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RWANDA AND BURUNDI

Report of the Secretary-General on the implementation of General Assembly resolution 1746 (XVI)

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INTRODUCTION

1. The present report is submitted in pursuance of General Assembly resolution 1746 (XVI) entitled "The future of Ruanda-Urundi", adopted on 27 June 1962, which requires the Secretary-General to submit a report together with his recommendations on the need for technical and economic assistance in Rwanda and Burundi, and on the steps taken to implement the resolution. It will be recalled that the General Assembly adopted this resolution after considering the report of the United Nations Commission on Ruanda-Urundi¹/ appointed under resolution 1743 (XVI) of 23 February 1962.

I. MISSION OF THE SPECIAL REPRESENTATIVE OF THE SECRETARY-GENERAL

Terms of reference

2. Operative paragraph 4 of resolution 1746 (XVI):

"Requests the Secretary-General to send immediately to Rwanda and Burundi a representative together with a team of experts whose functions shall be:

"(a) To supervise the withdrawal and evacuation of Belgian forces in accordance with this resolution;

"(b) To help the Governments of Rwanda and Burundi to secure the implementation of the Agreement on Economic Union reached between the Governments of Rwanda and Burundi at Addis Ababa on 19 April 1962;

"(c) To study, in consultation with the Governments concerned and in the light of the recommendations made by the United Nations Commission for Ruanda-Urundi, the need for technical and economic assistance in Rwanda and Burundi, so as to enable the Secretary-General to submit a report thereon, together with his recommendation, to the General Assembly at its seventeenth session;

"(d) To assist the Governments of Rwanda and Burundi, at their request, in the organization of their administrative cadres and other related matters;

"(e) To assist the Governments of Rwanda and Burundi, at their request, in the development and training of internal security forces."

^{1/} Official Records of the General Assembly, Sixteenth Session, Annexes, second addendum to item 49 (document A/5126 and Add.1).

Organization of the mission

3. Mr. Taghi Nasr was appointed as Special Representative of the Secretary-General, and arrived in Usumbura on 30 June 1962. He was supported in his task by a team of experts recruited at the request of the Governments of Rwanda and Burundi, and by a small group of military observers.

4. The Secretary-General wishes to express his sincere gratitude to H.M. the Mwami Mwambutsa of Burundi, President Grégoire Kayitanda of Rwanda, and to members of their Governments, for having facilitated the task of the mission by their cordial co-operation.

II. WITHDRAWAL AND EVACUATION OF BELGIAN FORCES

5. General Assembly resolution 1746 (XVI), in operative paragraph 3:

"Calls upon the Government of Belgium to withdraw and evacuate its forces still remaining in Rwanda and Burundi, and that, as of 1 July 1962, the Belgian troops in process of evacuation will no longer have any role to play and that the evacuation must be completed by 1 August, without prejudice to the sovereign rights of Rwanda and Burundi."

6. The total strength of Belgian troops in Burundi and Rwanda on 1 July 1962, as given by the Belgian military authorities, was 1,226^{2/} all ranks, of which 380 were in Rwanda and 846 in Burundi. By midnight on 31 July 1962, 831 men had been evacuated, leaving 40 men in Burundi and 355 in Rwanda. The remaining military personnel were evacuated during the month of August as agreed between the Belgian authorities and the Governments of Rwanda and Burundi. The evacuation of the Belgian military personnel was completed on 29 August 1962. 7. With few exceptions, all Belgian military equipment was disposed of in Rwanda and Burundi. The Belgian authorities informed the Special Representative that the equipment was disposed of as follows:

40 per cent to Rwanda

30 per cent to Burundi

30 per cent (including six Harvard aircraft) by sale to the Central Government of the Republic of the Congo (Leopoldville).

The disposal of all equipment was completed on 20 August 1962.

^{2/} This figure of 1,226 differs from the figure of 900 mentioned in the report of the United Nations Commission for Ruanda-Urundi (A/5126, pare. 223), in that the Headquarters staff and personnel of logistic units were not included in the report.

III. IMPLEMENTATION OF THE AGREEMENT OF ECONOMIC UNION BETWEEN RWANDA AND BURUNDI

Basic services

8. The Economic Union between Rwanda and Burundi, as defined by the Addis Ababa Agreement of 19 April $1962^{3/}$ is based on the common maintenance of the following services:

- (i) A monetary union administered by a "common central banking institution: namely, the existing Bank of Issue of Rwanda and Burundi situated at Usumbura". This Bank also organizes "the exchange service and foreign exchange control" and "administers the import licensing system".
- (ii) A customs union with "a joint customs office to administer customs services for the two countries". The two countries also "shall maintain a common tariff on imports from third countries; this tariff shall be applied at all ports of entry into the two countries".
- (iii) "A common service to administer the taxes levied on the income of companies and individual concerns doing business in both countries, and on professional income and salaries derived from activities carried on in both countries."
 - (iv) The Office du Café (OCIRU).

