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EUROPEAN COOPERATION FOR SOUTHERN AFRICA'S FUTURE
EUROPE AND NAMIBIA

International Conference in Rome, Italy

7-18 November 1990

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EUROPEAN COOPERATION FOR SOUTHERN AFRICA'S FUTURE

International Conferencel Romel Italyl 718 November 1990

Just as in Europe, Southern Africa is going through a time of rapid and comprehensive political change, economic challenge and adjustment, and regional cooperation and integration. Many have said that today Southern Africa stands at a crucial crossroads, from which the course toward democracy and development can be charted or that toward continued apartheid, war and crisis. Decisions taken today will influence the course of events in the region for years and decades to come. This applies equally to the policies adopted by African leaders and those of their European counterparts. Southern Africa's leaders are facing the Challenges of political evolution and economic reform; and European decision-makers are increasingly conscious of their role in providing adequate financial and other resources, as well as political support, toward these ends. Together the two regions are cooperating on matters of such vital importance, that this process can significantly influence the realm of possibilities for Southern Africa's future.

SADCC

With the exception of apartheid South Africa, all Southern African states are members of the Southern African Development Coordination Conference (SADCC). This organisation has been working since 1980 to improve economic cooperation, increase regional integration and mobilize resources for development. Fighting against the major obstacles of South African destabilisation, prolonged drought and deepening debt, the nine (now ten with Namibia) SADCC states have made impressive progress, particularly regarding key economic infrastructure. The SADCC Programme of Action includes some 546 regional projects (in such areas as transport, energy, trade and industry, food security, human resource development, etc.), costing a total of US\$ 7.88 billion. Unfortunately, only some 38% of this amount has been secured. SADCC's international cooperating partners, and in particular those in Europe, should now be taking advantage of the changing political climate in Europe to ensure that significant extra development resources are mobilized toward the realisation of SADCC's goals.

Other parallels exist between the European and Southern African regions. Just es the European Cqmmunity is consolidating its integration plans with the preparations for 1992, so SADCC has accepted the need for increasing its institutional and sectoral commitments to regional integration in the 19905. Comparable to the recent fundamental changes in Eastern Europe which have led, for example, to the expansion of the Council 0%

Europe, SADCC has gained a new member in recently independent Namibia and expects also to welcome South Africa among its ranks once a democratic government is elected there. These monumental changes call for Close European attention and increased European support to Southern Africa: economic, financial and political.

NAMIBIA

This cooperation is now being established with Namibia. The country has been ravaged by 75 years of colonial and apartheid domination, it has suffered under military occupation and a liberation war lasting nearly a quarter century, its main port (Walvis Bay) is still colonized by South Africa, and its economy is only producing benefits for a tiny privileged upper crust of society. The vast majority of the population lives in abject poverty, is under- or unemployed, and has only limited access to adequate food, healthcare and education. As President Sam Nujoma stated at the UN pledging conference for Namibia in June:

"In the rural areas of my country... there is virtually nothing that could be described as 20th century infrastructure, the vast majority of our people live in tin shacks without electricity, clean water or sanitary facilities. They eat poorly and their children die of preventable diseases... 90% of our people are effectively unemployed, 60% are illiterate, and more than half have an annual income of only US\$63."

This profile is typical of a least developed country, and signifies that much work remains to put Namibia on the track toward sustainable development.

But the real success story of Namibia goes beyond these negative aspects brought about by apartheid and colonial domination. The country gained its independence through a peaceful process under UN guidance. The elected government and parliament wrote and adopted a constitution which is hailed as one of the most democratic and respectful of human rights in the world. And the first actions of the new government have shown a maturity and clearness of purpose in keeping with all the noble goals set in the constitution and hoped for by its people. For example, Namibia was quick to ratify the UN Convention on the Rights of the Child and implement a national immunisation programme. Now that political stability has come to Namibia, the existing economic possibilities can be exploited for the benefit of all Namibians. The economic outlook is optimistic, with significant mineral and fishing resources and investment opportunities in many sectors. Given sufficient development assistance from Namibia's new partners in the international community, the world's newest nation can get off to a good start in reversing the heritage of apartheid.

SOUTH AFRICA

Following years of hardened opposing positions and armed confrontation in South Africa's liberation struggle, the situation has become more fluid and the possibilities are growing for cooperation toward a peaceful resolution of the conflict. Discussions continue on the removal of obstacles to negotiations

between the government and the African National Congress (ANC), but unfortunately the level of violence and bloodshed in the country has increased dramatically. Recently this violence has been most prominent in confrontations between ANC and Inkatha supporters.

The ANC has made a major concession in unilaterally suspending the armed struggle. Now the ball is in President De Klerk's court. The process of dismantling apartheid is still at an early stage, according to the UN Secretary-General's July report, and should be accelerated. Without rapid progress towards negotiations on a new constitution, the already precarious situation could become increasingly violent and threaten the negotiations themselves. President De Klerk has been rewarded for his efforts by official visits to the USA and many European capitals, diminishing the long-held pariah status, and several countries are contemplating the further reduction of South Africa's international isolation by selectively removing sanctions. Such actions, if not firmly linked to government decisions which accelerate apartheid's demise, only serve to delay fundamental change and weaken the hand of Nelson Mandela's ANC negotiating team. As the unanimously adopted UN Declaration on South Africa states: sanctions must be maintained until profound and irreversible change has taken place. Nothing irreversible has occurred as yet, and the apartheid constitution with its draconian laws is still in operation.

South Africa not only confronts the world with its internal crime against humanity, it also continues to flout international law with its undeclared war of destabilisation against neighbouring states and its illegal occupation of Walvis Bay, Namibia's port. The devastated countrysides of Angola and Mozambique are still being terrorized by guerrillas, and Zimbabwe still pays with soldiers' lives and millions of dollars to keep the Beira Corridor open. Millions of families have been displaced in Angola and Mozambique or become refugees outside their countries, and are still waiting for peace so they can return home safely. A human tragedy of holocaust proportions has been unleashed by Pretoria, and this must not be forgotten by the focus on South Africa's internal struggle. The shadow of South Africa's regional policy should also not be allowed to fall over newly independent Namibia, and the early reintegration of Walvis Bay into the rest of the former colony should be demanded as an immediate priority.

These major themes will be discussed in depth at the conference, with presentations from African leaders as well as the European Commission, providing participants with an up to the minute analysis of all Southern Africa's most pressing problems. Italian and other European parliamentarians and NGO representatives will participate in consultations with MP5 and government officials from the SADC region, as well as other experts. This interaction will lead to a clearer understanding of the type of European cooperation needed in order to secure a better future for Southern Africa.

LA COOPERAZIONE EUROPEA PER IL FUTURO DELL'AFRICA MERIDIONALE
Conferenza Internazionalej RomaI Italia) 7/8 novembre 1990

Proprio come sta avvenendo in Europa) anche l'Africa Meridionale Sta attraversando un periodo di rapidi e profondi cambiamenti politicil di aggiustamenti e sfide economiche, di integrazione e cooperazione regionale. Molti dicono Che oggigiorno l'Africa Heridionale 318 ad un bivio cruciale, da cui bisognera' scegliere fra un percorso in direzione della democrazia e dello sviluppo, oppure un percorso verso uno stato permanente di apartheidJ guerra e crisi. Decisioni prese attualmente avranno influenza sugli sviluppi della regione nel corso degli anni e delle decadi a venire. Cio' varra' \$18 per le politiche adottate dai leader africani Che per le loro controparti europee. I leader dell'Africa Meridionale stanno affrontando le sfide dell'evoluzione politica e delle riforme economiche; ed, a tale scopo) i governanti europei vanno sempre piu' rendendosi conto del loro ruolo) sia nel fornire adeguate risorse finanziarie e di altro tipo Che nel dare appoggi politici. Le due regioni stanno cooperando su questioni di tale vitale importanza) Che cio' potra' influenzare in modo significativo la gamma di possibilita' a favore del futuro deli'Africa Meridionale.

SADCC

Ad eccezione del Sud-Africa dove vige l'apartheidJ tutti gli stati dell'Africa Heridionale sono membri della SADCC (Southern African Development Coordination Conference : Conferenza per il Coordinamento dello Sviluppo dell'Africa Heridionale). E' dal 1980 Che questa organizzazione lavora per migliorare la cooperazione economic?) favorire l'integrazione regionale e

mobilizzare risorse per lo sviluppo. Combattendo contro ostacoli maggiori quali la destabilizzazione da parte del Sud-Africa, la siccita' prolungata e l'aggravarsi del debito i nove stati della SADCC (ora dieci con la Namibia) hanno compiuto notevoli progressi particolarmente nell'ambito dell'infrastrutture economiche di base. Il Programma d'Azione della SADCC comprende 540 progetti regionali (in aree di intervento quali trasporti energia) commercio ed industria sicurezza alimentare sviluppo delle risorse umane etc.). per una spesa di 7.88 miliardi di dollari USA. Sfortunatamente ci si e' potuti assicurare solo il 38,2 di questa cifra. I partner internazionali che cooperano con la SADCC ed in particolar modo quelli europei, dovrebbero ora avvantaggiarsi del mutato clima politico in Europa per garantire che significative risorse extra per lo sviluppo vengano mobilitate a favore della realizzazione degli obiettivi della SADCC.

Esistono altri paralleli fra le regioni dell'Europa e dell'Africa Meridionale. Proprio come la Comunita' Europea sta consolidando i suoi piani d'integrazione preparandosi al 1992, cosi' la SADCC ha accettato la necessita' di aumentare i suoi impegni istituzionali e settoriali a favore dell'integrazione regionale degli anni novanta. In modo paragonabile ai recenti e fondamentali cambiamenti avvenuti nell'Europa Orientale, che hanno portato ad esempio all'allargamento del Consiglio Europeo, anche la SADCC ha guadagnato un nuovo membro nella Namibia, diventata recentemente indipendente/ e si aspetta di accogliere fra le sue file pure il Sud-Africa/ una volta eletto un governo democratico in questo paese. Questi cambiamenti storici richiedono da parte dell'Europa una stretta attenzione e maggiori aiuti nei confronti dell'Africa Meridionale: economici finanziari e politici.

NAMIBIA

Questa cooperazione si va ora stabilendo con la Namibia. Il paese e' stato devastato da 75 anni di apartheid e di dominazione

coloniale) ha sofferto sotto l'occupazione militare e sotto una guerra d'indipendenza durata quasi un quarto di secolo. Il suo porto principale (Walvis Bay) e' ancora colonizzato dal Sud-Africa, e la sua economia sta solamente producendo benefici per un sottile segmento privilegiato della societa'. La stragrande maggioranza della popolazione vive in abietta poverta') e' sottosviluppata o disoccupata, e puo' solo disporre in modo limitato di cibo/ servizi sanitari e scolastici di tipo adeguato. Come il Presidente Sam Nujoma ha dichiarato alla conferenza di giugno sulla Namibia:

"Nelle aree rurali del mio paese... non vi e' virtualmente niente Che possa ricordare infrastrutture (degne) del ventesimo secolo; la vasta maggioranza della nostra gente vive in tuguri di latta senza elettricita') acqua potabile e servizi igienici. Si ciba miseramente ed i nostri bambini muoiono di malattie Che si possono prevenire... Il 90 % del

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nostro popolo e effettivamente disoccupato) il 60 % analfabeti e piu' della meta' possiede un reddito annuo di appena 63 dollari USA".

Questo profilo e' tipico di un paese pochissimamente sviluppato) e significa Che c'e' ancora molto da fare per portare la Namibia sulla strada di uno sviluppo sostenibile.

Ma la vera storia del successo della Namibia va al di la' di questi aspetti negativi causati dall'apartheid e dalla dominazione coloniale. Il paese ha conquistato la propria indipendenza attraverso un processo pacifico sotto la guida dell'ONU. Il governo ed il parlamento Che sono stati eletti) hanno redatto ed adottato una costituzione acclamata come una fra le piu'

democratiche e piene di rispetto verso i diritti umani nel mondo. E le prime mosse del nuovo governo hanno mostrato maturita' e Chiarezza di intenti) mantenendo tutti i nobili obiettivi espressi dalla costituzione ed in cui il popolo aveva riposto le proprie speranze. La Namibia ad esempio e' stata rapida nel ratificare la Convenzione dell'ONU sui Diritti del Fanciullo) e nel portare a termine un programma nazionale di immunizzazione. Adesso che in Namibia e' arrivata la stabilita'

politica2 le possibilita' economiche esistenti potranno essere sfruttate a beneficio di tutti i Namibiani. Le prospettive economiche sono ottimistiche, date le significative risorse di cui il paese dispone in campo minerario e nella pesca e viste le possibilita' di investimento offerte in molti settori. Una volta che i nuovi partner della Namibia nella comunita' internazionale avranno dato sufficiente assistenza allo sviluppo la piu'

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giovane na2lone del mondo potra decollare rlvoltando l'eredlta dell'apartheid.

SUD-AFRLCA

Dopo anni di tenaci contrapposizioni e di confronto armato nella lotta di liberazione la situazione in Sud-Africa e' ora l

divenuta piu' fluida e vanno accrescendosi le possibilita' per una risoluzione pacifica del conflitto. Le discussioni sulla rimozione degli ostacoli ai negoziati fra il governo ed il Congresso Nazionale Africano (ANC : African National Congress) stanno continuando. Sfortunatamente) pero'J il grado di violenza e di spargimento di sangue nel paese e' aumentato in maniera drammatica. Recentemente questa violenza e' stata piuttosto prominente negli scontri fra i seguaci dell'ANC e quelli dell'Inkatha.

L'ANC ha fatto una grossa concessione sospendendo unilateralmente la lotta armata. Adesso la risposta spetta al governo del Presidente De Klerk. Il processo di smantellamento dell'apartheid, secondo il rapporto di luglio del Segretario Generale dell'ONU1 e' ancora in uno stadio precoce) e dovrebbe essere accelerate. Senza rapidi progressi verso negoziati per una nuova costituzione, la situazione gia' alquanto precaria potrebbe divenire ancor piu' violenta e minacciare gli stessi negoziati. In visite ufficiali negli Stati Uniti ed in molte capitali europeeI il Presidente De Klerk e' stato ripagato per i suoi sforzil con una diminuizione del tanto protratto status di paria in cui versa la nazionej e diversi paesi stanno studiando il modo

per ridurre ulteriormente l'isolamento internazionale del Sud-Africa attraverso una rimozione selettiva delle sanzioni. Azioni di questo tipo) se non fermamente agganciate a decisioni governative atte ad accelerare la fine dell'apartheidJ serviranno solo a rimandare cambiamenti fondamentali ed ad indebolire i negoziati condotti dall'ANC di Nelson Mandela. Come stabilito infatti dalla Dichiarazione dell'ONU sul Sud-Africa) adottata all'unanimità': le sanzioni devono essere mantenute sino a Che non abbia avuto luogo un cambiamento profondo e irreversibile. Niente di irreversibile e' accaduto sinora) mentre la costituzione fondata sull'apartheid e' ancora in vigore con le sue leggi draconiane.

Il Sud-Africa non solo sta affrontando il mondo con i suoi crimini interni contro l'umanità', ma sta anche continuando a schernire il diritto internazionale con la sua guerra non dichiarata di destabilizzazione contro stati vicini ed attraverso l'occupazione illegale di Walvis Bay, il porto della Namibia. Le contrade devastate dell'Angola e del Mozambico vengono ancora terrorizzate dai guerriglieri) mentre lo Zimbabwe sta ancora pagando con Vite di soldati e milioni di dollari per mantenere aperto il Corridoio di Beira. In Angola e Mozambico milioni di famiglie sono state dislocate oppure costrette a riparare fuori dalla propria nazione) e stanno ancora aspettando Che torni la pace per poter rientrare in maniera sicura nelle proprie case. Da Pretoria e' stata scatenata una tragedia umana dalle proporzioni di un olocausto) e cio' non deve essere dimenticato quando si presta attenzione alla lotta interna in Sud-Africa. Neanche si dovrebbe permettere Che l'ombra della politica regionale del Sud-Africa venga a cadere sulla Namibia) da poco indipendentegl mentre si dovrebbe richiedere come prioritá immediata la repentina reintegrazione di Walvis Bay nel resto dell'antica colonia.

Questi temi di maggiore importanza verranno discussi in profondita' durante la conferenzaJ con presentazioni sia da parte di leader africani Che della Commissione Europea. I partecipanti saranno messi al corrente di aggiornatissime analisi su tutti i

piu' urgenti problemi riguardanti l'Africa Meridionale.
Parlamentari italiani e di altri stati europei e rappresentanti
di Organizzazioni Non Governative (NGO)J parteciperanno 318 a
consultazioni con Membri del Parlamento e rappresentanti
governativi dei paesi aderenti alla SADCC Che con altri esperti.
Questa interazione condurra' ad un piu' chiaro comprendimento del
tipo di cooperazione necessaria con l'Europa per assicurare un
futuro migliore all'Africa Heridionale.

' EPAA Association of West European Parliamentarians
forAclonagaMstApanhad

MEMORANDUM ON THE JOINT EC SOUTHERN AFRICA POLICY

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October 1990

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The year 1990 has brought important developments for all Southern Africa; with encouraging prospects for the peaceful abolition of Apartheid in South Africa. NAMIBIA has, after a protracted liberation struggle, finally obtained independence and is now able to start the process of national reconciliation and socio-economic reconstruction.

SADCC, the regional coordinating organisation for development cooperation, celebrated its 10th anniversary. As one of the more successful structures of its kind globally, it deserves increased support and should not be affected by increased Western interest in economic cooperation with Central and Eastern Europe. Further progress in SOUTH AFRICA on the road towards the establishment of a unitary, democratic and non-racial state remains the crucial factor in determining the future of the subcontinent. On several issues at stake initial agreements and implementation have been achieved, but the Government still has to fulfill several pre-conditions to create the necessary climate for negotiations. Moreover, violence among different sections of the South African population has dramatically increased, caused by the continued existence of apartheid policies, practices and structures, with mounting evidence of ineffectiveness and even active complicity of parts of the South African state apparatus.

Two recent RESOLUTIONS of the UNITED NATIONS General Assembly - adopted by consensus - provide basic goals and criteria for political judgment of developments and policy guidelines.

