development Bank (ADB) for an amount of CFAF 530 million and by the Government of the Central African Republic, which has earmarked CFAF 30 million for it.

M-3 Compensation dam (feasibility study)

47. The Fonds d'aide et de coopération has given its agreement in principle to finance the technical feasibility study for a total amount of CFAF 300 million. The construction costs of the dam are currently estimated at CFAF 10 billion-15 billion, the financing for which will be sought only when the study is completed.

T-1 Kembé-Bangassou road (145 kms)

48. Some rehabilitation of the road was carried out under the Road Fund in 1981; more work is now planned, costing altogether CFAF 13 billion. For the Sibut-Bangassou section, financing has been obtained and work will start in 1983.

T-2 Bossemtélé-Bozum road (84 kms)

49. The project, which is planned for 1983, can be considered as fully financed by the Road Fund.

T-3 Damara-Bouca road (213 kms)

50. Rehabilitation was carried out in 1982 under Road Fund financing.

T-4 Sibut-Sido road (323 kms)

51. This section will be built in 1983 under the fourth road project. The cost of CFAF 1,030 billion is covered.

T-7 Telephone network (Bangui)

52. The technical feasibility study was undertaken in 1980 under financing provided by the Fonds d'aide et de coopération. The project itself will be financed through a loan of CFAF 3.29 billion from ADB. The additional funds required, amounting to CFAF 6.5 million, have been promised by the Fonds d'aide et de coopération and the Development Bank for Central African States. Once completed, the project will extend the capacity of the main telephone exchange in Bangui from 2,000 to 5,000 lines, provide for 6,500 underground cables, allow for 1,200 lines of distribution and train a number of national technicians.

53. Two projects have been withdrawn:

A-6 Urgent disease control

E-4 Building of new schools

2. Projects that have been partially funded

A-12 Disaster-stricken areas

54. The Office for Sahelian Relief Operations (OSRO) allocated \$70,000 in 1981 for the purchase of small fishing equipment, pesticides and fertilizers. Additional financing is still required for the full-scale programme.

E-6 Centre for inter-professional training

55. UNDP has funded the purchase of equipment for two new sections at the training centre for a total of \$82,000 in 1982. Additional financing amounting to \$2.4 million is still required.

H-2 Assistance to primary health care in rural areas and medical supplies

56. UNICEF has provided \$160,000 for vaccines for a three-year period, \$40,000 for three years to purchase petrol for the cold chain, \$10,000 for additional equipment for the cold chain, and \$300,000 for two years to purchase basic medicines for 61 mother and child care centres. UNICEF is studying the possibility of financing a project for the rehabilitation of rural maternal health-care centres for a total of \$450,000 over two years.

57. It should be noted that, under its regular assistance programme, France has for several years earmarked an annual amount of CFAF 300 million for the purchase of basic medicines.

H-6 Infant mortality survey

58. The project has been reformulated and its total cost is now estimated at \$200,000. UNICEF has agreed in principle to contribute \$80,000 and the International Centre for Research and Development \$80,000. An additional \$40,000 is still required to complete the survey which will be limited at this stage to the city of Bangui and its vicinity.

M-2 Electrification of eight regional centres

59. The state Power Company has financed a thermal power-generating centre for the city of Sibut. Site identification studies for two small hydroelectric power-generating centres for the cities of Mbaiki and Bambari have been completed with financing from EDF. The construction cost of a hydroelectric power station for the city of Mbaiki - an estimated CFAF 15 million - has been financed by the Fonds d'aide et de coopération, which is also financing a site identification study for four other cities. External financing for the construction costs of small hydroelectric power stations will be required when the site identification study is completed.

S-1 Assistance to community development

60. The project has been revised and expanded to cover five prefectures (Basse-Kotto, Ouham, Ouham-Pende, Ombello-Mpoko and Lobaye). The basic objectives remain to assist in creating village committees for integrated rural development, to improve agricultural production and marketing and to improve living conditions in rural areas. The cost of CFAF 513 million (\$1.7 million) for the two years 1982-1983 is covered by: a UNCDF contribution of \$300,000 for equipment and the extension of the rural road network; provision by the Fonds d'aide et de coopération of \$333,333 to support the activities of village committees; a UNICEF contribution of \$223,333 for village training activities; provision by a World Food Programme (WFP) of \$220,000 in food aid over a four-year period beginning in 1982; and an allocation by the Government of the Central African Republic of \$400,000 for four years to cover administrative and some equipment costs.