9. All the services listed above have been functioning as common services since July 1962. To assist the two Governments to reach an agreement on a number of pending problems, a technical committee with equal representation from both countries is provided by the Addis Ababa Agreement for each one of these four services. Both Governments have designated their delegates to these committees and they are being assisted by twelve experts appointed by the United Nations at the request of the Governments.

10. The monetary union is operating and the Bank of Issue of Rwanda and Burundi, the principal organ of the Economic Union, is kept in common.

3/ A/5126/Add.1, annex XVI.

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11. On the basis of requests made by the Governments of Rwanda and Burundi, the United Nations, with the co-operation of the International Monetary Fund, has recruited a new President of the Bank. He replaces the former Belgian President.

12. In accordance with the Addis Ababa Agreement, the Board of Directors of the Bank was completed by the appointment of one Director by each Government, and the Bank has taken charge of the foreign exchange control and the administration of the import licensing system. An agreement has been reached between the two Governments and the Bank for the establishment of a ceiling for Bank advances to each Government.

13. The technical committee of the monetary union, which is to study the principles which should govern the allocation of foreign exchange and import licences, is expected to begin its work after the new President of the Bank assumes his functions.

14. A fiscal office has been established and the technical committee on the fiscal union has already held a number of meetings to study the division of revenue between the two countries and the problem of double taxation. 15. A customs office of Burundi and Rwanda has been established to ensure the implementation of the Addis Ababa Agreement on the maintenance of a customs union with a common tariff on imports from third countries.

16. The technical committee on customs union has concluded its work on the distribution of customs revenue between the two Governments and on the revision of tariffs; it is at present studying the customs relations with the Congo and the problems related to the imposition of consumption taxes and excise duties on imported articles.

17. Unanimous agreement was reached in the technical committee for coffee on a series of recommendations concerning the functions and structure of OCIRU and on the terms of a convention on OCIRU between the two Governments. The committee also agreed to ask the two Governments to set up a provisional executive committee in OCIRU pending the ratification of the above-mentioned recommendations and convention.

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Technical services

18. In addition to the common services referred to above, the Addis Ababa Agreement provides for the establishment of technical committees to study the "advantages and disadvantages of both the joint operation and decentralization" of the services responsible for aviation, and water and electric power supply. In addition to the expert provided by the United Nations, the International Telecommunication Union, the International Civil Aviation Organization and the World Meteorological Organization have each provided one expert; these experts are studying the matter with the delegates designated by the two Governments.

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Scientific institutions

19. As provided for in the Addis Ababa Agreement, the two Governments have affirmed "their desire to maintain jointly the <u>Institut national pour l'Etude</u> <u>agronomique du Congo</u> (INEAC) and the <u>Institut pour la Recherche scientifique en</u> <u>Afrique centrale</u> (IRSAC)". Although INEAC has been replaced by two <u>Instituts des</u> <u>sciences agronomiques</u>, one for Rwanda and the other for Burundi, the co-operation of the two national institutes has been ensured by the provision of a common Director-General appointed by agreement of the two Governments. 20. These institutions will not be able to continue their work without considerable support from outside, and their future will therefore depend on the outcome of the negotiations for technical assistance between Rwanda and Burundi and Belgium.

21. No decision has been taken so far on IRSAC and this organization will be discontinued if it is not entirely financed from outside.

Administration and financing of common services

22. The agreement provides that the two Governments shall appoint a joint civil service commission, with equal representation, to study the administrative and budgetary problems arising from the common services under the Economic Union. At the request of the two Governments, the United Nations appointed an expert in public administration to assist in the work of this commission, which will convene shortly.

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Council of the Economic Union

23. The Council, constituted by four Ministers from each Government, is designed to assist the two Governments in the co-ordination of their economic, financial and commercial policy. It will also be responsible for the implementation of the joint decisions of the two Governments concerning the common services. While both Governments have already designated their delegates to the Economic Council, the Government of Rwanda prefers that the first meeting of the Council be held after the technical committees have completed their work or have made substantial progress.

Conclusion

24. The support given to the Bank of Issue, the maintenance of a unified monetary system, the successful completion of the work of the technical committee on coffee, the progress made by the technical committee on customs union in its deliberations and the preparations for the work of the other technical committees, indicate that the Economic Union is becoming a reality and that the two Governments realize its possibilities as a factor in the future development of their countries. Rwanda and Burundi have requested the assistance of the United Nations for their common services. They require eight experts, eight fellowships and some items of equipment. The estimated cost will be \$510,800 spread over the next three years.

IV. TECHNICAL AND ECONOMIC ASSISTANCE

Aid requirements

25. The United Nations Commission for Ruanda-Urundi reported on its consideration of the economic and social problems of the two countries in chapter VI of its report to the General Assembly.⁴/ The Commission concluded that unless a considerable amount of foreign aid was forthcoming, it would be difficult to see how Rwanda and Burundi could solve their economic and financial problems. The conclusion reached by the Commission still remains true.⁵/

4/ A/5126 and Add.1.