A. SOUTH AFRICA

In its policy with regard to South Africa, the European Community should strictly adhere to the goals and principles agreed in the UN context (details in Annex 1):

- MAINTAINING EXISTING SANCTIONS and other pressure on South Africa until there is clear evidence of profound and irreversible change towards the eradication of apartheid and the establishment of a unitary, democratic, non-racial state;
- INCREASED ASSISTANCE to the victims of apartheid, including for the reestablishment of previously banned organisations and the reintegration of released political prisoners and returning exiles;
- Support to POST-APARTHEID SOCIAL AND ECONOMIC DEVELOPMENT, democratically determined and in the interest of all South Africans.

B. NAMIBIA: RECONSTRUCTION AND DEVELOPMENT

Accession to the Lone IV treaty is crucial for appropriate EC support to Namibian socio-economic reconstruction and development. Key issues (details in Annex 2):

- BEEF EXPORT QUOTA to the EC of at least 15,000 tonnes annually;
- BUDGET SUPPORT and other extra EC funds for reconstruction and development;
- Pressure on South Africa to give up its occupation of WALVIS BAY, and its claims to TERRITORIAL WATERS, which are crucial for agreements on FISHING RIGHTS IN NAMIBIAN WATERS;
- Obtaining LEAST DEVELOPED COUNTRY STATUS;

- EC support to Namibia's INTEGRATION INTO THE SADCC REGION, in the context of EC support for SADCC's regional development programme.

C. COOPERATION WITH SADCC AND THE FRONTLINE STATES

Both in the context of development cooperation with SADCC and the policy regarding South Africa, the EC and its Member States should broaden their cooperation to accommodate new needs as well as improve implementation of existing programmes: trade and industry, transport and communication, food security, human resources development, countering destabilisation, debt, untying of aid. Most urgent points are (details in Annex 3):

- appropriate forms of ASSISTANCE TO COUNTERACT DESTABILISATION;
- participation in regional FOOD SECURITY schemes;
- promotion of European private INVESTMENTS and SADCC EXPORTS;
- innovative DEBT RELIEF measures;
- relief and rehabilitation for external and internal REFUGEES.

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Fundamental objectives;

The Ec's main policy objective should be to reach a negotiated political settlement on the abolition of apartheid which includes, amongst others:

- a. South Africa shall become a united, non-racial and democratic state;
 - b. All its people shall enjoy common and equal citizenship and nationality, regardless of race, colour, sex or creed;
 - c. The right of all to participate in the government and administration of the country on the basis of universal, equal suffrage, under a non-racial voters' roll, and by secret ballot, in a united and non-fragmented South Africa;
 - d. All shall have the right to form and join any political party of their choice, provided that this is not in furtherance of racism;
 - e. All shall enjoy universally recognized human rights, freedoms and civil liberties, protected under an entrenched bill of rights;
- E. South Africa shall have an independent and non-racial judiciary, and a legal system that will guarantee equality of all before the law;

An economic order promoting and advancing the wellbeing of all South Africans;

. A democratic South Africa shall respect the rights, sovereignty and territorial integrity of all countries and pursue a policy of peace, friendship and mutually-beneficial cooperation with all peoples.

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Guidelines for political judgment and analysis;

The South African regime has not yet fulfilled many important pre-conditions to create the necessary Climate for the actual negotiations in good faith and is still to agree to the abolition of basic pillars of the structure of apartheid:

- Full lifting of the State of Emergency and effective and impartial measures against the violence among different sections of the population, caused by the continued existence of apartheid and against active complicity of parts of the state apparatus;

- Abolition of key apartheid legislation (e.g. Group Areas Act, Population Registration Act, Land Acts);

- Abolition of the "Homelands";

- Full suspension of political trials;

- Abolition of the death penalty at political trials;

- Release of all political prisoners and detainees, without any restrictions;

- Repeal of legislation limiting political activity (e.g. Internal Security Act);

- Allowing unrestricted political activities by all organisations and persons;

- Immunity from prosecution for all returning exiles;

- Complete abolition of detention without trial;

- Abolition of all media restrictions;

- Abolition of forced removals and forced incorporation of people into homelands;

- Cessation of (para-)military activities aimed at neighbouring states.

ti Previous restrictive legislation is again in force, with some regulations stricter than those of the State of Emergency, e.g. the Internal Security Act and police legislation. One example is the length of detention without trial (max. 6 months under the State of Emergency, again indefinite without access to Court).

Immediate policy instruments

In line with its stated policies in the context of the United Nations and the European Political Cooperation, the EC and its member states should:

- MAINTAIN EXISTING SANCTIONS and other pressure on South Africa until there is clear evidence of profound and irreversible change towards the eradication of apartheid and the establishment of a unitary, democratic, non-racial state;

- INCREASE ASSISTANCE to the victims of apartheid, including the re-establishment of previously banned organisations and the reintegration of released political prisoners and returning exiles.

- Support to POST-APARTHEID SOCIAL AND ECONOMIC DEVELOPMENT, democratically determined and in the interest of all South Africans.

ANNEX 2 JAMIBIA

Since the gaining of its independence in March 1990, Namibia has been involved in discussions with the EC regarding its ACCESSION TO THE LOME Iv AGREEMENT. The establishment of an appropriate level for the BEEF QUOTA which Namibia is to receive is one of the central issues of contention in this respect. Other as yet unresolved issues of great importance to Namibia include:

- obtaining sufficient untied BUDGET SUPPORT from donors to meet urgent needs;
- the early REINTEGRATION OF WALVIS BAY;
- obtaining LEAST DEVELOPED COUNTRY STATUS;
- the development of a REGIONAL PROGRAMME IN SADCC.

BEEF QUOTA

The Namibian government initially requested a beef quota similar to Botswana (19,000 tonnes), but by September the EC position was reported to be fixed at 13,000 tonnes. Given the dire development needs of Namibia and the common Namibian and European priorities in this area, the beef quota level should be set at a minimum of 15,000 tonnes. This minuscule increase would enable additional reduction of dependence on South Africa and provide an extra US\$ 4 million per 1000 tonnes per year. During the life of Lome IV, this would mean US\$ 80 million in extra funds available, e.g., for rural agricultural development.

BUDGET SUPPORT

Following the June 1990 Donor's Pledging Conference for Namibia at the United Nations, Namibia was still left with significant gaps in its reconstruction and development funding. In particular, the levels of budget support, targetted or untargetted, did not materialize as desired. In the initial years of transformation from an apartheid society and colonial administration, Namibia must rely on the international community for budget support, or else mortgage its future by assuming a massive debt burden. Additional support from Namibia's European partners is urgently needed.

WALVIS BAY

Political pressure on South Africa to relinquish its illegal control over Namibia's only deepwater port, Walvis Bay, and the offshore islands is another form of support. Crucial negotiations over fishing rights in Namibian waters are also complicated by South African claims to territorial waters adjacent to these colonial possessions. The South African government should be reminded at every opportunity that it still has some unfinished business before the decolonisation of Namibia is complete.

LEAST DEVELOPED COUNTRY STATUS

Because of its legacy of inequality and colonial impoverishment, Namibia warrants being classified a least developed country (LDC). This status brings with it possibilities for additional trade and development assistance, which are needed in the initial period. The normal traits of an LDC are: high poverty, illiteracy and infant mortality; climatic problems; negative growth in per capita food production; and a small, vulnerable industrial sector.

REGIONAL INTEGRATION

The integration of Namibia into the Southern African region can only now begin. Preeindependence trade, rail and road links in the region were limited almost entirely to South Africa, for example. Now Namibia is starting to explore possibilities for cooperation with neighbouring Angola, Botswana and Zambia in the context of the SADCC programme of action. In order for Namibia to benefit from its membership in SADCC, EC support for regional development efforts in SADCC will need to be expanded accordingly.

ANNEX 3: Policies regarding SADCC and the FRONTLINE STATES

AWEPPA promotes that the European Community and its Member States intensify their economic and political cooperation with SADCC and its Member States. This should not be affected by increased Western interest in economic cooperation with Central and Eastern Europe. Points of particular importance include:

EDUCATION AND TRAINING

- strongly support SADCC programmes in the focal area of human resource development;

AGRICULTURE AND FOOD SECURITY

- expanding triangular food aid in the region and incorporating it into the regional food security programme of SADCC;
- progressively take on projects in agricultural research and training;

TRADE AND INDUSTRY

Following valuable initiatives of Canada and the Nordic countries (NORSAD Fund):

- promoting SADCC industry, e.g. by assisting the formation of joint ventures;
- promoting SADCC exports, e.g. by supporting its Export Credit Facility;
- promoting intra-SADCC trade, i.a. by (partially) untying aid;

TRANSPORT AND COMMUNICATIONS

- progressively increase the use of SADCC transport, ports and railways;
- continue supporting the development of all major SADCC transport corridors;

DEBT AND ADJUSTMENT

- providing all development assistance in the form of grants;
- converting existing bilateral loans into grants;
- urging multilateral institutions to apply an adequate moratorium and to reduce interest rates;
- adopt policies to combat negative social effects of Structural Adjustment Programmes;

COUNTERING DESTABILISATION

- appropriate forms of assistance to enhance security, to assure that the benefits of development cooperation are not destroyed;
- granting compensatory funds for losses incurred due to destabilisation;
- employment creation for involuntarily returning migrant workers;
- providing humanitarian assistance for the increasing numbers of displaced persons, without distinction between internal and external refugees;
- linking relief aid to rehabilitation programmes, recognizing that the 'emergency' in Mozambique is a structural phenomenon for some time to come rather than a short-term crisis;

ANGOLA

- increase cooperation with Angola, at Government and private sector level;
- respond to the emergency and rehabilitation requirements;

ANGOLA AND MOZAMBIQUE

- endorse the official peace initiatives;
- refrain from enhancing the rebel movements' diplomatic status and military capabilities;

NAMIBIA

- Aid to Namibia for its national plans and in the SADCC framework, should be over and above previously existing SADCC/Southern Africa aid volumes.
- (more on Namibia in Annex 2)

SOUTHERN AFRICAN
grm DEVELOPMENT
Y 1 9 COORDINATION

v

CONFERENCE

ANNUAL PROGRESS REPORT

1989-1990

AWE PAA Association of West European Parliamentar,-ans
for ACT/O" against Apartheid .

SADCC ANNUAL PROGRESS REPORT 1989-1990

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Ch.

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September 1990

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SADCCC/S/2/90/3

SADCC ANNUAL PROGRESS REPORT

1989 - 1990

milestone, this Annual Progress Report departs from past practice. Previous progress reports reviewed the achievements of member States' '

In this

to the extent that available
ess over the entire decade of
Report, an attempt is made,
data permits, to review progr
the 1980s.

than seventy years-of South African occupation. South
gola, after

Talks have started

between the African National Congress (ANC) and the South
, on ways to end apartheid and to

introduce a system of government acceptable to all South
'feconomic and political pressure. It was in defence of this
obnoxious policy of legalised racial discrimination and
white domination of the black majority, that created racial
confrontation and general conflict in the region.

South Africa's massive economic and ' political
destabilisation of the region seems also to be coming to a
close. President de Klerk of South Africa, speaking during
Namibia's independence ceremony declared that."the era of
violence in Southern Africa was over". It is, however, too
supremacy. Prospects that the conflict. in .Angola .and
Mozambique, which were also fuelled by the South African
Military and political" conflicts; i egenomigr; poligyw_ahd
management weaknesses; and the unfavourable international
economic environment, particularly' the collapse of
commodity prices, deteriorating terms of trade and debt
gravely undermined the region's economic performance during"

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result has been mounting debt, serious unemployment, the disintegration of the socio-economic infrastructure of public institutions, health services, railways and roads, etc. and the general lowering of living standards.

In the second half of the decade, member States began to respond to the deepening economic crisis by instituting reform measures, either independently or in association with the World Bank and the IMF. Encouraging results were obtained particularly in agriculture, where price incentives led to increased production. Consequently, positive growth rates were recorded in most member States in 1988 and 1989. '

Unfortunately, the reforms were largely aimed at achieving fiscal and monetary balance, and did not address the fundamental structural weaknesses of these economies. The dependence on the export of raw commodities, and the inability of these economies to respond to changing international market conditions, low investment and productivity rates, remained at the heart of the crisis. SADCC has discussed these issues in the theme document for the 1990 Annual Consultative Conference entitled: SADCC: The Next Decade - Enterprise Skills and Productivity, and a number of initiatives will be taken to translate the ideas in that document into action.

Growth in the industrialised countries led to an increase in the demand for commodities which in turn, improved the economic performance of most SADCC economies in the last two years. Commodity prices have since retreated, taking member States' economies down with them. The long-term solution to this problem lies in restructuring economies away from dependence on the export of raw materials to the production of capital goods and manufactures.

The overall GDP growth of about 3.5 % was disappointingly lower than last year's 4.5%. The leading economic performers, in terms of GDP growth, were Botswana, Malawi, Mozambique, Swaziland, Tanzania and Zimbabwe. Economic growth in Angola, Lesotho, Namibia and Zambia either stagnated or was negative particularly taking into account population growth.

The region's food supply situation for the 1989/90 season shows a surplus of 1.43 million tonnes. The surpluses occurred in Tanzania, Zambia and Zimbabwe. However, only Zimbabwe is in a position to export part of its surplus. The problem will remain, as always, the establishment of an effective machinery for trade in food to ensure the expansion of production and to lessen dependence on food aid from outside the region. '

1.12 Over the last ten years, SADCC has successfully built up a conceptual framework for regional cooperation, based on the direct involvement of member States in the initiation and implementation of programmes and projects. Important regional projects have also been implemented. More importantly, political consensus now largely exists in the region, regarding the necessity and role of cooperation. The challenge still remains turning the consensus into practical programmes on the ground. For this, the Organisation needs to strengthen its institutional capacity, in terms of technical expertise and management. In this regard, it is important to ensure that the large infrastructure that has been installed is optimally operated and adequately maintained.

1.13 SADCC's success has been made possible by the strong economic and political support of the Organisation's cooperating partners. However, the primary responsibility for moving SADCC forward must remain, always with the region's peoples.

1.14 Much has been asked about the role of a post-apartheid South Africa in SADCC. A South Africa free of apartheid, and of the dream of economic, military and political hegemony over the rest of the region will be most welcome in SADCC. In the event, all of the region's countries would contribute to economic progress on the basis of mutual advantage and equity.

1.15 The economic and political changes in the rest of the world, especially Eastern and Western Europe, North America and the Pacific Rim will change international relations forever, and will have a profound effect on Africa in particular. It is unlikely that the countries of Eastern Europe will be giving any more "solidarity assistance" to Africa, instead they have become competitors for aid and private investment resources. The countries of Eastern Europe are strengthening themselves further by teaming up with a major economic and trade bloc in the Common European Home. As SADCC member States effect economic and political changes, and determine their future development strategies, they should take into full account this new international environment. Already, most member States are implementing or discussing fundamental economic and political reforms, especially reducing the role of Governments in economic management, and the introduction of multi-party systems of governments.

2. THE SOUTHERN AFRICAN DEVELOPMENT COORDINATION CONFERENCE (SADCC) -

2.1 SADCC now comprises ten member States with a population of 82.7 million, and covers an area of 5,708 million sq kms. The region had a GDP of US\$23,300 billion and an average GDP per capita of US\$280.00 in 1989. The table below gives the basic economic indicators of SADCC member States.

BASIC INDICATORS - SADCC COUNTRIES

WWW

POP AREA GDP PER GDP LIFE

(M) 000 CAPITA BILLION EXPECTANCY

SQ.KM. US\$ ' US\$ YEARS

Angola 9.2 1,247 470 4.32 44'

Botswana 1.3 582 2,216 1 4.88 59

Lesotho 1.8 30 87 ,0.14 56

Malawi 8.4 118 160 1.31 46

Mozambique 143? 802 136 1.89 44

Namibia 1. 823 1,290 1.66 49

Swaziland 0.7 '17 936 1.66 55

Tanzania 28.3 945 105 '2.97 50

Zambia 7.2 753 250 1.80 . 53

zimbabwe 10.0 391 580 5.80 58

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SADCC 82.7 5,708 282 23.30 _ 49.5

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Source: 1989 Member States estimates, in current prices, except for Angola and Zambia which are 1987 World Bank estimates.

2.2 The SADCC region is possibly the richest in Africa, in terms of natural resources, producing virtually all the major internationally traded minerals - oil, gas, uranium, diamonds, iron. ore, copper, chromium, coal, zinc and a multiplicity of other minor ones. Mining contributes over 60% of the region's export earnings. The region is also a major producer of beef, cereals and commercial crops. In most years, the region as a whole, has surplus maize, its major staple food. Coffee, tea, groundnuts and tobacco contribute, on average, about (20%) of the region's export earnings, but 43% in Zimbabwe, 75% in Tanzania and 84% in Malawi.

2.3 The average share of manufacturing in GDP is about 12%, and 46% of manufactures come from outside the region.

Consequently, the region depends largely on imported capital goods and a significant part of consumer goods.

2.4 The region is burdened by debt, currently estimated at US\$25 billion. Many member States, particularly Angola, Mozambique, Tanzania and Zambia, are debt distressed and are in no position to meet their debt service obligations.

2.5 SADCC was born in one of the most turbulent periods in the modern history of Southern Africa. Three member States Angola, Mozambique and Zimbabwe had just gained their independence, following more than a generation of bloody wars of independence. Since most of the region's transport network transverses these countries, the wars and years of neglect. rendered these routes less capable of carrying their traditional traffic volumes. The departure of Portuguese technicians and managers in Angola and Mozambique, in the run-up to independence worsened the situation. -

2.6 As if this was not enough, South Africa unleashed an unprecedented military: aggression and economic and political destabilisation of the region. Once again Angola and Mozambique, the coastal nations of the region, carried the brunt of the South African assault, although no SADCC member State remained unscathed. South African troops occupied southern Angola in 1977, and stayed there until 1989. South Africa also sponsored rebel activity in both Angola and Mozambique, and for a short time, in Zimbabwe, supplying training, equipment and logistical support.

2.7 This brought the economies of the fledgling states of Angola and Mozambique virtually to their knees and dislocated all economic life in the rural areas. Over 5 million Mozambicans, and 1 million Angolans were turned into refugees or internally displaced persons. A catastrophic famine was only avoided by a major international relief effort. -

2.8 All over the region, South African commandos cast a spectre of death and raised terrorism to state policy. Innocent men, women and children were murdered in their sleep.