61. An expansion of these activities to other provinces is envisaged for the period 1983-1985. The total cost of the programme is estimated at \$30 million for which no financing has yet been received. The extended programme of community development will include the study and implementation of a national policy for the promotion and training of women in rural areas, the estimated cost of which is approximately \$133,000.

3. Projects that have not been funded

A-1 The integrated programme in food crops in primarily cotton-growing areas

62. A new technical study subcontracted by the World Bank was undertaken and submitted to the Government in March 1982. The objectives of the new and expanded project remain unchanged but the project now emphasizes country-wide integrated development. The new programme will last seven years, with an initial phase of three years, and cost CFAF 16.6 billion for which financing is being considered by the World Bank and others.

A-5 Rescue of trypano-resistant cattle

63. This project is designed to halt the current decline in selected breeds of cattle resistant to trypanosomiasis (sleeping sickness). The cost is \$1.5 million.

A-10 Rehabilitation of agricultural colleges

64. Three agricultural colleges urgently require improved facilities. The cost is \$1 million.

A-11 Strengthening of extension services

65. The project calls for international assistance to provide each of the 16 districts with one Landrover and two lorries for extension services. The cost is \$1 million.

H-3 Rehabilitation of district hospitals

66. The quality of the services rendered to patients in the 15 district hospitals is unsatisfactory. The assistance required aims at the renovation of buildings, at a total cost of \$9.1 million.

H-4 Drinking-water supply

67. Very few urban areas have a supply of potable water and in rural areas the situation is worse. The project aims at establishing some 380 "water points". The cost is \$3 million.

H-5 Control of tropical diseases

68. Three diseases require particular attention: blindness, malaria and schistosomiasis. The cost is \$0.9 million.

T-5 Radio station

69. The project is to supply a broadcasting station and related equipment powerful enough to cover the whole territory. The cost is \$2.8 million.

T-6 Collective radio listening centres

70. The project is to organize and equip, in the villages, collective radio listening centres for educational purposes. The cost is \$1 million.

M-1 Establishment of a laboratory for mineral and geological research

71. The project is to establish, within the University, a laboratory for mineral and geological research. The estimated cost of the necessary building and equipment is \$0.2 million.

S-2 Centre for the handicapped

72. There are more than 6,300 handicapped persons in Bangui and its suburbs alone. The aim of the project is to create a centre for the rehabilitation and technical training of some 200 handicapped persons each year. The cost is \$0.5 million.

Table 6
Summary of projects
 (United States dollars)

Key: ... = not available

Project title	Estimated cost
<u>1. Projects that have been fully funded</u>	
A-2 Integrated development programme in the coffee area	22 647 058
A-3 Integrated development programme for cattle-raising	11 800 000
A-8 Bee-keeping development	323 617
A-9 Chicken and pig breeding	800 000
E-1 Rehabilitation of existing schools	10 000 000
E-2 Assistance to the Production Unit of the National Pedagogic Institute	455 882
E-3 Development of the Technical High School	552 882
E-5 Construction of a teachers' training centre (Bambari)	1 647 058
M-3 Compensation dam (feasibility study)	882 352
T-1 Kembe-Bangassou road	38 235 294
T-2 Bossementélé-Bozum road	...
T-3 Damara-Bouca road	...
T-4 Sibut-Sido road	3 029 411
T-7 Telephone network (Bangui)	28 794 117
Subtotal	<u>119 167 671</u>

Table 6 (continued)

Project title	Estimated cost
<u>2. Projects that have been partially funded</u>	
A-12 Disaster-stricken areas	7 750 000
E-6 Centre for inter-professional training	2 400 000
H-2 Assistance to primary health care in rural areas, and medical supplies	...
H-6 Infant mortality survey	40 000
M-2 Electrification of eight regional centres	...
S-1 Assistance to community development	30 000 000
	<u>\$40 190 000</u>
<u>3. Projects that have not been funded</u>	
A-1 Integrated programme in food crops in primarily cotton areas	48 823 529
A-5 Rescue of trypano-resistant cattle	1 500 000
A-10 Rehabilitation of agricultural colleges	1 000 000
A-11 Strengthening of extension services	1 000 000
H-3 Rehabilitation of district hospitals	9 100 000
H-4 Drinking-water supply	3 000 000
H-5 Control of tropical diseases	900 000
T-5 Radio station	2 800 000
T-6 Collective radio listening centres	1 000 000
M-1 Establishment of a laboratory for mineral and geological research	200 000
S-2 Centre for the handicapped	500 000
	<u>69 823 529</u>
Subtotal	
Total of remaining needs (2+3)	<u><u>110 013 529</u></u>