^{5/} A "Review of current economic trends" is attached as annex I to the present report.

26. The United Nations Commission for Ruanda-Urundi estimated that after their independence the two countries would need 350 to 400 experts and technicians. However, the most recent information is that about 600 experts and technicians will be required for service in the two countries. 27. Both Governments also need financial aid for the purpose of balancing their regular budgets. The budgets for 1962 provide for an estimated expenditure of about 1,304 million Rwanda-Burundi francs (R-B francs) (\$26,080,000) and an estimated income of 1,004 million R-B francs (\$20,080,000). A deficit of 300 million R-B francs (\$6 million) is therefore anticipated. The actual deficit may be higher, as there is little likelihood that the estimated income for 1962 will be forthcoming, while the actual expenditure may be far in excess of the estimated sum.

28. Finally, Rwanda and Burundi need foreign aid for the implementation of their development programmes. No development project is included in the ordinary budgets and the two Governments have no separate resources to provide for development expenditure. On the basis of development budgets of the pre-independence years, and tentative studies made of future development possibilities, the two countries will need, during the next five years, approximately 900 million frances (\$18 million) per annum for their development projects.

Assistance from sources other than the United Nations and the specialized agencies

29. In order to balance the current ordinary budgets of Rwanda and Burundi, Belgium has agreed to give a total of 300 million Belgian francs (B.F.) to the two countries. Each country will receive 150 million B.F. and this sum will be used for budgetary support and for defraying the expenses of the Belgian experts and technicians in the service of each country.

30. It will be recalled that the United Nations Commission for Ruanda-Urundi reported that, during the five years 1956-1960, the number of European officials in the service of the Belgian Administration increased from 667 to 1,140 and was reduced to 586 by 1 March 1962.

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31. On 1 July 1962, a total of 487 Belgian experts and technicians were in Rwanda and Burundi; 180 in Rwanda; 251 in Burundi and 56 with the common services. The Governments agreed with Belgium that those experts who so desired could remain for a transitional period of three months after independence. At the end of September, there were 367 experts; 181 in Rwanda, 133 in Burundi and 53 with the common services.

32. In October 1962, negotiations between the Governments of Belgium and Rwanda for technical assistance were completed. The salient points of the agreement, which is yet to be signed by both Governments, are as follows: Belgium will make available the services of 221 experts and technicians, 18 experts for common services, and 160 posts for fellowship and in-service training, and will make a contribution of 75 million B.F. to a number of specific projects.

33. It is understood that Belgian assistance to Burundi is expected to be of the same order, but no formal agreement has yet been reached between the Governments of Belgium and Burundi.

34. The United States Government has offered each Government 30 observation and training grants, and the French Government has offered 10 fellowships in public administration to both countries.

35. For the five years 1958-1962, a sum of 500 million B.F. (\$10 million) was provided by the European Economic Community (EEC) for the implementation of a number of projects. About half of this sum is still available for the completion of projects approved by that organization. $\frac{6}{}$

Assistance by the United Nations and the specialized agencies

(a) The Expanded Programme of Technical Assistance

36. As recommended by the United Nations Commission for Rwanda and Burundi, the Executive Chairman of the Technical Assistance Board appointed a Resident Representative assigned to both Rwanda and Burundi. The Resident Representative arrived in Usumbura on 26 July 1962 and established two separate offices, one in Kigali and one in Usumbura.

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37. Except for a few short-term survey missions and three experts provided by the Food and Agriculture Organization towards the end of 1961, all the experts assigned by the United Nations and its specialized agencies began their work after the accession to independence of Rwanda and Burundi on 1 July 1962. At the end of September 1962, a total of 25 experts were working with the two Governments and the common services of the economic union.

38. The salaries and other expenses of the experts referred to above are paid from funds made available by the United Nations Expanded Programme of Technical Assistance, under which programme a sum of \$679,000 was provided for the implementation of a 1961-1962 programme.

39. On the basis of recommendations made by the Secretary-General, the Technical Assistance Board increased the 1963-1964 target figure for Rwanda and Burundi from \$650,000 to \$1,000,000. Of this sum \$504,000 will be for projects in Rwanda, and \$495,000 for projects in Burundi. The programme requests submitted by the two countries form annexes III and IV to the present report.

40. Also under the Expanded Programme, a category II group of projects has been prepared for each country. These projects will be implemented if additional funds become available during the years 1963-1964. The category II programme request of Burundi is estimated to cost \$180,000 and that of Rwanda \$144,000.

(b) Regular programmes

41. The United Nations is planning to finance from its regular technical assistance programmes:

- (i) The preliminary surveys necessary for the implementation of the road repair project for Burundi and the building project for Rwanda.
- (ii) The cost of employing, for a period of two years, five experts in the fields of public administration, public finance and community development.A sum of \$90,000 will be involved.