2.9 This senseless behaviour by the apartheid regime caused the death of over 500,000 people. The economic costs. in -destroyed infrastructure, lost production, increased defence costs etc. are estimated at over US\$60 billion since 1980, or more than twice the foreign assistance received by SADCC member States, during the period and more than twice the region's GDP in 1989. In these circumstances, economic progress was difficult and a substantial part of the economies of Angola and Mozambique has been destroyed and will require a concerted international effort to be revived. '

2.10 This notwithstanding, serious economic policy and management weaknesses also contributed to the poor performance of the region's economies. - The issues of concern in the region are the creation of an enabling environment for investment, the role of the business community in economic development, the harnessing of individual initiative of the SADCC peoples for productive investment and increased productivity, greater public accountability and the democratisation of the development

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process. The theme document for the 1990 Conference entitled SADCC: The Second Decade - Enterprise, Skills and Productivity encapsulates all these issues.

Despite these difficulties, appreciable progress has been achieved in the region. There now exists across the subcontinent, from the Atlantic to the Indian Oceans a belt of countries and peoples with a vision of a common destiny. This provides a solid foundation for even greater economic successes in a Southern Africa at peace with itself.

No less impressive progress has been "made in programme implementation. The highlights of sectoral progress are discussed in section 7 of this report.

On the basis of operational experiences the SADCC structures and procedures are being reviewed with a view to their strengthening and improving the Organisation's performance. The planning approach is also maturing from a system based on the coordination of discrete projects to Emelbased on regional sector analysis, policy and programme coordination. To this end, matters dealing with the cross-border supply of goods and services such as tariffs, export pricing, etc. are being addressed. A training programme aimed at improving the technical capacity of SADCC units is . being organised in association with the World Bank. A' regional data system is also being developed.

2.14 The independence of Namibia has opened new opportunities
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for cooperation in the region and brings additional resources and capacity into the Organisation. . If these' opportunities are to be realised, the challenges of_ integrating Namibia into the region. in new transport, telecommunications, trade and other links must be overcome.
SOUTH AFRICA AND THE REGION

'Apartheid's perpetrators have also become its victims.' The economic and human costs of the apartheid became too much even for the South African economy. The campaigns of the liberation movements, including the mass democratic movement inside South Africa, military reverses especially in Angola and Namibia, sanctions and other international measures to isolate the apartheid state, finally brought home to the South African leaders the critical urgency of a political dispensation acceptable to the majority 'of South Africans.

What followed is well known. South African troops withdrew from Angola, and Namibia gained her long-denied independence. The South African government freed Nelson Mandela, Zeph Mothopeng and other political leaders and has engaged in exploratory talks with the ANC. Initial" encouraging measures have been taken to create a conducive climate for full-scale negotiations towards a non-racial democratic society.

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Although a settlement is still far off in South Africa, the region is clearly at the cross-roads. For the first time since 1652, when Jan Van Riebeck landed at the Cape, the region has a chance to move from a period of racial confrontation to one of cooperation. Namibia joined SADCC upon independence, and it is SADCC's hope that it will be possible to welcome a democratic South Africa to its ranks soon.

Cooperation in SADCC is based on the principle of equity inter-dependence and mutual benefit, as opposed to dependence and domination. SADCC was founded partly to redress the existing inequitable economic domination of the region by South Africa. SADCC expects South Africa to join the Organisation on the basis of these same principles, and to participate in redressing the current economic imbalance, for the benefit of all the countries of the region.

TRENDS IN THE WORLD

Progress in SADCC member States is significantly influenced by, and dependent on international trends and developments. It is necessary, therefore, to review the performance of SADCC economies in the 1980s in the context of the prevailing global economic and political scene.

In industrialised countries, GDP grew, on the average, at the rate of 2.8% per annum between 1980 and 1989. This rate rose to 3.5% in 1989. In developing countries, corresponding rates of growth were 4.3% during the period 1980-89 and 3.3% in 1989. Despite the overall decline, Asian economies performed relatively better than Sub-Saharan African countries. South Asia's growth fell sharply from 9% in 1988 to 4.1% in 1989. In East Asia, GDP growth dropped from 10% in 1988 to 5.3% in 1989. The 1989 rates of growth in South and East Asia were, however, much higher than those of Sub-Saharan Africa, which averaged 0.9% during the period 1980-1989, and rose to 3.2% in 1989. The strong growth of 3.2% in Sub-Saharan Africa was boosted by buoyant exports, which increased in volume by 10% in 1989, up from 0% during 1980-89. It should also be noted that the higher rate achieved in Sub-Saharan Africa in 1989 was just about equal to the annual increase of the population. The implication is that Sub-Saharan Africa's GDP per capita stagnated between 1980 and 1989.

Real per capita GDP, therefore, grew by an average annual rate of 6.7% in East Asia, 3.3% in South Asia; a -2.2% in Sub-Saharan Africa, and -0.6% in Latin America and the Caribbean. These regional differences reflect the underlying variations in rates of saving and investment in the different regions. Investment remained in Sub-Saharan Africa, averaging 15% of GDP during the period

1980-89. It increased slightly to 15.8% in 1989. This compared unfavourably' with East Asia, whose investment ratio averaged 32.7% during 1980-89.

4.5 While Asian countries adjusted quickly to the shocks of the

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19805, African countries found it harder to adjust. High interest rates and deterioration in terms of trade reduced real incomes in Africa. Countries that depend heavily on primary exports ,had to make drastic cuts in their consumption and 'government expenditures. Government deficits in the early 19805 were financed mainly by external borrowing and expansionary monetary- policies. Part of the adjustment required policy and institutional reform, and resource reallocation.

Growth in developing countries is Closely correlated with demand in industrialized countries. Adverse developments "in the world economy contributed to low growth rates in the 19805. Weak external demand, declining terms of trade, a diminishing supply of external finance, and greatly increased volatility in interest rates depressed growth rates in developing countries. Exports of Sub-Saharan African countries fell during the early part of the decade and stagnated until 1988. It was only in 1989 that they showed an upturn. During the 19805, many primary commodity prices fell to their lowest levels since World War II. By 1989, average commodity prices were 35% lower than in 1980. The real purchasing power of the exports of Sub-Saharan African countries declined by 15%. A combination of world recession, worsening terms of trade, and a rise in real interest rates triggered the debt crisis of the first halfi of the 19805. r

Real interest rates were exceptionally' high. during the 19805. On the average, they were six times higher than in 1974-79, when most Airican countries contracted a. large share of their debt. The steep rise was brought about by a decline in savings in industrialized countries, large current account imbalances, and violent fluctuations in major currencies.

The world is undergoing the most fundamental economic and political changes perhaps since the second World War. The old. order in Eastern Europe is being swept. away to be replaced by market-determined economic structures and multi-party democracies, more akin to Western traditions. The old ideological blocs and rivalries are also dissolving, with the Soviet Union increasingly concerned with her own internal economic and political changes. -In Western Europe, North America and the Pacifiq.Basin, there are definite moves towards even more powerful economic and political blocs represented by the Single Market, the United States and Canada Free Trade .Agreement and the Pacific Rim grouping.

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These developments are likely to have fundamental consequences for the world, and for Sub-Saharan Africa in particular. Eastern Europe is no longer in a position to provide assistance simply for ideological reasons. The African peoples, taking a leaf from changes in Eastern Europe, are already pressing for greater economic and political freedoms. Eastern Europe and the economic blocs forming in other parts of the developed world, are likely to prove more attractive for foreign investment than Africa, itself already in a deep socio-economic crisis. In addition, Eastern Europe offers the foreign investor a number of advantages; a skilled labour force, a more developed economic infrastructure, to say nothing about the cultural and ethnic ties between Eastern and Western Europe and Eastern Europe and ethnic entities in North America. These developments underline the oft stated point that Africa should depend more on herself to generate the bulk of resources needed for her economic development. In particular, the necessary economic, political and legal institutions should be created for Africans to realise their full potential and to take the primary responsibility for improving their lives. New ways of mobilising internal financial resources should also be found. A number of SADCC member states; notably Botswana and Swaziland, have taken the lead in this regard by following Zimbabwe in introducing stock-brokerage firms to enable firms, including parastatals, to raise capital for investment instead of depending on subventions from governments. There is no choice for Africa and SADCC member States, -but to effect changes providing for greater economic and political freedoms to achieve higher levels of efficiency and productivity, better and accountable governance, the development of human resources and the mastery of science and technology. The South Commission in their publication "The Challenge to the South" sums up what needs to be done: development is a process of self-reliant growth, achieved through the participation of the people acting in their own interests as they see them and under their own control..... -In addition, development pre-supposes a democratic structure of government, together with its supporting individual freedoms of speech, organisation and publication, as well as a system of justice which ' protects all people from actions inconsistent with just laws that are known and publicly accepted.

Most SADCC member States have already begun the process of economic and political liberalisation and democratisation, including the decisions or discussions on the introduction of multi-party systems.

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PERFORMANCE OF THE ECONOMIES OF INDIVIDUAL MEMBER STATES

The overall real GDP growth of the SADCC region for 1989/90 declined to about 3.5% compared to 4.5% in 1988/89. Botswana, Malawi, Swaziland, Tanzania and Zimbabwe maintained high GDP growth rates in excess of 4%. Growth declined or stagnated in the rest of the member States. The primary reasons for this are weakening commodity prices, continuing foreign exchange difficulties and in some cases socio-economic problems. With the region's population increasing unabated most member States experienced a decline or stagnation in living standards.

5.2 Inflation has also been high, particularly in Angola,

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Mozambique, Tanzania and Zambia, where it is in excess of 30%. Any competitive advantage achieved through the recent devaluations of national currencies is quickly being eroded by the cost increases resulting from high inflation. Urgent measures are being taken to break this 'vicious cycle.

There is no prospect in sight for any significant increase in the flow of international assistance to the region. Significant levels of official assistance and foreign investment flows to the region are, therefore, unlikely in the light of the international developments already discussed, and the poor state of most SADCC economies. Debt relief and forgiveness would be the more likely source of additional resources if member States were not already in arrears. The only real prospect for improving the region's economic performance is the promotion of domestic and cross-border investment.

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The performance of the agricultural sector in the region has not been as good as last year. The main problems have been poor weather conditions, unfavourable international price movements and rising input costs associated with high inflation rates.

Seven out of the ten SADCC member States are implementing economic structural adjustment programmes. These have often had a positive impact on economic growth rates, but also high social costs, including political unrest and strikes. Unfortunately, there is little painless economic adjustment. It is, therefore, necessary for SADCC governments to foster the necessary national consensus on the sacrifices that must be made and the sharing of the burden of these sacrifices by the nation as a whole. What follows below is an overview of the performance of the economies of SADCC member States over the 1980s. The quality of the summaries is determined by available data and information. 1 in

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Angola

Following the disruption of the Angolan economy' by the exodus of Portuguese settlers in the transition to independence, and South African military aggression in the post-independence years, GDP stagnated between 1980 and 1985, and then declined sharply in 1986. In 1981, real GDP decreased by 10%, mainly because of a fall of 15% in oil production. It was not until 1985 that production reached the 1980 level again. Although the volume of oil production increased by 22% in 1986) GDP declined by 11% in current dollar terms, due to the drastic fall in the price of oil from US\$26 a barrel in 1985 to US\$12.50. The combined effect of an increase of 25% in the volume of oil production and a recovery in the price of oil to US\$17.1 a barrel in 1987, led to an increase of 14% in GDP, measured in current dollars. Overall economic performance in the 1980s therefore was less than satisfactory. The country ended the decade with a GDP per capita of around US\$554, lower than that of 1975.

The Angolan economy also faced major problems during the decade. South African military aggression and the war against UNITA disrupted agricultural production. As a result, food production was insufficient to feed the population. Oil exports, which account for about 95% of total exports, were unable to finance the war, and meet the import of spare parts, equipment, and intermediate and consumer goods. Lack of imported inputs caused high levels of under-utilisation of capacity in the industrial sector. The war forced an exodus of over 600,000 peasants into urban areas, and 2 million were displaced country-wide. Many infrastructural facilities and productive units were destroyed, including bridges, roads, hydroelectric dams and power pylons, railway tracks, mines, manufacturing plants, coffee plantations, etc. Above all, more than 50% of the national budget, and most of the skilled manpower were devoted to the war effort. Inappropriate economic policies and weak management capacity accelerated the economic decline by the end of the decade.

Concerted efforts are now underway to address the situation. The Government has adopted a programme of Economic and Financial Restructuring (SEF) aimed at achieving financial stability, reforming the economic system and improving the overall economic performance. Angola is now a member of the World Bank and the IMF, and will, therefore, qualify for the usual assistance extended by these institutions.

The independence of Namibia and the withdrawal of South African troops represents perhaps the most important positive development for the Angolan economy this decade. Current efforts to end the war with UNITA, if successful will provide a final boost. ' 7 11

Botswana

5.11 Over the period 1965-1986, Botswana recorded an annual rate of growth of 8.8% in real terms, which was the highest achieved by any African country. Rapid economic growth continued through to 1989. The latest available data indicate that the economy grew at the rate of 9.0 % in 1987/88, compared to 10.1% in 1986/87. Real GDP is estimated to have grown by 13.1% in 1988/89 over 1987/88. Despite a high rate of population growth, averaging 3.5% per annum, GDP per capita grew by 5% a year in real terms between 1983/84 and 1988/89. As a result of the high rate of economic growth, GDP per capita doubled during the 1980s. Most of the growth was accounted for by an increase of 16.6% in the output of the mining sector. In 1987/88 the mining and quarrying sector accounted for 44.6% of GDP. By 1988/89, the sector accounted for 51% of GDP. The economy's heavy dependence on the diamond industry entails the risk of vulnerability to fluctuations in the world market for diamond, with serious repercussions on the economy.³ In recognition of this risk, Government is making efforts to diversify the economy through manufacturing. In 1988/89, manufacturing accounted for only 5% of GDP, having declined from 9.0% in 1981/82. The relative decline of the share of manufacturing in GDP was largely due to the rapid expansion of the mining sector. 'In addition the share of manufacturing in total output fell short of the planned target of 8.3% for the period 1981-91.

5.12 The other buoyant sectors were construction and wholesale and retail trade, which grew by 30.3% and 16% respectively. Agriculture recovered dramatically from the effects of drought in the first half of the decade, reversing the declines of previous years to a growth in output of 27.3% during 1988. '

5.13 Export earnings from diamonds, copper-nickel and beef were 32% higher in US dollar terms in 1989 than in 1988.

Diamond alone accounted for US\$1.4 billion, up from US\$1.1 billion the previous year. Copper-nickel exports remained at about the same level as 1988. But Exports of beef, however, increased dramatically by 35%.

5.14 Between 1988 and 1989, exports (fob) increased from P2,686 million to P3,661 million, an increase of 36.3%, while imports (cif) increased from P2,129 million to P2,557 million, an increase of 20.1%. Along with the effects of other valuation adjustments, the balance of visible trade increased from a surplus of P881 million in 1988 to P1,513 7 million in 1989. Taking into-account trade in Services and capital account transactions, the overall balance act.-- payments were from a surplus of P697 million in 1988 to P1,164 million in 1989.

5.15 In the first half of 1989 inflat'

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of 12.5%. By the end of 1989, the rate had fallen to 11.3%, largely as a result of the revaluation of the Pula by 5% in June of that year. A contributory factor was a fall in the rate of inflation in South Africa, from which Botswana imports most of its consumer goods. The 1989 83,400 in 1980 to 182,000 in 1989., In spite of the impressive growth, it is estimated that 25% of Botswana's labour force is unemployed. The level is projected to rise to 34.9% in 1990/91. Thus, the problem of unemployment continues to pose a challenge to the Government. Forecasts for 1989/90 point to a real GDP growth rate of 8.7%. With a population of 1.3 million, Botswana will attain a per capita GDP of at least US\$2,300 which will remain the highest in the SADCC region.

Lesotho

The Lesotho economy has performed reasonably well for most of this decade, with real GDP growing at an average rate of 5.2% between 1984 and 1989. However, in 1989 economic growth declined to 2.1% compared to 12.5% in 1988. The decline was attributable to poor performance of the agricultural sector, resulting from excessive rains, early frost and crop pest damage. Manufacturing growth, at 9.2% was less than half the 1988 growth of 18.8%.

However, in the special circumstances of Lesotho, real Gross National Product (GNP) grew by an average of only 1.9% since 1984 and-'actually'-declined by 2.8% in 1989, compared to a growth of 9.9% in 1988. With a population growth rate of 2.6% per annum, real GNP per capita has, on average, declined by 0.7% per annum during the decade, including a 5.8% decrease in 1989.

deficit of M18.3 million in 1987, to a small surplus of M3.4 million in 1989. This could indicate progress in restraining growth in government expenditure under the Structural Adjustment Facility (SAP). The fiscal deficit is programmed to drop from the M180.9m recorded in 1989/90, to M90.5 in 1989/90. An increase of 33.5% in South African Customs Union (SACU) receipts from M184.3 million in 1988 to M246.1 million in 1989, has also contributed to the reduction of the fiscal deficit. 5 ' 5;-_-

For the period 1985 - 1989, exports in (Hafoti) value terms, increased steadily at an average of 34.06%, or about 20%; when adjusted for domestic inflation, which averaged

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14% in the period. This is likely to have been totally reversed by the depreciation of the Maloti against the major currencies (one Maloti :: one South African Rand) during this period. Imports, in nominal terms, also declined during this period, responding to the decrease in deficit spending by the Government, and other expenditure reducing policies.

Domestic investment is expected to increase by only 5.1% in real terms in 1989, compared to a rise of 25.5% in 1988.

In 1988/89 Gross investment as a share of GDP was 29%.

Much of this high level of investment was accounted for by the Lesotho Highlands Water Project.

With an estimated labour force of 604,800, and growing at 20,000 annually, an unemployment rate of 23%, and 126,264 (1989) migrant workers, the country faces enormous socio-economic problems, particularly in the light of the economic and political situation in South Africa. A concerted effort to create job opportunities at home will be needed. '

The economic prospects for 1990 are reported to be better than for 1989. Agricultural production is expected to be higher, and the increased construction associated with the giant Lesotho Highlands Water Project, is expected to give a major fillip to the economy. Growth in manufacturing is also expected to continue.

Despite a rapid growth in exports, a current account deficit of 8.2% was recorded in 1989, compared to a target of 3.8%. A fiscal deficit of 10.9% of GDP combined with domestic credit expansion, contributed to the failure to reach the target. Inflation remained high in 1988/89 at 13.8%.

Although the economic prospects for 1990 are better, the economy is not likely to do much better than 2.1% GDP growth rate recorded in 1989.