42. The Secretary-General, in pursuance of operative paragraph 6 of General Assembly resolution 1746 (XVI), appealed to the specialized agencies to give special consideration to the needs of Rwanda and Burundi. 43. In response to the Secretary-General's appeal, FAO has promised to provide assistance in agricultural development planning under its regular programme. It will also provide assistance under a special education programme for Africa, and under the Freedom-from-Hunger campaign of the joint FAO/United Nations World Food Programme.

44. The United Nations Educational, Scientific and Cultural Organization has approved a special contribution of \$100,000 for each country. The money is to be used for teachers.

45. The World Health Organization is examining with the two Governments a smallpox control programme and, in association with the United Nations Children's Fund, is preparing a plan under which technical personnel for a maternal and child health programme will be made available to the two countries.

(c) <u>Emergency</u> projects

46. The General Assembly, in resolution 1746 (XVI), authorized the Secretary-General to enter, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, into commitments not exceeding \$2 million in accordance with the provisions of paragraph 1 of General Assembly resolution 1735 (XVI) on unforeseen and extraordinary expenses for the financial year 1962. These commitments are for such emergency measures as may be required to ensure the continuation of essential services in the two countries, pending consideration by the Assembly of the present report. 47. In the first instance, the Secretary-General obtained the concurrence of the Advisory Committee to enter into commitments not to exceed \$160,000 for the establishment in the area of the Representative of the Secretary-General and his supporting staff, as well as a number of military observers. Subsequently the

Secretary-General, in his report on the supplementary estimates for the financial year 1962 ($\Lambda/5223$), submitted a revised estimate of \$150,000.

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48. Requests were received by the Secretary-General from the two Governments for emergency financial aid amounting to \$5 million. These requests were carefully examined by the Secretary-General so as to satisfy himself that the projects to be financed with the sum requested were of an emergency nature, and if so, to explore alternative sources of financing them. As a result of the consultations the Secretary-General decided to approve, as emergency projects, the request of the Government of Burundi for the repairs of the road between Burundi and Rwanda, and the request of the Government of Rwanda for funds for the construction of public buildings in Kigali.
49. It was clear that the nature of the emergency projects was not such as to permit the use of Expanded Programme funds which, even if they could be so utilized, are already fully committed for 1962. Financing by the United Nations

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Special Fund was equally excluded since its operations are limited to pre-investment activities rather than actual investment. It should further be understood that the International Bank for Reconstruction and Development and the International Development Association cannot finance these projects until both countries become members of these organizations and thereafter a preliminary survey of the projects has been conducted. The soonest this could be accomplished would be towards the end of 1963. There was no indication that other aid resources of a bilateral or multilateral nature to cover these expenses were forthcoming. As a result of an on-the-spot investigation by the Under-Secretary responsible for Rwanda and Burundi affairs, the Secretary-General concluded that some financial assistance for the two projects was justified, and that the \$2 million authorized for emergency aid was the only source available for financing this purpose.

50. The request for assistance received from Burundi enumerated a number of projects estimated to cost 75.5 million R-B francs (\$1,510,000). Of this total, 20 million R-B francs (\$400,000) was sought for the purpose of repairing a portion of the road between Usumbura and Kigali which lies in Burundi; and the balance for a variety of projects which were not regarded by the Secretary-General as emergency projects. The Government of Burundi gives first priority to the road repair project in support of which a detailed submission has been received.

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51. The road between Usumbura and Kigali is the life-line of the two countries. All supplies arriving in the harbour of Usumbura via Lake Tanganyika are transported by this road to Kigali. Supplies, including gasoline and oil coming from Uganda and Tanganyika, go to Usumbura over this road. The economic importance of the road was recognized by IBRD when, during the years 1958 to 1961, it financed the construction of the 38 km. between Usumbura and Bugerama at a cost of 181 million R-B francs (\$3,620,000).

52. Less than a year after the construction by IBRD the road was very badly damaged by an exceptionally heavy rainfall during the period 1961-1962. This is supported by weather bureau statistics reporting a rainfall of 1,494.3 mm. during the 1961-1962 season as compared with an average annual rainfall from 1950 to 1960 of 834.47 mm. As a result of these persistently heavy rains the road became virtually impassable. In June 1962, just prior to independence, landslides occurred moving up to 50,000 cubic metres of earth at one point. During the ensuing dry season in July, August and September, traffic was re-routed on a make-shift basis. The rainy season, however, started again in October and the situation will become even more critical with further deterioration as the crevasses and gorges are eroded by the new rainfall.

53. As a result of these developments, a road surface 2,550 metres long has to be completely re-done. It is a matter of urgency, moreover, that the work, if it is to be undertaken, should be put in hand as soon as possible before the rainy season is too far advanced. Any further delay would so worsen the condition of the road as to make repairs at a later date financially prohibitive. 54. The Government of Burundi submitted three estimates. One estimate, amounting to \$560,000, assumes that the work will be done on a highly mechanized basis by a foreign contractor. The second estimate, amounting to \$460,000, provides for a greater use of manual labour, an important factor since it will give work to some two thousand local labourers. The third estimate is based on a more recent communication suggesting that the actual cost of the project would be 20 million R-B frances or \$400,000.

55. The request for assistance submitted by Rwanda covered various projects involving a total expenditure of approximately 84 million R-B francs (\$1,679,000). Of this sum, 32 million R-B francs (\$640,000) was to be used for the installation of a telecommunications system; and the balance was for the construction of

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public buildings in Kigali. The Government of Rwanda regards as top priority its request for assistance in the construction of administrative and other public buildings in Kigali. The urgency attached to this request by the Government of Rwanda is fully justified. Kigali, as is well known, became the capital of Rwanda on 1 July 1962. Prior to that date Usumbura was the administrative headquarters for both Rwanda and Burundi and the Administering Authority quite understandably concentrated all the main public offices and buildings in that town. Kigali has not got the necessary office and other public buildings. Worse still, there is a dearth of dwelling houses so necessary for the accommodation of members of the Government, civil servants and the foreign experts and technicians whose services are so badly needed in the country.

56. After carefully examining both projects, the Secretary-General decided to approve the road repair project, and the project for the construction of public buildings in Kigali. Accordingly, the sum of \$400,000 was recommended for the financing of each project, and the concurrence of the Advisory Committee on Administrative and Budgetary Questions was sought so as to enable the Secretary-General to spend \$800,000 on the two projects.

57. The Advisory Committee, after considering the Secretary-General's request, reported on 20 September 1962 as follows:

"The Advisory Committee has found considerable difficulty in dealing with these requests, in particular with regard to reconciling the requests with the language of operative paragraph 5 of resolution 1746 (XVI). It appears that a full compliance with the requests would involve both what might be termed a most 'liberal' interpretation of paragraph 5 of resolution 1746 (XVI) and the approval of commitments for 'capital assistance expenditures' of a character not previously included in the regular budget of the United Nations. Further, particularly in the case of Rwanda, it would involve concurring in commitments for items for which more detailed justification would be desirable.

"On the other hand, the Advisory Committee has taken into consideration both the general intent of resolution 1746 (XVI) and the judgement of the Secretary-General on the importance of the expenditures in question. In view of the foregoing and of the fact that the seventeenth session of the General Assembly has now convened, the Advisory Committee has reached the following conclusions:

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"(a) It concurs in commitments up to a total amount of \$250,000 for immediate preliminary steps in connexion with the two projects in question. This amount should enable advance planning and other essential preliminary steps to be taken pending the establishment of more appropriate arrangements for the financing of the balance of the costs of these projects outside the regular budget. The Advisory Committee has noted that, because of the imminence of the rainy season, special urgency attaches to putting work in hand on the road repair project in Burundi, which will be of benefit also to Rwanda;

"(b) The Advisory Committee understands that the Secretary-General will circulate very shortly his report on the need for technical and economic assistance in Rwanda and Burundi. The Advisory Committee assumes that the Secretary-General will wish to submit this report to the General Assembly as a priority item and to recommend its urgent consideration by the General Assembly."

58. The Secretary-General has accordingly been authorized to commit a total of \$400,000 under paragraph 5 of resolution 1746 (XVI). This represents \$150,000 required for the mission of the Representative of the Secretary-General and \$250,000 for emergency aid.

59. The decision of the Advisory Committee to commit only \$250,000 instead of the \$800,000 requested by the Secretary-General raises problems of implementation, particularly in regard to the phasing of the repairs to the road between Usumbura and Kigali. The main difficulty is that, unless an additional \$275,000 is forthcoming as soon as possible, the emergency repairs now being executed may prove more expensive after the present rainy season.

60. As regards the building projects for Kigali, about 20 residential quarters for Government officials can be built with the \$125,000 approved for that project.

61. The Advisory Committee has suggested that the balance of the funds required for the two projects, amounting to \$550,000, be financed outside the regular budget. This suggestion is a matter which the General Assembly may wish to consider.

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V. ORGANIZATION OF THE ADMENISTRATIVE CADRES AND OTHER RELATED MATTERS

62. An important aspect of the work of the United Nations experts assigned to the common services of the Economic Union entails the establishment of the necessary administrative machinery to enable them to carry out their tasks. An expert in the field of public administration recruited by the United Nations is, however, directly concerned with the problems pertaining to the methods and organization of the public services. He has also prepared a training programme in public administration which will be put into operation in the near future. Each Government has requested one expert in public administration under the Expanded Programme for the years 1963-1964.

63. An expert in community development is being recruited by the United Nations to help in the organization of rural community programmes.

64. A number of the experts appointed by the specialized agencies of the United Nations assist the various ministries of the two Governments in matters relating to public administration and in-service training.