Malawi

The transport difficulties resulting from the non-availability of the traditional routes through Mozambique, and the detouring terms of trade for the country's agricultural exports, have added to the poor performance of the Malawi economy for most of the decade. It is estimated that the closure of the Nacala Corridor, thus forcing the country to transport its goods through the much longer routes to South African ports has added about 44.5% to the country's transport bill. The influx of refugees from Mozambique put a further strain on the economy. 1

The economy has responded well to the adjustment measures introduced three years ago. Output growth strengthened in 1988 and 1989, after a dismal performance during 1986 and

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1987. Real output grew by 4.3% in 1989, compared to 3.3% in 1988. All sectors recorded positive growth rates despite natural disasters such as cyclones and floods. Agriculture in particular did well, growing by 3.5% in 1989, in real terms, compared to 2.0% in 1988. Maize output increased by 5.7% over the previous season. Rice production went up by 43%. The commercial crops of sugar, groundnuts and tobacco did not do well, as a result of floods and the movement of prices in favour of maize.

I compared With a growth rate of 3.3% in 1988 This impressive performance was mainly due to increased capacity utilisation in industries. The import liberalisation programme has had a major impact in enhancing the availability and/or importation of raw materials and spare parts for industry. The service sectors were also buoyant, in response to the increased economic activity resulting from the import liberalisation programme.

as measured by the change in net foreign assets of the banking system, recorded a deficit of MK60.3 million, taking into account debt relief; against surpluses of MK250.0 million in 1988, and MK85.5 million in 1987. This situation was mainly due to a decrease in net capital inflows; declining export volumes and deteriorating terms of trade; high external debt service payments, and increased import bills arising from the trade liberalisation programme.

Gross foreign reserves, therefore, declined sharply and reached the equivalent of 2.4 months of import cover, by the first quarter of 1989.

The rate of inflation maintained its downward trend, declining from an average annual rate of 31.5% in 1988, to 15.7% in 1989. The trade liberalisation programme helped reduce the scarcity element in pricing.

Total investment, as a percentage of GDP, has averaged 16% between 1985 and 1989.

Subject to continued availability of foreign exchange to support the import liberalisation programme, real GDP growth is expected to, at least, maintain the 1989 level of 4.3%.

Mozambique

The performance of the Mozambique economy; has been undermined by South African sponsored rebel activity and direct South African military and economic destabilisation. The cost of destabilisation has been estimated at US\$15

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billion or ten times the country's GDP. Prior to 1987, real GDP declined by 8% per annum. The introduction of the economic recovery programme in 1987 reversed the decline Of most of the decade, and turned it into an average of 5% GDP growth rate per annum.

Agriculture especially has done well, growing at about 6.6% in both 1988 and 1989. Between 1986 and 1988 marketed -maize and rice increased by an average of 49.7% and 27.1% per year, respectively. Industrial production grew by 0.1% in 1987, 4.9% in 1988 and 7.9% in 1989. Although these growth rates are impressive, they are based on a very low base, and are not enough to compensate for the disastrous decline of the first half of the decade.

The transport infrastructure, although a subject of continuing sabotage, has been expanding as a result of the SADCC-sponsored rehabilitation work on the Beira, Limpopo and Nacala corridors. For instance, cargo handled by the Beira corridor increased 35%, 24% and 31% in 1987, 1988 and 1989, respectively.

The war and destabilisation activities have led to widespread disruption of rural communities, 500,000 deaths and over 5 million refugees and internally displaced persons. This has disrupted agricultural activity, resulting in life-threatening famine conditions. the end of 1990.

Fortunately the international community has been ready to come to the assistance of the country, by providing emergency assistance and increased official aid and debt By all accounts, Mozambique has tremendous economic potential which can only be fully realised in circumstances of peace. The country has enormous agricultural potential and abundant mineral resources, including coal, gas and good prospects for oil.

With the current peace efforts, and the economic restructuring measures, economic growth prospects should continue to be good. The current 5% GDP growth should be maintained through 1991 at least.

Namibia

Growth of GDP in 1989 amounted to 0.2%, compared to 1.7% and 3.0% in 1988 and 1987, respectively. ,The low rate.of growth originated mainly in the primary sector, whose real output declined by 4%. The secondary and tertiary sectors continued to perform well, and their real output grew by 3.7% and 3.5% respectively during 1989. Sectoral growth

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rates were: Transport and Communications 10.4%;
Manufacturing 9.2%; Agriculture 13.2%- Electricity and

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Water 3.4%. As a result of a fairly restrictive government
budget, construction activity again fell by 6% in 1989,
after a brief recovery during the previous two years. Also
a real decrease (minus 6.4%) in output was recorded in 1989
for mining. The improved manufacturing output during 1989
is largely attributable to the substantial increase in the
output of the meat processing industry. The terms of trade
improved in 1989 as a result of an increase in export
prices of 24%, compared to an increase of 15% in import
prices. . .

An examination of the structure of the Namibian economy
reveals that sectoral shares in GDP are: Mining 29%;
Agriculture 10%. Agriculture contributed, on the average,
10% of GDP during the period 1980-89, and accounted for 70%
of total employment during this period; '

The rate of increase in real fixed investment declined from
14% in 1988, to 4.5% in 1989. The slower growth in fixed
investment during 1989 was, however, mainly attributable to
a 15.5% decrease in investment in the public sector, whilst
the private sector expanded its investment by 23%. The
ratio of gross domestic saving to GDP increased from 19% in
1988, to 21.4% in 1989.

Inflation remained high, having risen from 12.9% in 1988 to
15.1% in 1989. By the first quarter of 1990, the rate had
risen further to 13.6%.

In the external sector, the value of exports rose by 24.8%
in 1989 over 1988. The main contributors to the increase
were diamonds, other minerals and agricultural products.
During 1989, the prices of almost all the commodities
increased, aided mainly by the boost in exports and the
subdued imports, the current account moved into a surplus
_during 1989, after a deficit was recorded during 1988.
The withdrawal of the South African occupation army has led
to a drop in purchasing power in the country' and has
aggravated the unemployment situation. The country also
inherited a large budgetary deficit. The rationalisation
of public institutions including the multiplicity of ethnic
administrations set-up by South Africa on apartheid lines,
should. help reduce the budget deficit. Reform of the
regime currently governing the extraction. of Namibia's
natural resources such as fisheries should also contribute
positively to economic growth. All this will take time and
'the prospects for 1989/90 are for a continuing most GDP
growth not exceeding 2.5%.

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Swaziland

Annual growth in real GDP averaged 4.7% during the period 1984-88. Given the annual rate of population growth of 3.3%, GDP per capita grew at 0.7% a year during this period. The projected GDP growth rate for 1989 was 4.6%, which would be lower than the rates recorded in 1986 and 1988. Swaziland, therefore, recorded a positive growth in GDP per capita during the decade.

The contribution of Agriculture to GDP dropped 15% in 1987 due to unfavourable weather conditions which adversely affected sugar production. It declined by another 1.3% in 1988. The Transport and Communications, Finance and Real Estate sectors performed well. Manufacturing output grew rapidly during the period 1986-88, registering an average annual rate of growth of 10%. For the first time since 1983, manufacturing became the leading sector in terms of its share of GDP in 1987. The strong growth of the economy gave rise to an increase in employment of 4.4% in 1989 over 1988.

Investment grew by an average annual rate of 4.4% during the period 1984-88 in current prices. -In. real terms, however, the level of investment declined during this period. An upturn occurred in 1988 when investment increased by 20%.

Exports increased in dollar value terms by 22.9% in 1989, compared to 11.19% in 1988. Imports grew more rapidly in 1988 by 34%. Despite the substantial increase in imports, the current account recorded a balance of trade surplus. The combined effect of a current account surplus and inflows of capital was an overall balance of payments¹ surplus. Consequently, foreign exchange reserves reached a record high of the equivalent of SDR174 million, representing six-months import cover.

A slow down in economic activity is anticipated with a projected GDP growth rate of only 2.5%.

Tanzania

The shortage of foreign exchange led to the deterioration of physical plant, and low 'capacity' utilisation, which adversely affected the country's economic performance during most of the decade. GDP growth averaged 1.5% against a population growth of 2.8%. Declines in GDP, therefore, marked the early part of the decade.

Consequently, the first Economic Recovery Programme was implemented covering the years 1986/87 to 1988/89. The second phase of the programme was put into operation in -'

A National 5-

1989/90 and will run for three years.

Investment Promotion Policy, aimed 'at attracting both foreign and local investors, is also being implemented. These programmes have been supported by additional

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international assistance including the writing-off and re-scheduling of debt.

Economic recovery, in terms of positive growth rates per capita, began in 1986, and has continued through 1989. GDP grew by 3.9% in 1987, 4.1% in 1988 and was projected to grow by 4.4% in 1989. Agriculture in particular, has done very well, despite high costs of inputs and transportation difficulties. The increase in producer prices for both food and export crops, greater availability of inputs and incentive goods boosted the morale of farmers. In the industrial sector, the timely supply of raw materials, greater availability of water and electricity, and the reduction of price controls; all contributed to greater production.

During 1988/89 the value of exports was US\$390 million, compared to imports of US\$1,277.0 million. Foreign loans and grants, which amounted to US\$883.5 million financed the bulk of the import bill in 88/89. It is estimated that the trade deficit will increase by 8.2% from the current US\$883.5 in 1988/89 to US\$955.5 million. The rapid expansion of domestic credit, and a large budgetary deficit have fuelled inflation, which is currently estimated at 328.1%.

The size of the external debt, which amounted to US\$5.090 billion by end of 1989, has led to serious debt service problems. Arrears on principal and interest repayments stood at US\$881 million. The international community has assisted with debt re-scheduling and debt forgiveness. The economic restructuring programmes are having the desired effects, with positive GDP per capita growth, and increasing production. The Government is taking measures to improve financial discipline in the public sector, and to restructure and rationalise state institutions and enterprises, to encourage greater efficiency and productivity.

Zambia

Zambia, which depends on copper for over 80% of its export earnings, suffered most from the decline in commodity prices during the decade. Mounting debt, estimated at US\$6.9 billion in 1989, with arrears of US\$3.4 billion, led to serious economic dislocation. As a result, socio-economic infrastructure such as the transport network, health services, schools, etc., deteriorated; and unemployment mounted; leading to a general lowering of standards of living of the people.

5.61 In 1989, t

Consumption expenditure rose from 83% of GDP in 1988 to 89% in 1989. The hi

a high rate of inflation. With a low level of savings and investment, GDP could only stagnate.

5.62 The value of exports increased appreciably in 1989 over 1988, largely due to higher export prices of metals as well as an increase in volumes. The price of copper, for instance, increased from 121.1 cents per pound in 1988, to 128.4 cents in 1989. Although the volume of imports declined, their value ros '

depreciation of the Kwacha. - The

5.63 Overall sectoral performance was modest. Manufacturing output grew by 1.3%, while agricultural production declined in 1989 compared to 1988. Mining exhibited a good tperformance, growing at the rate of 9.5% in real terms, compared to a decline of 12.9% on 1988. The 1989 budget deficit level of 7.8% of GDP was a Slight reduction from the 1988 level of 9.5% of the GDP in 1988. However, the rate of inflation remained high. Formal sector employment declined from 361,000 in 1988 to 360,000 in 1989. '

5.64 An adjustment. programme is currently' underway' aimed. at improving economic performance, and cover exchange and interest rates, price decontrol, expenditure and the reform of public institutions and an enhanced role for the private sector. These measures will take time to have an impact and will require the generation of financial resources both local and foreign. - ' 8

Zimbabwe

5.65 Economic rowth in Zimbabwe fluctuated considerably, averaging 3.2%, during the 19805. This was slightly more than the 2.9% per annum population growth rate. The Transitional National Development Plan (1982e85) postulated annual grOWth rates of 8% in GDP, 3% in wage employment, 23% of GDP in investment, and 17% of GDP in domestic savings. None of these targets was achieved. Most of the shortfalls were attributed to a drop in the level of investment, drought, and world recession.

5.66 The First Five-Year Development Plan (1986-90) aimed at the following annual growth targets GDP 5.15%; and employment 28,000 jobs per year. In actuality, GDP grew by 2% in 1986, and only 10,000 jobs created per annum, while 200,000 arket every year.ss_ln

1987, GDP registered a growth rate Qi10.7% due toepoor. rain, foreign exchange cuts and sluggish growth in the world economy. Both agricultural and manufacturing output declined compared to 1985. There was an upturn in 1988. however, with GDP growing by 5.3%. Shortages of foreign

exchange, external debt service payments, and low capital inflows constrained the growth of GDP.

5.67 Investment levels have been falling from 15.5% of GDP in 1980 to 10.7% in 1989, in real terms. In fact, gross investment is estimated to have fallen even below depreciation levels, leading to many industries operating far below capacity.

5.68 The budget deficit shot up to 12.3% of GDP in 1986/87, the highest during the Plan period. It then declined to 10.2% of GDP in 1989. The plan is to progressively reduce the deficit to 5% of GDP by 1994/5.

5.69 With money supply rising, the Zimbabwe dollar depreciating, subsidies being cut, the cost of inputs escalating, and the budget deficit rising, the rate of inflation peaked at 14.2% in 1986. At this level, however, the rate was below the high of 19.8% reached in 1983. The effects of wage and price freezes helped reduce the rate of inflation to 7.1% in 1988. Inflation has since crept up to about 12% per annum.

5.70 In 1980, Zimbabwe's total debt constituted 19.6% of GDP. By 1984, it had risen sharply to 54.1% of GDP, or US\$1.45 billion in absolute terms. The latter figure rose further to US\$1.98 billion in 1988, equivalent to 49.6% of GDP.

About 70% of the debt contracted between 1980 and 1984 was short-term, with average interest rates of 10% per annum.

As a result, the total external debt-service ratio rose from 9% to 27%. However, after 1985 there was a policy-induced shift away from commercial bank borrowing to official capital inflows. Consequently, private creditor debt declined from 80% of total debt in 1980/81 to 35% in 1987/88. By this time, official creditor borrowing accounted for 67.8% of total outstanding debt. The debt-service ratio declined from 33.3% of export earnings in 1987 to 27.5% in 1988. It was projected to decline further to 22% in 1989, and to 25.6% in 1990.

US\$72.3 million in 1985 to US\$4.7 million in 1986.

Thereafter, an increase of 20% in exports in value terms led to an improvement in the balance of payments surplus to US\$10.5 million in 1988. The good performance was attributable to increased allocation of foreign exchange for imported inputs, barter arrangements, and aid programmes.

5.71 The balance of payments deteriorated from a surplus of

5.72 Zimbabwe has already embarked on a package of economic policy reforms which are aimed at stimulating investment and economic activity in order to achieve an annual average rate of growth of 5% in real terms in the medium term. The package of policy reforms entails moving away from a highly regulated economy to one where market forces play a greater role within the context of government objectives.

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The major areas of policy reform include: trade liberalisation and export promotion; economic regulations; investment promotion and incentives; monetary policy and financial reforms; social aspects of adjustment; and, financing the economic adjustment programmes.

REVIEW OF THE REGIONAL FOOD SITUATION

The aggregate output of major staples in the SADCC region in the 1989/90 crop season is estimated at 15.55 million tonnes Maize Equivalent (ME) which is below the previous season's level of 16.36 million tonnes. Information available as at end of May indicates that expected domestic availability of 18.50 million tonnes ME in the 1990/91 marketing season comprising exceptionally high opening stocks and the 1990 crop harvest, is anticipated to be above the aggregate food requirements of 17.15 million tonnes ME. Thus the region's estimated domestic surplus for 1990/91 now stands at 1.35 million tonnes as compared to 0.96 million tonnes reported at the end of March (due to upward revision of Zambia's crop production estimates). However, only Tanzania, Zambia and Zimbabwe expect to achieve food surpluses. The other six countries are expected to import food either on a commercial basis or as food aid. In addition, there is a need to meet the requirements of Mozambican refugees in Malawi. Of the deficit countries, Angola and Mozambique are particularly adversely affected due to rebel activity. They need respectively 565,000 and 497,000 tonnes in commercial imports or food aid imports in the 1990/91 marketing season.

The import needs of all deficit countries combined amount to 1.384 million tonnes maize equivalent, whilst the surpluses of the other three countries combined come to 2.728 million tonnes maize equivalent. Wheat and maize represent 69% of the region's staple food import needs, and since no SADCC country has a wheat surplus available for export, 531,000 tonnes of wheat will have to be secured from outside the region. Table 1 below gives the food balance of the region for major food staples.

Table 1

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7. PROGRESS IN SOUTHERN AFRICAN DEVELOPMENT COOPERATION

7.1 An Overview

7.1.1 When SADCC was formed ten years ago, it sought to pursue four cardinal objectives, namely:

- t the reduction of . economic dependence, particularly, but not only, on South Africa;
- t the forging of links to create a genuine and equitable regional integration; -

- t the mobilisation of resources to promote the implementation of national, inter-state and regional policies; and,

- t concerted _ action to secure international cooperation within the framework of the strategy for economic liberation.

7.1.2 Although these objectives have always been understood to be long term in nature, the Organisation has, over the past ten years, endeavoured to put in place the framework for their realisation. Naturally speedy progress has been hampered by unavailability of human and financial resources and other constraints.

Finding solutions to these has been an enriching experience for the Organisation and provides a basis for strengthening its institutions and procedures._

7.1.3 However, a lot has been achieved with particular reference to the last two objectives, viz:

- the mobilisation of resources to promote the implementation of national, inter-state and regional policies;

- concerted action to secure international cooperation within the framework of our strategy for economic liberation. e

Today, the Annual Consultative Conference has become both an effective and popular forum for dialogue and consultations with the region's friends and cooperating partners, on the implementation of the SADCC Programme of Action (SPA).

7.1.4 The SADCC Programme of Action represents concrete evidence of regional cooperation, and provides an insight into the areas of priority in regional development: 7 n ____ a

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IMPLEMENTATION OF PROGRAMMES AND PROJECTS

The following pages contain highlights of progress in the implementation of SADCC programmes and projects. The size of the programme and the total financial resources required have increased from 490 costed at US\$6.3 billion in August 1989 to 546 projects, costed at US\$7.9 billion by July 1990. The reasons for this increase are due to:

- t the addition 6f new projects proposed for Namibia;
- 't A number of projects that have been under review have been re-incorporated into the programme; and.
- i? Additional new projects approved for other member States.