65. FAO and UNESCO are preparing a project for the training of the agricultural personnel needed by the two Governments.

66. WHO, with six experts divided into two terms, one assigned to Rwanda and the other to Burundi, is assisting in the organization of public health services and training of sanitarians and public health nurses. UNICEF is contributing to the training programme for nurses. In addition, financial provisions are made under the Expanded Programme for Technical Assistance for sending a group of 12 medical assistants to Europe to complete their studies in medicine. 67. A UNESCO team of 8 experts is studying the educational systems in Rwanda and Burundi with a view to assisting the two Governments to adapt their educational systems to their actual needs. UNESCO has also offered to provide the services of a number of teachers in 1962.

68. The International Labour Office is recruiting an expert to assist the Government of Rwanda in the organization of co-operatives. ILO is also assisting the two Governments in the training of cadres for labour administration by providing four fellowships for officials of the two Governments.

69. To improve the organization of their services and train their present personnel, Rwanda and Burundi need at least two more experts in public administration in addition to those requested under the Expanded and Regular programmes for 1963-1964.

VI. DEVELOPMENT AND TRAINING OF INTERNAL SECURITY FORCES

70. In compliance with paragraph 3 (e) of resolution 1743 (XVI), the two Governments were asked to inform the "United Nations Commission for Ruanda-Urundi" of their requests for possible assistance from the United Nations for the development and training of internal security forces.

71. On 16 May 1962, the Government of Rwanda advised the Commission that it had no urgent need for United Nations assistance in this field. Later, however, a request was made for an expert to act as adviser to the Minister of the Interior in police matters. This adviser is being recruited and this project is estimated to cost \$54,000 over the next three years.

72. The Government of Burundi requested a total of 15 instructors for the National Army and 8 instructors for the <u>Gendarmeric</u>. Two military advisers have already been recruited and a team of three military experts and four officers for the <u>Gendarmeric</u> are being recruited. For the years 1963 to 1965 a total of 15 advisers and instructors for the army and <u>Gendarmeric</u> would be required at an estimated total cost of \$810,000.

VII. CONCLUSIONS

73. The technical and financial needs of Rwanda and Burundi are, to a large extent, similar to those of other new countries and are receiving full consideration within the limits of the existing programmes of the United Nations and its specialized agencies. There is every reason to believe that technical and financial assistance will be forthcoming from the European Economic Community and the Belgian Government.

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74. However, Rwanda and Burundi need, and have requested, the assistance of the United Nations in connexion with a series of projects referred to in this report. These projects may be summarized as follows:

Group of projects

Estimated cost for the three years 1963-1965

				•	
			<u>Burundi.</u> \$	Rwanda \$	Total Burundi <u>and Rwanda</u> \$
A.	<u>Pro</u> ,	jects initiated in 1962			
	1.	For the common services: 8 experts, 8 fellowships and some equipment	255,400	255,400	510,800
	2.	Development and training of security forces	810,000	5 ¹ 4,000	864,000
	3.	Two experts in public administration	54,000	54,000	108,000
	<u>4</u> .	Road repair 1/	275,000		275,000
	5.	Construction of public and residential buildings 7/		275,000	275,000
		Total, A	1,394,400	638,400	2,032,800
в.	New	projects			
	1.	Teacher-training institution	250,000	250,000	500,000
	2.	26 teachers		750,000	750,000
	3.	Agricultural education	250,000	250,000	500,000
	4.	Community development	750,000	750,000	1,500,000
	5.	Public health	200,000	200,000	400,000
		<u>Total</u> , B	1,450,000	2,200,000	3,650,000
C.	Sup	porting services for above projects	112,500	112,500	225,000
		Grand total.	2,956,900	2,950,900	5,907,800
			·		

7/ This project will be completed in 1963.

75. The estimated cost of these projects is distributed as follows by category per year.

_	Categories	<u>1963</u> \$	<u>1964</u> \$	<u>1965</u> \$	Total 1963-1965 \$
Α.	Projects initiated in 1962.	1,063,6 CO	484,600	484,600	2,032,800
₿.	New Projects	1,019,800	1,165,100	1,465,100	3,650,000
C.	Supporting services for above projects	75,000	75,000	75,000	225,000
	GRAND TOTAL	2,158,400	1,724,700	2,024,700	5,907,800

76. The Secretary-General, in compliance with operative paragraph 4 (c) of resolution 1746 (XVI), recommends for the consideration of the General Assembly the programme of technical and economic aid for Burundi and Rwanda, as described in the present report.

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ANNEX I

REVIEW OF CURRENT ECONOMIC TRENDS

1. This review brings up to date the general background information on "Economic and Social Questions" contained in section VI of the report of the United Nations Commission for Ruanda-Urundi (A/5126).

2. The Governments of Rwanda and Burundi have made a special effort to reduce their budgetary deficit mainly by reducing their expenditure.

3. The total expenditure in the proposed budgets considered at the time of the visit of the United Nations Commission amounted to 1,531 million Belgian francs to which 342 million B.F. were added for the central services and the trusteeship administration. The total expenditure in the current 1962 budgets amounts to 1,304 million Rwanda-Burundi francs and the total income is estimated at 1,004 million R-B francs. Belgium will contribute 300 million B.F. to help reduce the estimated deficit.