The mobilisation of regional and international resources for the SADCC Programme of Action, by the end of the period under review is summarised in the table below:

NO. OF
 ENERGY
 FOOD, AGRICULTURE AND
 NATURAL RESOURCES
 Agricultural Research 8
 Training
 Fisheries, Forestry and
 wildlife
 Food Security
 42) Livestock Production and
 175 Animal Disease Control
 Soil and Water Conservation
 and Land Utilisation
 INDUSTRY AND TRADE
 MANPOWER DEVELOPMENT
 MINING
 '4 '1
 TOURISM ..
 TRANSPORT AND COMMUNICATIONS
 GRAND TOTAL

17
 56
 36
 15
 13
 15
 33
 43
 218
 546
 TOTAL
 259.23
 364.40
 186.58
 111.67
 65.13
 23.72
 22.50
 81.81
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 6078.60
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Notes 1) The column "secured" includes both local and foreign resources
 SADC PROJECT FINANCING STATUS BY SECTOR (U\$3) MILLION
 or unsecured
 FOR WHICH

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PROJECT FINANCING STATUS BY SECTOR

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Energy

Cooperation in the power sector is the dominant component of the Sectoral programme. The inter-connection of the power grids of the member States has now covered six countries, i.e. Botswana, Malawi, Mozambique, Tanzania, Zambia and Zimbabwe and plans are underway to interconnect the grids of the rest, including the Angola-Namibia across the Cunene River and Namibia-Zambia interconnections.

For the petroleum sub-sector, joint hydrocarbon exploration

One new Project, Terminal in the Form of an Off-at Swakopmund in Namibia, has been approved.

focus continues to be on the

Work. is underway in Lesotho and development of strategic fuel reserves; ' i ' ine in Tanzania. A

programme on energy conservation was initiated two years ago, and is in its second phase, while the programmes on eSigned and are awaiting

The woodfuel programme continues to promote awareness of the associated problems among the decision makers and the main users of wood. as fuel particularly" the household sector.

The energy conservation programme is concentrating on energy saving in selected industries and on the training of SADCC citizens. Results from audits so far carried out show that savings of up to 15 - 20% on energy use are possible at the regional level.

The current Energy Sector programme portfolio contains 92 projects, including 5 new projects approved. 29 projects, costing at US\$142.0 million are fully funded. 12 projects are under review. While 41 are either partially funded or are seeking funding. 5 projects have been completed, and 5 projects have been withdrawn.

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FUNDING STATUS - ENERGY SECTOR

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Feasibility studies on the Regional Food Marketing Infrastructure and Regional Seed Production and Supply Projects have resulted in the formulation of a number of regional and national projects.

Livestock Production and Animal Disease Control

With greater emphasis on animal health in the early stages of the programme, a number of projects are either completed or under implementation. The diseases of major economic importance such as Foot and Mouth, Rinderpest, Trypanosomiasis, East Coast Fever, etc., have been checked. A Disease Reference Laboratory, completed in 1987 is available for use by the member States. '

The programme is now focusing on issues relating to animal production through such programmes as the Strengthening of Dairy, Heifer Multiplication Units and the Artificial Insemination Services.

A total of 22 students graduated at the SADCC Regional Tsetse and Trypanosomiasis Control Training Centre, in Lusaka, Zambia during 1989/90. Out of these, 17 were from SADCC member States. The rest were from outside the region. At the Lobatse School of Meat Inspection and Meat Technology, 79 students graduated from four courses which were conducted at the school. Of the total intake, 37 students were from SADCC member States and 42 were from non-SADCC member States.

The sectors progress continues to be constrained by inadequate full-time staff. Arrangements are underway to engage a full complement of staff.

Fisheries, Forestry and Wildlife

The development of aquaculture in the region is a major programme in the Fisheries sub-sector and work has started with four programmes, aquaculture for Local Community Development, Development of Aquaculture in Angola, Regional Trout Management project and the Development of Fish Farming in Cool Water Areas.

The Forestry Industries Training Centre is nearing completion and will soon admit regional students. Various projects addressing reafforestation at 'village, city' or peri-urban and commercial levels, both for fuelwood and timber have been designed and are ready for implementation. The Urban Fuelwood Project in Blantyre, Malawi, will go into the second phase as approved by the Sectoral Ministers in June, 1990 in Maputo. The programme for the strengthening of forestry colleges throughout the region is aimed at ensuring that these colleges become centres of excellence in meeting the skills requirements in forestry.

8.22 A proposal for cost-sharing mechanism for the project;

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Forest Industries Training Centre, in Mutare, Zimbabwe was approved by Agriculture and Natural Resources Ministers in June, 1990 in Maputo. A Memorandum of Understanding to govern cooperation in the management and financing of the Forestry Industries Training Centre among the SADCC member States has been circulated to member States for their comments.

A new project: Southern African Centre for Ivory Marketing (SACIM) was approved by Council in Lusaka, Zambia, in January, 1990. A legal Instrument for the establishment of SACIM has been drafted and circulated to relevant member States. The Coordinator is waiting for comments from one member State.

8.24 The Regional Development of Community - Based Management

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33rd Utilisation of Wildlife Resources in Rural Areas is an attempt to involve the rural communities living in areas designated for wildlife, to be involved in their management and to earn a living from proper and sustainable utilisation of the wildlife resources. The project is under implementation in Zambia and Zimbabwe, and will start in Botswana and Malawi during 1990.

Soil and Water Conservation and Land Utilisation

During the period under review, the Soil and Water Conservation and Land Utilisation Sector has focused its activities on creating awareness of the ramification of environmental degradation by holding workshops and seminars on. economies of conservationq environmental monitoring, -integrated land use planning and erosion hazard mapping, etc .

The ZACPLAN, which involves eight ,SADCC member States connected to the Zambezi River Basin continues to be the major programme for the Soil and Water Conservation and Land Utilisation Sector. Implementation will start as soon as funding has been secured.

The meeting of SADCC Ministers of Agriculture and Natural Resources at their meeting in June 1990 in Maputo, Mozambique approved new projects addressing environmental monitoring and the drafting of a plan of action for the Kalahari-Namib Ten-Year Development Assessment Project.

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'utilisation of Generalised Systems of Preferences (GSP)

Industry and Trade

A new strategy setting out priorities for the industrialisation of the region was approved by Council in August 1989, and work is underway to identify regional programmes and projects in the light of this strategy. The current programme is based on industrial support, trade promotion and trade financing projects which are either under implementation or ready for implementation, once financing has been secured. The current programme comprises 18 projects costing at US\$21.21 million (see table below).

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In the area of Trade, studies focusing mainly on the expansion of regional trade and the establishment of trade financing mechanisms have been undertaken. Intra-regional trade remains too low at no more than 5% of the region's total trade. On the basis of these studies a comprehensive SADCC Trade Development and Promotion Strategy is to be prepared. Steps are also to be taken to maximise the including the compilation of SADCC Trade Directory, the establishment of Information Exchange Centre and the harmonisation of standards and certification schemes. Implementation of Phase I of the study to evaluate the performance of the Generalised System of Preferences (GSP) and how these may support the expansion of SADCC exports to developed countries has been completed. Another study to evaluate the participation of SADCC firms in the execution of projects and supply of goods and services has been completed. A workshop involving SADCC member States and donor agencies and other relevant organisations is planned and which will prepare an action programme to encourage sourcing from the region;

The Sector is working closely with the enterprise community through the SADCC Regional Business Council and National Councils in the promotion of investment in production, trade and the implementation of schemes designed to make the region attractive to regional and foreign investors.

A number of schemes designed to assist the enterprise sector such as the Export Pre-Financing Revolving Fund, the Export Credit, and the Cross-Border Investment Facility are in the process of being put in place. A workshop to address institutional arrangements for these initiatives is

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to take place later this year.

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INDUSTRY AND TRADE SECTOR

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Manpower Development

A number of cross-sectoral and sectoral training programmes have either been prepared and fully funded and under implementation, or are at the feasibility study stage. The Sector is undergoing major reorganisation to make it more responsive to the human resources development needs of the region's economy. Priority focus over the next ten years is on this Sector, in order to address the 'widespread skills shortages that are constraining all aspects of development throughout the region.

At their meeting in Harare, Zimbabwe in June, 1990, the Ministers of Manpower, approved two new projects:

- i) Distance Education Centre to be established in Swaziland; and
 - ii) Strengthening the Teaching of Mathematics and Science.
- One hundred and thirty six scholarships were taken up out of two hundred and sixty two on offer from ODA; India, USSR and Portugal. Howeverf administrative constraints have prevented the full ,utilisation of the available scholarships. Efforts are continuing to improve the situation.

The current programme comprises 33 projects valued at US\$225 million of which US\$13.83 million has been secured. The summary of financing' status is given 331 the 3table below. '

SUMMARY OF C0515 AND FUNDING (ALL AMOUNTS U\$5 MILLION)

Funding

NLnber

of - Project Cost . Secured Funding Under Negotiation Funding Gap

Project Type -

Projects total foreign local Total 2 Total 2 Total

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Regional Operational Coordlnation Projects 30 . 99.6 98.4 1.2 33.2 33.3 12.0 12.0 . 54.4
54.6

Trainingprojects 1a ' 71.2 52.3 11.4 47.6 66.9 8.8 12.1. 14.11 20.3

Haputo Port Transport System Projects 21 971.9 860.6 ' 111.3 394.2 40.6 . 11.1 1.1 566.6
58.3

7 . 722.7 663.5 59.2 384.1 53.1 89.3 12.4 249.3 34.5

Nacala Port Transport System Projects 5 249.3 206.9 42.4 177.2 71.1 6.5 2.6 65.6 26.3

8 863.5 771.9 91.6 559.3 64.8 37.8 4.4 266.4 30.9

571.6 6.1 32.6 5.6 21.6 3.7 523.5 90.6

Belra Port Transport System Projects

Dar Es Salaam Port fransport System Projects

Lobito Port Transport System Projects 6 577.7

Intra-Regional Surface Transport Prdjects 39 1129.3 856.8 272.5 367.6 32.6 89.2 7.9 672.5
59.6

Civil Aviation Projects . 26 329.0 310.8 18.2' 63.4 19.37 7.0 2.1 258.6 78.6

44 1014.3 908.8 .105.5 341.8 33.7 74.8 7.4 .. 597.7 58.9

10 18.5 18.1 0.4 8.9 48.1 0.0 0.0 9.6 51.9

4 31.6 19.5 12.1 13.71 43.4 0.0 0.0 17.9 56.6

Tclecommunicatlons Projects

Meteorology Projects

Postal Servlce Projects

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218 6078.6 5349.7 728.9 2423.6 512.4 358.1 66.0 3296.9 54.2

TOTAL 1

.....:-----

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FUNDING STATUS - TRANSPORT AND COMMUNICATIONS

SECTOR

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Mining

In future, the Mining programme will focus on exploration and the development of projects designed to increase local processing' of minerals into finished and semi-finished goods,- and thereby increase the value realised by the region, and on sharing of processing facilities as well as joint maintenance of mining equipment.

A. number' of studies have been completed and some have resulted in the identification of new projects which are now ready for implementation as soon as financial resources are secured. The Central Isotope Geochronology Laboratory in Zimbabwe and the Coal Analysis Laboratory in Malawi have been completed and the facilities are available for use by other member States.

The current programme has grown to a total of 43 projects valued at US\$81.81 million, of which US\$39.01 million has been secured. A summary of financing status of the programme is shown in the table below.

Tourism

The Tourism programme, has concentrated on marketing of the region. The Sector's programme is being reviewed in order to make sure it addresses priority concerns in the tourism industry.

The Tourism Sectoral Programme, which is coordinated by Lesotho, consists of 8 projects costing at US\$10.49 million, of which US\$2.56 million (24.40%) has been secured.

MINING

Table 1

Funding under Funding

Negotiations Gap

Secured % US\$m % US\$m . %

Overall Coordination

Energy Minerals

Precious Metals

Metallic Minerals

Non-metallic Minerals

Water

Manpower

Mining Equipment

0 0.00 0.00 0.00 2.40 100.00

3.84 65.30 0.00 0.00 2.04 34.70

5 49.60 0.00 0.00 25.94 50.40

1 100.00 0.00 0.00 0.00 0.00

0

0.00 0.00 0.00 0.00 0.00

0.00 0.00 0.15 15.30

FUNDING STATUS -

MINING SECTOR

Natigme

Press Release

Department of Public Information 0 News Coverage Service 0 New York

DEV/1818

21 June 1990

Namibia Donors' Pledging

Conference

2nd Meeting (PM)

Twentyeight speakers addressed the Namibia Donors' Pledging Conference this afternoon, expressing solidarity with and pledging support for the newly independent State.

Donors pledged various types of support, ranging from financial assistance to technical co-operation programmes, for the Government and people of Namibia. Speakers stressed both the immediate economic problems facing the new Government as well as its long-term development needs.

South Africa, which was in occupation of Namibia prior to its independence on 21 March, pledged \$10 million. Statements were also made by Antigua and Barbuda, India, Denmark, Japan, Spain, Barbados, Egypt, Sweden, Canada, Brazil, Chile, Austria, Algeria, the United Kingdom, Turkey, Italy, France, Cyprus, the Philippines and Kuwait. A donation by Luxembourg, communicated in a letter to the Secretary-General, was also announced.

Other speakers were the representatives of the Commission of the European Economic Community (EEC), the International Monetary Fund (IMF), the Commonwealth Secretariat, the African Development Bank, the World Health Organization (WHO), the World Food Programme (WFP) and the International Fund for Agricultural Development (IFAD).

The Donors' Pledging Conference will meet tomorrow, 22 June, at 3 p.m., when the final pledges will be made and the total for the two-day Conference announced.

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2nd Meeting (PM) 21 June 1990

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The Namibia Donors' Pledging Conference continued hearing statements by delegations this afternoon.

Statemegts_Mads

LIONEL ALLYMDER HURST (We) said the Pledging Conference provided the opportunity to offer assistance to the newest member of the international community. His country had always aligned itself with the liberation struggle of the Namibian people, and some of its citizens had been part of the United Nations Transition Assistance Group (UNTAG) in Namibia. Despite the size of its population and gross domestic product (GDP), Antigua and Barbuda, an islanddeveloping nation, pledged \$2,500 for development assistance to the Government of Namibia.

CHINMAYA RAJANINATH GHAREKEAN (India) said the emergence of the Republic of Namibia was, for his country, in many ways the culmination of a struggle launched many years ago when Mahatma Gandhi raised his voice in South Africa against racial discrimination and colonial domination. It was that sense of closeness that underlined the presence of India, a net recipient of aid, at the Conference. As a result, India had held bilateral discussions with the Namibian Government which had resulted in an assistance package worth some \$12 million.

The aid package included training for Namibians in the fields of small-scale industries, education, administration, water resources development and agriculture, as well as for the deputation to Namibia of expert advisers, he said. Bilateral assistance would also also be made available for medicines and mobile clinics and for the establishment of vocational training centres. India had also offered to supply buses with spare parts and to make available a credit line for the import of capital goods and other products.

CARSTEN NIIAUS PEDERSEN (Denmgxk) reviewed Denmark's past contributions to the Namibian struggle for independence and to projects and programmes to benefit Namibians inside and outside Namibian borders. He said his country intended to support Namibia's reconstruction and its successful launching of an independent State. For the next two to three years, Denmark had set aside the equivalent of \$6.2 million for reconstruction aid, with a concentration on assistance in the agriculture and education sectors. A major part of the reconstruction assistance would be given via Danish non-governmental organizations.

In addition, the Danish Development Assistance Agency had approved applications for educational and agricultural support as well as a volunteer programme to strengthen Namibia's education system, he said. For the first phase of the volunteer programme (1990-1992), 33 million had been allocated. A number of smaller projects were also under preparation.

A few ongoing antinappgtheid projects would continue this year and next and regional Southern African Development Co-ordination Conference (SADCC) funds would be available for projects of direct interest to Namibia. Almost
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half of Danish development aid was distributed through multilateral organizations. Denmark intended to enter into negotiations with Namibian authorities on the direction and content of its development co-operation. TAKANORI KITAMURA (Japan) said his Government had supported Namibian independence by extending financial assistance to UNTAG in Namibia and by sending officials to monitor the Constituent elections. The policies of national reconciliation espoused by President Sam Nujoma, combined with Namibia's abundant natural resources, were indications of great potential for steady development. Japan was now committed to extending assistance to the nation-building efforts of Namibia, and had last month sent a mission of 10 experts to Namibia as the basis for establishing economic co-operation between the two countries.

The mission looked into various areas for future co-operation, he continued, and, on the basis of its report, Japan had identified the following areas in which it was interested in extending co-operation: fisheries; improvement of basic human needs; primary health care; and improvement of rural roads. Until the Government of Namibia submitted specific projects, however, Japan would not be in a position to pledge a specific level of co-operation, but hoped to do so as soon as possible, he said.

The Chairman, ANTOINE BLANCA, Director-General for Development and International Economic Co-operation, announced that the Grand Duchy of Luxembourg would contribute \$5 million, subject to Parliamentary approval. FERNANDO RIQUEUWE (Spain) said his Government felt that the general strategy for the reconstruction and development of Namibia was very wise. He appreciated the invitation to set up close co-operation between all the donor countries and to set up a National Planning Commission.

His delegation supported the goals of the new Government of Namibia and believed that special effort should be made in the fields of health and education and in eliminating the unjust differences that resulted from racial segregation. The future growth of the economy of the Territory depended, to a large extent, on the rational exploration of its natural resources and on making the climate attractive to private investment. Success or failure would be affected by the dismantling of apartheid in the neighbouring country.

He said Spain had always taken an active part in the process of independence, within its means. It would contribute generously by investing in basic social sectors, rural development and the settlement of returning displaced persons. It would also support projects in the health area and would offer technical and professional training, especially in the area of hydrology and fisheries, he said.

DAVID O'WENDELL BLACKMAN (gazhadgi) said Namibia found itself at the critical juncture where all newly independent nations found themselves, when the euphoria of independence was replaced by the reality of governing. How well a nation was equipped to create employment opportunities, provide housing, education and health care, depended on the legacy inherited from the colonial rulers. The Government and people of Namibia thus needed the help of (more)

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the international community. Barbados affirmed that the assistance it had rendered to Namibia would continue, and a concrete pledge of financial assistance would be Submitted in the near future.

GIOVANNI LIVI, Director of the European Economic Community (EEC), said EEC wanted Namibia to take full advantage of the preferential trade provisions of the Lome IV Convention and anticipated that the negotiations for Namibia's accession would start shortly. Its participation would have a major long-term impact on the country's development and would provide resources to help Namibia become integrated with its SADCC partners.