4. The budget for Burundi for 1962 was approved in August 1962, and that for Rwanda is now before the National Assembly. These budgets can be summarized as follows:

	Amounts	in millio	ns of R-	B francs
Income	Rwanda	Burundi	Total	<u>Actual</u> 1959
Customs Minimum personal contribution Other incomes	201. 115 138	235 120 195	436 235 333	320
Total	454	550	1,004	823
Belgian contribution	150	150	300	270
Grand total	604	700	1,304	1,093
Expenditure			<u></u>	 _
Education, health and social affairs	248	295	543	
Public works, including telecommunications	7 4	102	176	
Ministry of the Interior and security forces	122	141	263	
Agriculture	<u>41</u>	47	88	
Others	119	11.5	234	
Total	604	700	1,304	/

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Production

5. The gross national product of Rwanda and Burundi was estimated to be 10 million francs in 1959. On the basis of the limited data available it is not possible to prepare a specific year by year calculation of gross national product but it can be stated definitely that the volume of production has been decreasing since 1959. Agriculture, which gives employment to some 90 per cent of the population, was seriously affected in 1961 by unfavourable climatic conditions, but is expected to show some improvement in 1962.

6. Food production, which in 1959 constituted about 83 per cent and in 1960 about 91 per cent of the total agricultural production, has declined by 8 per cent in 1960 and by 14 per cent in 1961, as compared with 1959 production figures.

7. The decline in the production of export commodities has been even greater. Thus, 36,000 tons of coffee were exported in 1959 as against 23,300 tons in 1961, and an estimated export of 21,000 in 1962. The damaging effect of this decline has been further aggravated by the fall in the price of coffee in the world markets.

8. The production of cotton in Burundi fell from 10,000 tons in 1959 to about 5,000 tons in 1962.

9. Animal products, in spite of the impressive number of cattle (about 1 million head in 1959) is only about 9 per cent of the national product. In 1961 a total of 23 million francs worth of hides and skins were exported, as compared with 20 million francs in 1959.

10. The export of minerals, extracted mainly in Rwanda, increased mainly due to an improvement in the price of tin, from 161 million francs in 1959 to 233 million in 1961.

11. Manufacturing industries, which were estimated to form some 2.3 per cent of the gross national product in 1957 and 3.0 per cent in 1959, declined considerably in 1961-1962. Building and construction activities, which represented 1.4 per cent of the gross national product in 1957 and 3.0 per cent in 1959, remained almost at a standstill in 1961 and 1962.

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Monetary situation

12. On 31 July 1962, money in circulation in both countries amounted to 2.2 billion francs. This only slightly exceeded the amount in circulation on the same date in 1961.

13. While the official rate of exchange remains at par with Belgian francs (50 francs = \$1), the existence of a free market has been recognized since April 1962. The rate of exchange for a Burundi franc on this market has been fluctuating between 2 and 2.50 R-B francs to 1 B.F. (Frs.100 to Frs.125 = \$). 14. The cost of living has been rising since 1961. This rise is partly accounted for by the shortage of food in 1961, due to adverse climatic conditions. Although the rise was nearly 50 per cent, it had no serious effects on the economy. A decline in the prices of local food products is expected with the improved climatic conditions in 1962.

15. The inflationary trend has been spared by the difference between the official and the free market rates of exchange. A related element has been the decrease in 1962 in the prices of export products (coffee, tin) in the international markets.

Balance of payments

16. As in 1961, there will be an adverse balance in the combined foreign trade of Rwanda and Burundi in 1962. In 1961 the two countries imported nearly 1.7 billion francs worth of merchandise, while exports amounted to 1.3 billion francs.

17. Since there are fewer Belgians now resident in the two countries, and with the strict enforcement by the two Governments of exchange control regulations, the invisible elements in the balance of payments will most likely be between 700 million francs and 800 million francs in 1962 as compared with 1,000 million francs in 1961.

18. In 1961 the deficit in the balance of payments was met by drawing on the foreign exchange reserves and by various contributions from the Government of Belgium and the European Economic Community. A/5283 English Annex I Page 4

19. Various payments made by Belgium, including a contribution of 300 million francs to the ordinary budgets of the two Governments and the payment by the Republic of the Congo of 180 million francs representing the first instalment of its outstanding debt to the former Territory of Ruanda-Urundi, are expected to cover the deficit in the balance of payments of the current year.

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ANNEX II

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PROJECTS ASSISTED BY THE EUROPEAN ECONOMIC COMMUNITY

Estimated cost

EURUNDI

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Α.	Investment projects for which finance agreements have already been concluded	
1.	Work completed: (a) General development survey (b) Bugarama-Muramvya road (c) Road system of African townships of Usumbura	3,500 31,079 11,513
2.	Work in progress: (a) Tea-growing study (b) Opening-up of new trail from Rwesero to Kinyinya (c) Hospitals at Cyibitoke and Kayanza	3,050 10,000 6,500
3.	Work not yet begun: (a) Engineering works on Muramvya-Kitega road (b) Hospital at Rutana, maternity hospital at Ngozi	9,300 9,400
в.	Investment projects accepted by EEC subject to the results of preliminary surveys financed with EEC funds (a) Programme for the development of the Imbo (b) Geological research programme	15,008 17,500
C.	Investment projects suggested to EEC and on which it has received reports (a) Establishment of a 500-hectare tea plantation (b) Axis A land improvement works (c) Electricity section at Usa vocational training school (d) Survey of soil for tea-growing	63,000 64,200 4,950 1,000 250,000

RWANDA.

A. Contracts completed

(a)	Bugesera: project, study, plan, experimental	
	stations, etc.	64,000
(b)	Agricultural settlements (paysannats) in Mayaga	36,000
(c)	Tea-growing project in Mulindi	47,000
(ď)	General survey	3,000
		150,000

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в.	Projects approaching completion (a) Machinery and equipment for roadwork (b) Astrida agricultural school		18,000 10,000 28,000
C.	 Projects under study (a) Geological surveys (b) Telecommunications equipment (c) Tea-growing (d) Development of Eugesera region 		17,000 25,000 25,000 5,000 72,000
		Total	250,000

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ANNEX III

RWANDA - 1963-1964 - CATEGORY I

ANTICIPATED FINAL PROGRAMME REQUEST

<u> </u>		<u> </u>	_	0		Er Ar Pa	5283 nglish mex III nge l
Tota. per agency				1.35,000	1 8,000	18,000	
Total per project		108,000	18,000	6 ,000	18,000	18,000	99,000
Equipment							
Fellow-months 1965 - 1964							
Expert-months 1963 - 1964	9 G	N N	м		6	9	0 1 1
Expert-mont 1963 - 1964	임임	000N	6	9	o⁄	9	222 222 222 222 222 222 222 222 222 22
Description of projects	E 1 1	 Electricity and transport Leather industry Methane exploitation Tourism 	Fublic administration - Municipal budgets - 1 expert	<u>Town planning</u> - Town-planning architect	Manpower assessment - Training of inspectors - 1 expert	<u>Animal husbandry</u> - Veterinarian	Education - Frimary education - 1 expert - Educational adviser - Vocational guidance - 1 expert - Administration of education - 1 expert
Agency concerned	ATWU				OII	FAO	UNESCO
							/

<i>Agency</i> concerned	Description of projects	Expert-months 1963 - 1964	Fellow-months 1963 - 1964	Equipment	Tota.1 Der	Total Per
			-		project	agency
	Mass communication			-		
	- Mass media in rural population	3	÷		9,000	108,000
	Airfield construction					
	- a consultant	б			8,31 0	
	Air services			·		
	- two fellowships		21 21		8,000	16,310
	Fublic health - General					
	- physician (team leader) - sanifaru ancinaan	12 21 21 21				
					108,000	
	<u>Tuberculosis control</u> - physician					
		5				
	- radiographer				73,692	181,692
	Telecommunications					
	- Telecommunication adviser	12 6			27,000	27,000
	TOTALS	240	24			E OL OOP
				,		

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ANNEX IV

BURUNDI - 1963-1964 - CATEGORY I

ANTICIPATED FINAL PROGRAMME REQUEST

	.					•	Page 1	,
Total per agency		90, 000	28,000	. ,				171,000
Total per project	81,000	6 , 000	28,000	36,000	27,000	54,000	18,000	36,000
Equipment				· · · · · · ·		······································		
Fellow-months 1963 - 1964			2					
Fello 1963			2					
Expert months 1963 - 1964	18 18		Л	엄	9		9	21 61
Expert 1963	12	9	0	2 T	12	24	9	2 I
Description of projects	<u>Economic development</u> - <u>Economic adviser</u> - Two geologists	Public administration - Public finance accounting - 1 expert	Manpower assessment - Labour regulations and training of inspectors- one expert and two fellowships	<u>Agricultural education</u> - School of agriculture - 1 expert	<u>Fisheries</u> - Biologist	<u>Agricultural extension</u> - Two experts	<u>Agricultural services</u> - General adviser	<u>Animal protection</u> - Veterinarian
Agency concerned	UNTA		OII	FAO				

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Agency concerned	Description of projects	Expert months 1963 - 1964	Fellow months 1963 - 1964	Equipment	Total per project	Total per agency
UNESCO	<u>Education</u> - Control of private schools - 1 expert - Educational adviser	9				
	(primary and secondary) - Normal school equipment	Q Q		,4 , 000	10,000	140,000
ОНИ	Public health - General - Physician (team leader) - Sanitary engineer - Nurse	888 888 888 888 888 888 888 888 888 88			108,000	
	Training - Medical assistant course- l secretary - Public health nurse - Iaboratory equipment - Three cars	정정		2,500 7,500	58,000	166,000
		330	24	14,000		495,000
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						<u> </u>

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