He said that over the past 15 years, the Community had provided humanitarian assistance and support to Namibians in exile and within Namibia. For the calendar years 1989 and 1990, the Community's support amounted to \$A0 million. During 1989, substantial resources were provided through international organizations and local Namibian nonvgovernmental organizations to assist in the repatriation programme.

To date it had committed nearly \$60 million to support humanitarian and developments including targeted budgetary support. Since the negotiations for accession to the Lome Convention had not been completed, it was not possible to give a figure for the amount which Namibia would receive from the Convention but the final figure would be substantial.

G.E. GONDWE, Deputy Director of the African Department of the International Monetary Fund (IMF), said Namibia was facing structural problems such as large budgetary gaps and the underdevelopment of its financial institutions. It was hoped that Namibia's applications to join both the International Monetary Fund (IMF) and the World Bank would be processed quickly, so that they could contribute to the orderly reconstruction of the economy. Timely international support was needed to allow for the development of a sound economic strategy for Namibia. Assistance from IMF had thus far consisted of technical assistance to strengthen the country's capacity for macro-economic management.

An IMF mission had studied the problems associated with the establishment of a Central Bank in Namibia, he said, and it was hoped that the Fund could help with the establishment of that Bank. The IMF had also sent to Namibia 5 mission which had helped to prepare a technical assistance programme, to be financed by IMF in collaboration with the United Nations Development Programme (UNDP). The programme would assist with the development of a central bank, improved fiscal management and sound economic planning. It was hoped that qualified Namibian experts would be able to take over the management of the programmes as soon as possible.

ABDAL MONEIM TALAAT (Egypt) welcomed Namibia as a full fledged member of the international community. He said Namibia's political independence had to be complemented by economic independence. Egypt had been one of the first countries to submit assistance to Namibia and had provided help in many fields including education, police training, drug control and marine training.

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He said his country was now offering assistance valued at \$1 million through experts and training in many areas. There should be an agreement with the Namibia authorities on aspects of timing and other details of beginning. The help would be provided through the Egyptian Fund for Technical Programmes in Africa. Egypt would offer all its potential and training to assist the development of Namibia.

STEN RYLANDER (gggdeg) said his Government had approved a "country frame" for Namibia of approximately \$16 million. At the same time, parliamentary approval had been given to prepare and negotiate a long-term development co-operation programme in the amount of \$50 million, all in grants. It was awaiting formal requests from the Namibian Government as to how those funds should be utilized. His Government was ready to release a substantial part of the country frame in order to meet the most urgent needs in the high priority sectors, particularly education, health and water development. Sweden would prefer that those initial funds be used in support of well-defined rehabilitation projects where adequate implementation capacity already existed, such as through non-governmental organizations, churches or United Nations agencies.

Active preparations were also under way for the establishment of longer-term bilateral co-operation in the education, transport and communications sectors, he continued. Support would also be provided in the field of public administration, particularly regarding financial institutions and the establishment of a Central Bank of Namibia. Aspects of development planning would also receive attention, as would the crucial area of aid co-ordination. In addition, Sweden also provided substantial aid to regional projects within the framework of SADCC, particularly for soil preservation. His Government was also prepared to assist Namibia to work out a comprehensive environmental strategy, he said.

WALTER MCLEAN (Qangda) said Canada was proud to have been an original sponsor of Security Council resolution #35 and in implementing the plan that it had helped to devise, including early payment of its \$15 million UNTAG assessment. Reviewing the assistance which Canada had contributed, he stated that \$3.9 million in development and humanitarian aid had been provided, including \$2 million for the repatriation programme. Through the years, Canadians on all levels had made contacts with their Namibian counterparts and established working relationships. Those relationships would prove important in the years to come in sustaining support from individual Canadians for the development work of non-governmental organizations and the use of tax dollars by the Canadian Government.

He said the provisional investment programme was realistic and Canada was prepared to contribute to that endeavour. His Government had established a bilateral aid programme with Namibia, the shape of which would be finalized following further bilateral discussions. The focus was likely to be in the area of agriculture and employment generation in the rural area.

He supported the work of Canadian non-governmental organizations and said multilateral agencies would also be a vehicle for channelling Canadian bilateral aid. The Canada-Namibia programme would be supplemented by
(more)

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substantial funding that Canada made available for regional projects in support of SADCC's development programme. It was ready to contribute \$750,000 million to the fund for the provision of technical assistance to Namibia from SADCC, he said.

LUIZ ANTONIO FACHINI COMES (Egalil) said his Government was prepared to place its expertise in agricultural development at the disposal of the new African nation, as set forth in the joint statement issued by Brazil and the South West Africa People's Organization (SWAPO) in 1988. Brazil also would renew its offer of training for Namibian technical personnel at the Brazilian Agricultural and Livestock Research Corporation.

Further prospects for regional and bilateral co-operation were being explored within the SADCC framework, he continued, notably in the field of river-basin management. The Brazilian Agency for Co-operation had been working within the framework of the development of the Cunene River Basin since 1987. Health care was another possible area for fruitful co-operation, and his Government was ready to explore ways of assisting Namibia in its efforts to develop a national health care system. In addition, Brazil was committed to joint efforts aimed at full implementation of the objectives of the Zone of Peace and Co-operation of the South Atlantic, he said.

JUAN O. SOMAVIA (Chile) said the new climate of understanding and political change in the world, which had had a favourable influence on the birth of the new State of Namibia, had been restricted almost exclusively to the political sphere. There had been no substantive changes in the important areas of international co-operation in the economic, financial and technological areas. Citing studies conducted by agencies of the United Nations system, he said the distortion of the Namibian economy prior to independence had had grave effects on the majority of the Namibian people. The international community should thus assume a clear practical commitment to provide aid and co-operation to Namibia, he continued, and Chile would contribute \$5,000 to that end. While that sum was modest, he said it reflected Chile's political determination to act in support of the Namibian people and to stimulate other international commitments, and as a gesture of solidarity. Chile was also prepared to offer co-operation through the implementation of specific initiatives for the training of professionals and technicians in the economic and social sectors, particularly in mining, fishing, forestry and health. To that end, he would soon engage in talks with the Permanent Mission of Namibia to the United Nations.

MARIA ROTHEISER (Austria) said Austria's support for the Namibian people predated independence. Until independence, however, its economic and humanitarian assistance had been limited to projects for Namibians abroad or through United Nations funds, non-governmental organizations and churches. It would continue to use those channels but it attached the utmost importance to building strong development co-operation with the Namibian Government. Austria had made the SADCC countries a priority area for development, thus directly benefiting Namibia. While it was too early to give concrete figures, measures had been taken to guarantee the availability of considerable financial means for a number of future projects.

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She said the areas on which development co-operation would concentrate were agriculture, irrigation, health service, small-scale mining, small businesses, tourism and fresh-water fishing. Moreover, scholarships to Namibian students at Austrian universities seemed useful, given the fact that German was one of the official languages in Namibia.

ROBERT MCLAREN, representative of the Commonwealth Secretariat, said the Commonwealth had stood by the people of Namibia during their long years of suffering and sacrifice and had made available support and assistance in the 11 years between the adoption and the implementation of Security Council resolution A35. At its meeting in Kuala Lumpur in 1989, the Commonwealth had called for the provision of a special and enlarged Commonwealth multilateral package of assistance for the new nation. An initial target had been set at \$5 million annually for the Enhanced Programme and contributions to date indicated that the target would be met in 1990/1991. The funds were spent on the provision of experts in key areas and on various forms of training. He said the Enhanced Programme had advanced rapidly. Several assignments had been completed, a substantial number were in operation and many others were in the advanced planning stage. Commonwealth technical support and co-operation to date had been based on human resources from East, West and southern Africa, Asia and the Caribbean. It included many areas of assistance. Long-term support had been provided in connection with restructuring the civil service and the establishment of a foreign ministry. Training had also made a heartening start. In addition reports had been made and submitted to the Namibian Government on restructuring the education system.

AMAR BENDJAMA (Algeria) said the Conference was an indication of the continued commitment of the United Nations to Namibia, whose independence had been a great Victory for the collective will of the international community and the United Nations. The massive response of the members of the international community to the appeal of the Secretary-General was encouraging, and was also a message of solidarity for the Namibian people. Algeria, from the time of its own independence, he said, had firmly supported the Namibian people, both politically and materially. That support had always been considered a duty by his Government, whose participation in the Conference was a continued demonstration of African solidarity. Algeria would therefore make a contribution in kind worth \$500,000, to be decided in consultation with the Namibian Government.

FRANK LAND (South Africa) said Namibia had been endowed with an infrastructure that was "the envy of most States on the African continent", but none the less it would have developmental needs in excess of its capacity. South Africa was prepared to play its part in reaching the goal of promoting the economic welfare of Namibia, and was already involved in bilateral discussions with the Namibian Government. His Government would contribute \$10 million for mutually identified projects. The mechanisms for channelling that contribution and the involvement of the United Nations Trust Fund for Namibia would be discussed, he said.

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PETER FREEMAN (agitgg_xingggm) said the Provisional Investment Programme would require tolerance and sound judgement on all sides. There were more examples in Africa of where the relationship between public and private sector had failed than of where it had succeeded. Government and private enterprise could achieve common ground where the aim of the Government was to maximize the economic contribution of the private sector. The appointment of the Public Service Commission would hasten the vital process of getting the right people into the right jobs.

He said the first priority was for the new Government to establish its ability to implement its policies. The Government had sent a British Military Assistance Training Team to train new armed forces of Namibia and a training team to help establish a civilian police force. It would continue its involvement in the education sector. The reform of public administration and the management of personnel and finance with that system were near the top of the agenda as was the management of the fisheries sector to maximize long-term returns. In March, the United Kingdom had stated that it would commit E10 million in British aid over the next three years to specific technical co-operation projects.

FERHAT LOUNES, Vice-President of the African Development Bank, said the request of the Government of Namibia to join the African Development Bank and Fund had been warmly accepted by their Board of Governors, and it was hoped that the admission process would be completed shortly. The Bank proposed to focus its interventions in Namibia on rural areas in the underdeveloped northern part of the country, in keeping with the Government's development objectives.

In the Bank's view, he said, the area of human resources was crucial for addressing the country's problems, and it therefore proposed to begin with a technical assistance package worth some \$7 million. The package would be provided as a grant for the strengthening of the National Planning Commission and Rural Development Department in the Ministry of Agriculture, Fisheries, Water and Rural Development, and for the provision and training of teachers under the Ministry of Education, Culture and Sports.

The Bank fully supported the call to classify Namibia as a least developed country, he said, and a case would be made for Namibia to be eligible for concessional resources from the African Development Fund during the negotiations for the Fund's next replenishment. In addition, the Government's announced intention of developing a mixed economy were actions in the right direction and deserved support. It was hoped that donors who planned to direct their aid through non-governmental organizations would provide sufficient aid to the private sector. In addition, there would be a need for co-ordination among donors so as to have the greatest impact.

ALI SAVUT (Innkey) said the documents drafted for the Conference presented a clear outline of the present situation and gave a precise evaluation of the prospects for the development of Namibia. They provided factual information on the fundamental objectives and the priority programmes of the Government of Namibia.

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He said that over the years, Turkey had committed itself to the struggle of the Namibian people for self-determination. It was committed to continuing its support to the young nation and to providing assistance to its efforts for economic independence and development. The Turkish Government had decided to pledge \$1 million in the form of technical assistance in the fields of agriculture, education, mining and health care. Consultations would be held with the Government of Namibia and the relevant United Nations bodies to ensure that assistance would correspond fully to Namibia's requirements. VIERI TRAXLER (ltglx) said the Government had always expressed its full support for the people of Namibia in their struggle for freedom and independence. The political independence that had been achieved required support and enhancement by a process of well-founded and sustainable economic development. He was confident that the Government of Namibia would be able to carry on a process of sustainable and equitable economic development. A central role should be played by external support and Italy stood ready to start a programme of bilateral development with the Government of Namibia. He said his Government was planning to send, in the near future, a technical mission to Namibia to assess, in co-operation with the local authorities, the priority needs of development, identify potential areas for its development co-operation. In the meantime, it had decided to allocate not less than the equivalent of approximately \$12 million over the next three years for the funding of a programme of development.

JEAN NEMO (Exaggg) said his country had always supported the just struggle of the Namibian people, and intended to continue to provide concrete and effective assistance to the new State. The French Government had recently decided to include Namibia among the African countries with which it eeeoperated in a special manner. It was too early, however, to provide any details on the activities that France would support, as they must be jointly decided with the Namibian Government, following the completion of forthcoming expert missions. However, using similar COuntries as an example, the aid might be as much as 20-30 million frames a year, and would be as a priority for the development of agriculture and fisheries.

France was also prepared to make an exceptional contribution to aid Namibia in the first phase of independence, which was marked by budgetary deficits. That contribution could reach A0 million francs. and would be made in conjunction with other funds. Namibia must also continue to benefit from the support of IMF and the World Bank.

ELIAS ELIADES (nggua) said the reconstruction of the Namibian economy would present an enormous challenge to the Government and people of that country. Cyprus was confident, however, that the international community would provide tangible support to the vital reconstruction programmes. His Government had strongly supported the struggle for independence of the Namibian people, including active participation as a member of the United Nations Council for Namibia. As a token of its support, Cyprus would pledge \$10,000.

(more)

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INGAR BRUGGEMANN, representative of the World Health Organization (WHO), said had formulated a resolution which called on Member States, donors, specialized agencies and others to provide the necessary material and financial support and co-operation in assisting Namibia to develop an adequate health care system. The Government of Namibia had established a primary health-care-based policy. Such a policy was particularly relevant for a country where rural, preventative, primary, occupational and community health had been largely neglected in the past.

She said WHO'S resources were very limited. Yet WHO identified strongly with Namibia as a new member and would therefore request the donor community to take very seriously requests formulated for the health sector. The WHO tried to find resources to support Namibia in implementation of 16 specific activities in the health sector and it hoped that resources would be forthcoming. The WHO, together with the other members of the United Nations system, stood ready to provide its support at the country, regional and global levels.

MANUEL P. MENDEZ (Philippines) said the task of economic development in Namibia would be difficult, but the co-operation of Member States and the sheer determination of the Namibian people would make it possible. Although the Philippines was undergoing severe economic problems, it would provide technical assistance to Namibia; its nature would be determined at a later date.

MUNZER EL MIDANI, Director for External Relations of the World Food Programme (WFP), said the Programme had a long history of support for the Namibian people. When repatriation began in 1989, WFP provided more than 9,000 tonnes of emergency food assistance worth \$4.8 million for some 2,000 Namibians who had returned to their homes under the auspices of the United Nations High Commissioner for Refugees (UNHCR). In 1990, in a six-month operation costing \$5.5 million, WFP would assist 150,000 subsistence-level farmers affected by chronic drought.

Carefully targeted food programmes would be required in Namibia in the short term, he said. The northern part of the country, with some 70 per cent of the population, could produce only 30 per cent of its food requirements. Namibian officials and WFP sought to target assistance to the poorest people, particularly to the 60-70 per cent of households that were headed by women. Smallescale food assistance programmes would be implemented for vulnerable groups like mothers and children. Finally, WFP was convinced that Namibia was a country where the right policies, the right assistance, prolonged peace and some luck would enable sustainable growth.

NABEELA AL-MULLA (Kuwait) said Namibia was the most recent example of national reconciliation. The convening of the Conference showed the importance that the international community attached to Namibian development. Support for Namibia should now be translated into economic support that was sincere and practical and free from political restraints.

(more)

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She recalled that Kuwait had always supported Namibia struggle for independence. It would continue to consult with Namibian authorities to determine in what areas Kuwait could make a contribution that would be beneficial to the young state. 1

OMEFE OYAIDE, of the International Fund for Agricultural Development (IFAD), said that as Namibia underwent an economic and social rehabilitation and reconstruction process, IFAD's initial programme focus would be directed at improving the productivity and incomes of the smallscale farmers, women, the rural poor, internally displaced persons, and returnees in the northern parts of Namibia in particular, in order to improve household food security and nutrition and to ensure that those citizens of Namibia would not be left behind in the development process.

He said projects would be designed in collaboration with Government of Namibia and other United Nations agencies for implementation in the short-run with focus on increasing food production and improving on nutrition and household food security; non-farm income-generating activities and small-scale enterprises; and institutional support and rural credit. In the long-run, 1 IFAD support would be expanded to cover other development areas of priority including small-scale irrigation and soil and water conservation; fisheries development for small-scale artisanal fisherman and aquaculture; development and maintenance of rural infrastructure; and agroforestry and environmental improvement and protection.

In designing its projects, IFAD would pay particular attention to target groups which included women and other vulnerable groups. As soon as Namibia joined IFAD, a general project identification would be mounted to prepare project pipelines for the country in line with the Government's development policy framework.

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Press Release

Department of Public Information 0 News Coverage Service 0 New York

Namibian Donors' Pledging DEV/1819

Conference 22 June 1990

3rd Meeting (PM)

The two-day Namibia Donors' Pledging Conference concluded this afternoon with the announcement that over \$200 million had been pledged for 1990 for the reconstruction and development of the new nation. Of that sum, \$60 million will be in the form of concessional grants or loans. Further pledges totalling \$150 million per year for 1991- -1993, of which some \$30 million will be in the form of concessional lending, were also announced.

Antoine Blanca, Director-General for Development and International Economic Co-operation, said those figures did not include possible credits or loans from international development banks. He said the amounts pledged indicated substantial support for the new Government's programme, and that it was particularly gratifying that donor support for human and social services had been strong.

The Foreign Minister of Namibia, Theo Ben Gurirab, thanked the donors for their support and pledged that the confidence placed in Namibia would be rewarded by improved benefits for all of the people of his country.

Statements were made this afternoon by representatives of the Netherlands, the Republic of Korea, Indonesia, Pakistan, Malaysia, Belgium, Yugoslavia, Iran, Mali, Botswana, Jamaica, Guyana. Mauritius, Australia, Bangladesh, New Zealand, Venezuela, the Soviet Union and Cuba.

Representatives of the United Nations Centre for Human Settlements (Habitat), the Arab Bank for Economic Development in Africa, the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the United Nations Industrial Development Organization (UNIDO) also spoke.

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3rd Meeting (PM) 22 June 1990

The Namibia Donors' Pledging Conference this afternoon continued hearing statements by representatives of Member States, specialized agencies and other organizations interested in the rehabilitation and economic development of the newly independent State of Namibia.

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ROBERT J. VAN SCHAIK (Hethexlnnda) said his Government welcomed the statement by Sam Nujoma, President of Namibia, outlining the central features of his Government's policies and in which a careful balance was struck between private sector development and the position of the poor, the weak and the vulnerable in the society.

The Netherlands Government concurred with those broad outlines and with the order of priorities, and was ready to assist the Government of Namibia in furthering its goals. His Government also endorsed the general guidelines which indicated that the Government of Namibia itself was co-ordinating official development assistance, and that the co-ordinated aid was going through normal budgetary procedures and scrutiny.

He said the Netherlands intended to concentrate its initial bilateral assistance in providing water resources for the improvement of agricultural production. It might also support further project formulation or the strengthening of the staff of government departments, he said.

Before embarking on any possible activities in a restricted number of other fields, he would like the Government of Namibia to be allowed more time so that it could further elaborate in detail their development plans.

Possible areas of the Netherlands interest for further support might be: education and promotion of development in the private sector, he said.

He hoped Namibia would receive maximum benefit from its membership in the SOuthern African Development Co-ordination Conference (SADCC), not only in terms of SADCCprojects, to which the Netherlands would continue to make a contribution, but above all in terms of experience and expertise.

YOO KYUNG OH (Begghlig Qf Kggea) said his country had been actively participating in United Nations efforts to mobilize help for the people of Namibia. In the past 10 years it had contributed \$2h0,000 to various programmes for Namibian nationebuilding under the auspices of the United Nations. His Government had already pledged, at the time of the independence, to supply 10 vehicles equivalent to \$145,000. The shipment was already under way. It also envisaged further grants in 1991.

Continuing, he said his Government was willing to extend its technical experience in various fields of development to Namibia by inviting Namibian personnel for training in Korea and sending Korean technical experts to Namibia. Moreover, it was encouraging the private sector to invest in Namibian development.

NANA S. SUTRESNA (lgggnegia) said the international community could greatly contribute towards helping Namibia consolidate its hard-won political (more)

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gains by anchoring its future in sound and sustainable economic and social development. A cursory look at the documentation confirmed fears of the pressing tasks still confronting the Government and people of Namibia. That challenge was characterized by the need to address their highly skewed income distribution patterns of a small, affluent and privileged minority and of a large majority suffering glaring poverty. It would be difficult to overcome the challenges listed in the General Policy Statement without adequate bilateral and multilateral assistance.

He appealed to the donor developed countries and to multilateral agencies not to forget Namibia in its efforts to consolidate its new-found freedom through economic reconstruction and development. Indonesia had given support, both political and economic, during the long and harsh independence struggle in Namibia. It was also committed to continue assisting Namibia's in the current phase of social and economic development. Although Indonesia's capacity as a donor country might be limited, it had offered to share technical co-operation through the framework of an extensive array of projects and programmes which included technical training in agriculture and livestock, natural resources, communication, industry and family planning.

NASIM AHMED (Pakistan) said his country was a regular contributor to the United Nations Fund for Namibia and to the Non-Aligned Solidarity Fund for Namibia; it had participated in the work of the United Nations Transition Assistance Group (UNTAG), and it was fully aware of the colossal task facing Namibia and the consequent need for assistance from the international community. The documents prepared for the Conference were being examined by his Government to determine the amount of Pakistan's assistance. He stressed that maximum efforts would be made to accommodate Namibia's requirements within the limitation of Pakistan's resources.

He reviewed a programme of technical assistance for African countries, which Pakistan launched some years ago. Under it, among other things, Pakistan provided educational and technical training facilities as well as expert advisory services in a wide range of sectors to those countries. Namibia had suffered the worst depredation of colonial rule, he said, and it was entitled to the full support and assistance of the international community in rebuilding its economic and social infrastructure.

RAZALI ISMAIL (Malaysia) said the documents prepared for the Pledging Conference clearly identified Namibia's areas of priority and projected the right mix and balance. It was incumbent on countries, developing as well as developed, to consider that could be done to help Namibia. His Government pledged a contribution of \$100,000 towards Namibia's reconstruction and development programmes.

He said Malaysia would also make available assistance under the Action for Resisting Invasion, Colonialism and Apartheid Fund (AFRICA Fund) the sum total of which was valued at \$2 million in terms of technical assistance. Malaysia was ready to extend technical assistance, scholarship and training courses in human skills for management of national economies, public enterprise management, human resource management, the public sector, planning in management of public housing, issues and strategies for accelerating rural (more)

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development, agro-based industrial development and in veterinary, fisheries. drainage and irrigation. Malaysia was also actively involved in the Commonwealth Enhanced Programme on Namibia and would study the possibility of its involvement in a planned private investment conference later this year or early 1991 to attract capital and joint ventures to Namibia.

PAUL NOTERDAEME (Belgium) said his Government welcomed the independence of Namibia with great satisfaction, particularly because Belgium had been a member of the Council for Namibia and had participated in UNTAG. Belgium concluded that it could make useful contributions in the areas of education and health. Those contributions would be in addition to Belgium's participation in actions undertaken by the European Economic Community (EEC), particularly within the framework of the Lome Convention.

Concrete bilateral assistance by the Government of Belgium, he continued, would take two forms. Belgium would provide 10 scholarships for the academic year 1990-1991 for Namibian students, aid which would be worth some 5 million Belgian francs. In addition, his Government would provide 10 volunteers for Namibia under the auspices of the United Nations Volunteers programme. That programme would be worth some 13 million Belgian francs and would be twice as large as Belgium's regular contribution to the Volunteers programme.

DRAGOSLAV PEJIC (mew) said that within the limits of its possibilities, Yugoslavia had rendered material assistance to the struggle of the Namibian people for years. Recently that contribution had been extended through the AFRICA Fund. Currently, the realization of a programme of technical assistance was under way within the framework of that Fund in the amount of \$287,000.

He said the Yugoslav Government had decided to make a contribution, but the amount of the assistance would be announced subsequently pending the completion of customary legal procedure. Its realization would be carried out in agreement with the Government of Namibia.

KAMAL KHARRAZI (Iran) said he was grateful for all expressions of sympathy to his Government and people following the terrible earthquake in Iran.

Continuing, he said his Government had always supported the movements of liberation in southern Africa. The attainment of independence by Namibia presented the international community with new responsibilities.

International co-operation must be based, however, on long-term policy planning aimed at economic self-reliance for Namibia.

Iran was prepared to provide technical co-operation for the new State, he continued, which would include agricultural programmes, rural housing, dam and bridge construction and maintenance, research for and operation of copper plants, consultation in the oil industries, health care and child immunization and the establishment of small-scale food factories. A special committee had been established to prepare a plan of action for the implementation of that programme.

(more)

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ANTOINE BLANCA, Director-General for Development and International Economic Co-operation, conveyed the sympathy of the members of the Conference to the people of Iran. He recalled that a moment of silence in honour of the earthquake victims was observed this morning at the special meeting of the Special Committee against Apartheid.

CHEICK SIDI DIARRA (Mali) said the difficult task of economic reconstruction was faced by every new State, but in the case of Namibia the task was somewhat easier because of the assistance provided to the new State by the United Nations. Namibia still had an enormous unfulfilled potential, however. The Government's plan to concentrate on agriculture, building its infrastructure, education, training and health programmes would assure national reconciliation and peace.

Mali would contribute 3,200,000 CFA francs -- some \$11,000 - to the United Nations Development Programme (UNDP), he said. By its mostly symbolic contribution, his Government wanted to express its solidarity with the people of Namibia, and the use of the money would be decided in consultation with the new Government.

LEGWAILA JOSEPH LEGWAILA (gatewang), reading a letter from Q.K.J. Masire, the President of Botswana, said his Government had welcomed Namibia to freedom and independence and congratulated the United Nations and UNTAG on a job well done. The Pledging Conference was part of a joint effort with the new Namibian Government.

Peace, harmony and stability were attainable only to the extent that the present dichotomy between the privileged white minority and a disadvantaged largely black majority was addressed. Namibia, however, could not meet all its needs alone. The SADCC had approved a programme of co-operation and support for Namibians. Namibia, as SADCC's tenth member, was working with the organization to link Namibia with the rest of the region. He hoped the international community would lend a strong hand of support to Namibia. The members of SADCC were ready to pledge their commitment to Namibia's struggle for a better life.

MERLE BROWN (Jamaica) said her Government was anxious to deepen its commitment to assisting Namibia within the framework of its own identification of the development projects to which it attached the highest priority. His delegation had obtained all relevant information in identifying Namibia's technical assistance needs and concluded that Jamaican assistance would be in the areas of housing, education and training and civil service reform. That assistance would be through the UNDP or the Commonwealth Fund for Technical Co-operation.

RICHARD ACQUAAH-HARRISON, Senior Human Settlements Adviser of the United Nations Centre for Human Settlements (Habitat), said his agency had provided training to Namibians and prepared studies on housing in that country. In April 1990, Habitat had sent a mission to Namibia to review the human settlements sector and to help prepare a report on national policies and strategies for human settlements, which was presented to the Namibian Government last month. Habitat supported the new Government's emphasis on (more)

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housing efforts, and was prepared to support its efforts in whatever way possible.

SAMUEL R. INSANALLY (Quayana) said he was pleased by the emphasis that the Government of Namibia had placed on education and training which were the most important keys to development. His country renewed its pledge to provide further education and training opportunities for Namibians at relevant institutions of learning in Guyana. It was offering a number of scholarships in various professional and technical fields and was open to consultations to determine the specific areas to be covered.

KAMAL GAAFAR, of the Arab Bank for Economic Development (BADEA), said Namibia's hardearned independence must be protected by sustainable economic and social development. The BADEA was a tool of South-South co-operation and a manifestation of Afro-Arab co-operation. It had provided the financing for projects and technical assistance in 37 African countries. The major fields of BADEA activities coincided with the urgent needs and requirements of Namibia.

He said BADEA stood ready to assist Namibia in any of the sectors set out in the Provisional Investment Programme whenever it was requested to do so. It was ready to enter into a co-financing arrangement not only with its traditional partners but also with any of the donors acceptable to Namibia.. Its action in Namibia could start immediately as Namibia had become eligible for financing on 21 March. In order to formulate a BADEA programme of action for Namibia, BADEA pledged to send a high-level delegation to Windhoek as soon as the Namibian authorities were ready to receive it.

SATTEENUND PEERTHUM (Maugitigs) said his Government would contribute \$10,000 to Namibia. Mauritius was "not a donor but a brother African State who supports the efforts of another African State on the arduous path from reconstruction to sustainable economic development". The new State would add a new dimension to regional co-operation and contribute to stability in a region that was until recently torn by the policies of destabilization. Namibia must now win the economic and development battle.

ANDERSON SHANKANGA, a representative of the United Nations Educational, Scientific and Cultural Organization (UNESCO), said UNESCO was currently collaborating with UNDP and the United Nations Volunteers to assist the new Government in addressing the urgent and critical problems of teacher supply, as well as the retraining of the majority of the teachers of the new national system of education. A team of seven specialists was presently in Namibia, working with the Ministry of Education to prepare an integrated programme in that area.

The Government's policy statement on education indicated that the establishment of an educational system suitable to Namibia's needs would be complex and extensive, he said. The UNESCO believed that attainment of the Government's objectives would depend, in addition to donor support, on the establishment of clear and integrated mechanisms and process. Co-ordination of aid and coherence of programmes should be stressed so as to avoid duplication of effort, particularly by external agencies. The UNESCO was
(more)

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ready to provide technical and intellectual inputs for the preparation of a co-ordinated programme, he said.

JOHN PILBEAM (ghattalia) said his country was privileged to have been involved over the years in the international efforts to find a solution to the Namibian question. In 1988-1989, Australian assistance to Namibia had totalled \$A 1.026 million. It expected that its assistance in 1989-1990 would have been increased further to about \$A 1.625 million. It expected to spend around \$A 375,000 under the Special Assistance Programme and also to spend \$A 250,000 in emergency humanitarian assistance through non-governmental organizations working to educate and train the children of Namibian returnees. For the future, he said, Australia stood ready to provide up to \$A 6 million of development assistance to Namibia over the next three financial years. That assistance would be provided within the parameters and objectives of Australia's \$A 110 million southern African aid programme commitment to the SADCC countries.

IFTEKHAR AHMED CHOWDHURY (Bangladesh) said the commitment of his Government to Namibia had been demonstrated on numerous occasions, particularly through its participation in UNTAG. Namibia had once again reminded the world that "happiness lies in liberation, and liberation lies in courage". Bangladesh pledged to continue its support by contributing \$h,000 to the United Nations Fund for Namibia, despite its own severe resource constraints.

Dame ANN HERCUS (Hew_legland) said that as a newly independent country, Namibia would face a range of development problems and need the support of the international community to build a society which truly reflected the goals and aspirations of the Namibian people.

She said that although New Zealand was a small nation and could not be a major contributor of development funds to Namibia, it had offered technical assistance in the form of awards for study in New Zealand. Her country was in a position to offer, through a scholarship scheme, exposure to agricultural methods which could be important in developing that sector of the Namibian economy.

ANDRES AGUILAR (yegezgela) said his country understood the immense challenge facing Namibia in rescuing its population from backwardness. Namibia deserved special attention during the preliminary stage of its development. The commitment of the international community had been a decisive factor in the achievement of Namibian independence. That commitment must now be extended to its development.

He said Venezuela was ready to contribute to Namibia's training of human resources or through development projects in which Namibia had expressed a desire to be internationally associated. Venezuela had already contacted Namibian authorities to identify forms of co-operation in the fields of mining, energy and fishing. His country supported South-South cooperation, as the exchange of information on development played a fundamental role in development.

(more)

Namibian Pledging Conference

3rd Meeting (PM)

HASSAN H. BAHLOULI, Deputy-Director of the United Nations Industrialization (UNIDO), said that following discussions with the Ministry of Industry and Trade, UNIDO had approved a project to meet the needs of Namibia for industrial development. The Government to formulate industrial development 31 institutions involved in industrialization, train senior officials in industrial management and the Ministry of Industry. The UNIDO was also ready for implementation of projects to be included in the UNDP programming cycle.

Development Organ

Namibian Ministry

respond to the immediate

projects would assist the

strategies, support national

prepare investment guides,

provide some equipment to the

to assist the Government of Namibia in the implementation

established within the framework of the fifth

YURIY N. ISAKOV (Soviet Union) said the Pledging Conference

highlighted by the presence

prepared, and its importance had been emphasized

Sam Nujoma. his country had always been and still remained a friend of

the Soviet Union in Moscow had

Namibia and its people. In the past few days, he

outlined guidelines for the development of economic co-operation between the

two countries. The Soviet Union was prepared to develop economic, social and

technical co-operation with Namibia on a mutually profitable basis, which did

not preclude participation by other States as well.

It was given to the human dimension

of the living conditions of the

tended to give special

attention to which it had

priority must be paid and particularly

to the improvement of the

the Namibian people, he said. The Soviet Union in

attention to assisting Namibia through the Fund for Africa,

already contributed generously.

Special attention

to development, particularly

foreign Affairs of Namibia, thanked all of

in the Conference. He said his

pledges and was grateful for the

at the international community had

provided wise counsel but through

THEO BEN GURIRAB, Minister for Foreign

those who had prepared and participated

Government looked forward to accepting the

assistance offered. He was gratified that

offered its support, not only through good wishes and

concrete pledges and material assistance.

He would also make a pledge: that the confidence placed in

Namibia would be transformed into realistic and successful

projects and they would be used for the benefit and

That confidence would be hugely rewarded in the

future-being and the interests of the Namibian

He said Namibia would

accept the support given

to its development

for all Namibians.

Ensuring the well

being of the

development of

the people of

people.

JORGE J. MORA (Cuba) said the Namibian people had made many sacrifices to

be forged between Cuba and

achieve their independence, and

Namibia during that struggle. ' He had diplomatic relations with

' ' ' dependence. Citing a letter sent by
Namibia on the very
the United Nations
the Cuban Minister for
Secretary-General, he detailed the extensive assistance that Cuba had extended
to Namibians prior to independence. In 1988 alone that totalled some
35 million Cuban pesos, he said.
ing centres for Namibians still
he said schools and teach
t a large number of new pupils.
Continuing,
d were prepared to accep
operated in Cuba, an
(more)

3rd Meeting (PM) 22 June 1990

Further co-operation in health, education, science and technology would also be offered to the new Government he stated.

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Mr. BLANCA, Director-General for Development and International Economic Co-operation, said the quality and dimensions of the pledges announced at the meeting had been sharpened by the ideas and reflections of the participants, who had underscored the link between the fulfilment of the social and political objectives articulated in the Namibian Constitution and the economic development and growth opportunities in Namibia. The Conference participants had noted the duality of the present economic situation and the essential need to focus development efforts on the majority of the Namibian population. He said participants had also commented on Namibia's unique opportunity to reflect on lessons from donor-supported programmes in other parts of the world. He reviewed ideas put forth at the Conference and said the deliberations had been Strengthened by the participation of nations which were not donors in a conventional sense. An important consensus on a collaborative effort to reconstruct and develop Nambia had been made.

Summarizing the pledges of the participants, he said it was estimated that the participants had pledged a total in excess of \$200 million for the first year of the programme, of which some \$60 million would be in the form of concessional lending. Those amounts did not include possible credits/loans from the international development banks. Future support (1991-1993), based on the commitments made during the Conference, was estimated to be in the range of \$150,000 million a year, with some \$30 million a year in the form of concessional lending.

He went on to say that the amounts pledged indicated substantial support for the Government's programme and would allow it an opportunity to plan reconstruction and development along the lines of the plans submitted to the Conference. The detailed negotiations'of bilateral and multilateral support, and the ongoing monitoring and co-ordination of development aid, should enable the Government to use resources in the areas that would have otherwise required direct recurrent budget expenditures.

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DONORS' PLEDGING CONFERENCE FOR NAMIBIA

New York - 21 & 22 June 1990

Speech by Giovanni Livi

Director

Commission of the European Communities

Mr. Chairman,

1. On behalf of Mr. Jacques Delors, President of the Commission of the European Communities, I would like to thank the Secretary-General of the United Nations, Mr. Perez de Cuellar, for having invited us to attend this important Conference.

I would also like to thank the Government of Namibia for the excellent documentation prepared for our consideration.

2. On the occasion of Namibia's independence, the European Community and its Member States conveyed a message of goodwill to the people of Namibia. The Irish Minister of Foreign Affairs, speaking on behalf of the twelve Member States of the EEC, emphasised that the Community:

"...salutes the achievement of the people of Namibia in making this day a reality. This achievement rightly belongs to all the people of Namibia. We look forward to welcoming Namibia as a new member of the Lomé Convention and reaffirm our willingness to assist in Namibia's future economic and social development. Furthermore, we warmly pay tribute on this momentous occasion to the central role played by the Secretary-General of the United Nations, his Special Representative and UNTAG in assisting the peaceful transition to independence under a Constitution based on the principles of democracy and respect of human rights."

Similarly, the President of the Commission, Mr. Jacques Delors, in a further message, recalled the efforts of the Community in support of Namibia's struggle for independence. During the 1980s, the Commission provided substantial humanitarian assistance to Namibia. This support was significantly increased recently in order to facilitate the delicate process of transition to independence. Namibia's future membership to the Lomé IV ACP-EEC Convention will enable the Community to further enhance such cooperation.

Recently, the Commission of the European Communities has had several high level meetings with the new Namibian administration. Mr. Manuel Marin, Vice-President of the Commission, and President Nujoma had preliminary talks in February 1990 on EEC assistance to an independent Namibia.

Our Director-General for Development, Mr. Dieter Frisch, led the Commission's delegation to the independence celebrations. On this occasion, President Nujoma reaffirmed Namibia's desire to seek accession to the IV Lome Convention. A formal application was sent in May of this year to the European Community and the ACP states.

3. The ACP countries and the EEC Member States are, of course, delighted that Namibia has now formally applied to join their ranks.

Lome IV, which brings together the twelve member States of the European Community and sixtyeight African, Caribbean and Pacific States, was signed on 15 December 1989. The Convention regulates cooperation between these two groups of countries for a period of ten years, that is until the year 2000.

The financial provisions of the Convention, covering the first five years (1990-95), have been increased by more than 40%, that is from ECU 8.5 billion, for Lome III, to ECU 12 billion¹ (or from US\$ 10 billion to US\$ 14 Billion).

It is important to note that the signing of the Lome Convention, and the substantial increase in Community assistance to the ACP countries which this entails, took place at the height of the momentous changes in Eastern Europe. This, we believe, should be seen as confirmation of our commitment to the economic and social development of the Third World. It also helps substantiate our belief that the events in Eastern Europe will not have a negative effect on this relationship.

Although it was not possible for Namibia to be associated with the Lome IV negotiations, the ACP and EEC countries agreed special arrangements to facilitate Namibia's membership of the Convention. These provisions will help expedite the speedy ratification of Namibia's accession, once negotiations have been completed.

Although not a member of the ACP group, Namibia was certainly not forgotten.

ECU 10.8 billion from the European Development Fund (EDF), mostly in the form of grants. ECU 1.2 billion from the European Investment Bank (BIB), in the form of concessional loans.

In May of this year, Vice-President Marin received a Ministerial delegation, led by the Hon. Ben Amathila, Minister of Trade and Industry, which visited Brussels for exploratory talks on Namibia's accession.

The Community is keen that Namibia should be able, with the minimum of delay, to take full advantage of the preferential trade provisions of the Convention. It is anticipated that the negotiations for Namibia's accession will start shortly.

Namibia's participation in Lome will have a major long-term impact on the country's development and will provide resources to help Namibia become integrated with its SADCC partners.

Through Lome, Namibia will have free access to the European market for the bulk of its exports and will thus be able to reduce its dependence on South Africa. Namibia has requested, inter alia, that the Community grant access for a specific quantity of beef exports. This will be of significant benefit to the national economy.

Furthermore, assistance will be provided to help Namibia break into other markets and to increase its participation in world trade.

Namibia will benefit from these arrangements as soon as an agreement has been reached for its accession to the Convention.

In the field of financial and technical cooperation Namibia will be eligible for a five-year development assistance programme to support national and regional initiatives. These resources will be in grant form. Concessional financing will also be available from the European Investment Bank (EIB).

The new Convention contains a number of innovations which should be of particular interest to Namibia: especially, the newly introduced assistance to small and medium size private sector industries; and the improved arrangements for STABEX, SYSMIN etc. It is not however possible, until the negotiations have been completed, to place a figure on the programmable resources which will flow to Namibia over the next five years.

4. Namibia, Mr. Chairman, is obviously in a hurry. And understandably so.

The commendable speed with which the Constituent Assembly drew up the country's excellent Constitution, and the rapidity with which the Government in-waiting organised the independence celebrations, manifested clearly the overwhelming desire of Namibians of all persuasions to put conflict and confrontation behind them and to begin the process of nation building.

Political change in South Africa will be of great significance for the long-term security and economic health of the sub-continent. Apartheid has been a root cause of instability in southern Africa. The costs of destabilisation have been enormous. Furthermore, the eradication of Apartheid will allow the countries of the region an opportunity to confront their own pressing political, economic and social problems.

Namibia's political and constitutional success already provides a positive model for change in southern Africa. The development of a nonracial, economically dynamic and socially just society will have a profound impact not only on South Africa but on the region as a whole. Namibia, therefore, must not be allowed to fail; and, especially over the next years, the international community should help to underwrite its success.

The significance of Namibia's independence for the whole of southern Africa was specifically mentioned by Mr. Nelson Mandela, Vice President of the African National Congress (ANC), during his address to the European Parliament, and in his meeting with President Delors, and Vice-Presidents Andriessen and Marin, on 13 June 1990.

5. The convening of this Conference today, only three months after Independence, is yet a further sign of Namibia's understandable impatience to rid itself of the legacy of colonialism and underdevelopment.

The European Community endorses the broad approach adopted by the Government, with its emphasis on self-reliance and national sovereignty. We commend President Nujoma for his clear statement that, in the last analysis, the development challenge is the responsibility of the Government and people of Namibia.

We agree fully that the main impetus for economic growth must come from the private sector. The market orientated approach of the General Policy Statement and the Provisional Investment Programme (PIP), together with the specific commitments on government expenditure and the size of the administration, foreign investment and fiscal and monetary policies, will certainly help to encourage both local and international companies to invest in Namibia. Such an approach will provide a positive climate for enterprise and job creation in mining, agriculture and manufacturing.

The European Community recognises the crucial importance of fisheries for the long-term development of Namibia. In this regard, we fully endorse the policy of the Namibian Government to undertake a detailed assessment of the country's marine resources. The Commission has received a mandate to negotiate, on behalf of the member States of the European Community, a fisheries agreement

with Namibia - when the Government is ready to undertake such negotiations. This arrangement will provide financial compensation in return for allowing European companies to operate in Namibia's Exclusive Economic Zone (EEZ). Such an agreement - which would take full account of the need to reestablish and preserve the country's marine resources - should, we believe, contribute to the creation of an orderly fishing regime in Namibian waters for the benefit of the country.

The negotiation of a fisheries agreement would, of course, be quite distinct from the arrangements for Namibia's accession to the Lome Convention. Furthermore, such a commercial agreement would operate separately from the development assistance and trade cooperation of the Lome Convention.

The European Community is very much alive to the immediate problems which confront the new Government. Inevitably, independence brings in its wake rapidly accelerating expectations, especially from among those who struggled to bring about political change.

The densely populated north of the country is facing a crisis. In addition to the general problems of land-hunger, unemployment and poverty, faced by the rural poor throughout the country - and the lack of adequate health, education and social services - the north is confronting a decline in its fragile economy. The implications are obvious: growing unemployment, increased poverty, and accelerated migration to the cities. A coordinated policy needs to be developed to meet this crisis.

6. The Commission stands ready to play its role in addressing these problems: both immediately, though the resources available for Namibia from the Commission's budget; and, in the longer term, in the context of the Lome Convention.

The Commission endorses the overall priorities for external assistance contained in the Provisional Investment Programme. We note that, in the immediate post-independence period, resources will be needed to maintain services, restructure the public administration and create new institutions. This, we recognise, includes the need for budgetary support.

We believe that, in the current situation, the arguments for assistance of this nature are convincing and urge Namibia's donors to provide such support. The Commission itself, as an exceptional action, has already committed ECU 4.5 million (US\$ 5.4 million) for targeted budgetary support. Consultations are in hand with the Ministries of Health and Education, and with the Ministry of Finance, to agree how these funds are to be used.

We are confident, however, that the longer-term prospects of the Namibian economy are bright and that assistance of this nature will not be required after a period of transition.

I would like, briefly, to discuss our current programme - financed from the Commission's budget for 1989 and 1990 - in light of the priorities as spelled-out in the Provisional Investment Programme: namely, institution 'building and human resource development: agricultural and rural development, including the improvement of water infrastructure; education and health.

The Commission has for many years been alive to the need to invest in training and prepare the ground for the creation of new institutions in an independent Namibia. In this regard, a wide range of initiatives have already been undertaken or are currently under consideration. For instance, at the request of the SADCC member States, we have provided more than ECU 2.7 million (US\$ 3.2 million) to assist the programmes of the United Nations Institute for Namibia (UNIN). And we are continuing to work closely with the Institute.

We fully support the emphasis on agriculture and rural development and are already supporting rural development and income generating programmes in Owamboland, Namaland and Bushmanland.

Consultations are in hand with the Minister of Lands, Resettlement and Rehabilitation to define how the Commission might be of assistance in approaching the problems of settlement.

With regard to water supply, the Commission is funding a major community based well-digging project in Owamboland. Furthermore, we are considering positively providing support - through the Department of Water Affairs - for a programme of groundwater investigations in Owambo, Kavango; 'Eastern Caprivi, Eastern Hereroland and Bushmanland. This work is an essential prerequisite before progress can be made on opening-up new areas for crop and livestock farming.

In order to increase the income of communal farmers it is important that there be a commercial market for their main crop, which is mahangu (or millet). We are, therefore, actively considering providing support for the commercialisation of mahangu which will, we believe, make a significant contribution to enhancing agricultural productivity and improving household food security in the communal areas.

Improving the quality of education, and upgrading teacher skills, is a major priority for the new Government. The Commission has provided substantial resources for the emergency schools programme, which helped to meet the educational needs of the children who returned from exile.

Through UNIN, the Commission is supporting an English-language programme for primary school teachers who have returned from exile. In addition, negotiations are in hand with the Ministry of Education to finance a comprehensive teacher in-service training programme.

The main focus in the area of health is the development of primary health care. Substantial resources have already been made available, through the WHO, to support the work of the Ministry of Health. This programme provides support for a number of district hospitals in the north of the country, which will be the nerve centres for the development of primary health care. The Commission is also consulting with the Ministry concerning a major training programme for primary health care workers.

Work has already begun, in consultations with the Southern African Development Coordination Conference (SADCC), to integrate Namibia into SADCC's Programme of Action. Arrangements are in hand, for instance, to include Namibia in the Lome financed regional foot and mouth disease control programme. The Commission will respond positively to other requests to broaden the coverage of EEC financed regional programmes in order to include Namibia. In addition, we have agreed, in principle, to fund a study to examine the possibilities for regional cooperation between southern Angola and northern Namibia.

I would like to emphasise that the Provisional Investment Programme (PIP) provides an excellent basis not only for our present assistance but also for the programming of Lome IV resources which will be undertaken hopefully very soon.

7. Earlier I remarked that Namibia is in a hurry.

The onus is now on the international community to respond to that sense of urgency.

The European Community will not be found wanting in this regard.

In January 1990 we established a Project Coordination Office in Windhoek, which will be followed by a fully-fledged Delegation once Namibia has joined the Lome Convention.

8. Mr. Chairman, let me briefly summarise the European Communities pledge to Namibia.

Over the past fifteen years the Community has provided humanitarian assistance and support to Namibians in exile and within Namibia.

In total, between 1976 and 1988, almost ECU 16.4 million (US\$ 20 million) was spent on such programmes.

Naturally, the scale and scope of our assistance increased dramatically as Namibia finally moved towards independence. For the calendar years 1989 and 1990, therefore, the Community's programme of support amounts to some ECU 32 million (US\$ 40 million). During 1989, substantial resources were provided through the international organisations and local Namibian NGOs, mainly the Churches, to assist in the repatriation programme. To date, therefore, we have committed nearly ECU 50 million (US\$ 60 million) to support humanitarian and development programmes, including targeted budgetary support. Following the ratification of Lomé IV, and the country's accession to the Convention, Namibia will benefit from all aspects of the Lomé, including trade arrangements and financial and technical assistance. Since, however, the negotiations for accession have yet to be completed, it is not possible to give a figure for the amount which Namibia will receive from the Convention -- but, certainly, the final figure will be substantial.

After a 'ear long' transition Namibia attained its political independence on March 1990. This political transition however has left the economic links which bind Namibia in a subservient position to the economy of South Africa untouched. As Namibia accedes to the Lome Convention however, a whole new range of opportunities for economic diversification and growth will present themselves.

This article seeks to outline the new areas for growth opened up by Namibia's accession to the Lome Convention and 'their potential impact on the Namibian economy.

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the size of the beef quota to be allocated to Namibia under the Convention is: one of the accession questions which has received most public attention. In informal consultations the Namibian Government indicated to the Commission of the European Community that they were looking for a quota allocation of some 15,000 tonnes per annum to provide a long term alternative to their current dependence on the South African market for beef exports.

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Not only would the extension of a realistic beef quota to Namibia provide greater economic security for the Namibian beef industry, it would also considerably stimulate the meat processing industry in Namibia.

Presently 84% of beef production is exported to South Africa, 15,45 of which is exported live on the hoof to. By diverting a portion of these live exports to supplying the EC market, the level of domestic meat processing would be considerably increased. Supplying an EC quota of 15,000 tonnes of frozen deboned beef would require the domestic slaughtering and processing of a further 100,000 cattle, which would represent a value added for the domestic economy of some Rand 28 million and create over 15000 new formal sector jobs.

The granting of a realistic beef quota (for example 15,000 tonnes) would thus have an important stimulating effect on the local economy both through employment creation and increased value added.

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marxa: -Cru;::0hs, Jith Scuth African beef prices at a cyclica;
reajx', this '3uulti3hality" Ls estimated at R: million per 1,000
tehhes. Jnder, the probable market conditions for the coming
years, th-s additionality could increase up to R6 million per
L,000 to hes.

in er previous Lame Conventions the additional benefit derived
n the Levy rebate has accrued to the ACP Government in the
m 3f tax revenue. If the Namibian Government were to impose
an expott tax on beef marketed under the Lome Protocol, then
assuming a 15,000 tonne beef quota, some R45 million per annum
could a crue to the Government exchequer, or a specially
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COhSCL: ted rural development fund, enabling the Namibian
Government either to cover a substantial portion of its budget
jef;cit Or finance major programmes of agricultural and rural
deveLopmelt.

Above and beyond the immediate benefits arising from the
granting of a realistic beef quota, in the medium term the
granting of a 15,000 tonne quota could greatly stimulate the
tahhihg_ahd leather workggg industries. Already in Namibia a
number of tanneries and leather working enterprises exist.
stever, often they are working with outdated technolcgy, and
the Lome Convention could have an important role to play in
stimulating joint ventures to allow Namibia to build up, on the
basis of its natural resources, (in this case cattle) a
thriving new industry.

At the present time however, Namibia's total integration into
the South African economic system is holding back this type of
industrial development. With inflation rates at 18% and
interest rates at 22% securing the necessary capital for
modernisation and expansion is prohibitively expensive. Here,
under the Lome Convention the European Investment Bank could
have an important role to play in providing concessional
financing for the development of small and medium sized
industrial enterprises.

The normal proceaure for the provision of such support is for
the El8 to provide a "global loan" to a development bank or
development finance company, for onward lending at concessional
rates to the type of enterprises being targeted for support.

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The present problem in Namibia is the absence of any such institution, for as yet the institutional structures established under apartheid practices have not yet been reformed. This need not however pose an insurmountable problem as the privately controlled Commercial Bank of Namibia (the shareholders of which are three major European Banks) has indicated a willingness to freely administer such concessional loans schemes in the interests of supporting the wider economic development of Namibia.

The medium term prospects for industrial development opened up with support from the Lomé Convention go beyond the beef industry. The Karakul industry is an area where the Lomé Convention could carry important benefits for Namibia.

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Through the accession negotiations the Namibian Government is trying to obtain an extension of STABEX coverage to include Karakul skins, in line with the existing coverage of other furs and skins, for price instability on international markets is severely disrupting the Karakul industry. For 1990, despite price increases in the mid- 1980s denominated in Rand terms, export earnings from Karakul will account for only half of what they contributed to foreign exchange earnings in 1980. In consequence Karakul pelt production in 1990 will be only 21% of what it was in 1980.

It is with a view to stabilising on-farm incomes from Karakul and restructuring the industry that the Namibian Government is looking for the inclusion of Karakul skins in the STABEX system. However, given the present low level of prices, if STABEX is to be of benefit to the Karakul industry, it is necessary for Namibia to be accorded Least Developed Country status under Lomé, for the trigger threshold for STABEX support under Lomé are lower for LDCs than for normal ACP states.

If STABEX support can be secured for the Karakul industry in 1990 then pelt production can be stabilised and through a programme to reintroduce Karakul into communal farming areas significantly expanded over the coming ten years. Stimulating managed expansion now will place Namibia in a good position to capitalise on impending improvements in international prices arising from de-stocking in the mink industry.

In addition, through improving and expanding Karakul production in communal farming areas this programme will substantially increase farming incomes in previously neglected communal areas, particularly in drier southern and north western regions. Improving the standard of pelt production in

communal :ar.ihg Areas to the average prevailing in commercial farming areas, would virtually double the income of communal area Karakul farmers. The expertise for implementing such a programme already exists in the white agricultural extension service, the problem is to establish an appropriate organisational framework to deliver extension services to communal area farmers .31 a manner which engenders confidence and stimulates the necessary improvements. This is particularly problematic, for in the past such schemes have been implemented in a manner designed exclusively for the profit of less efficient commercial farmers, who have sold off their poorer Karakul stock at inflated prices to local Government run Karakul improvement schemes for the Communal areas.

Securing STABEX funding to finance global programmes of stabilisation and restructuring in the Karakul industry, with progress in restructuring being linked to the disbursement of stabilisation payments, would provide an important incentive for commercial Karakul farmers to ensure the effective implementation of improvement programmes in communal areas. If over a ten year period the balance of Karakul production can be shifted to communal area farmers, and the quality of production in communal areas can be improved, then a firm foundation will have been laid for the establishment of Karakul based processing industries in Namibia.

A basis already exists in this regard in Namibia. A factory producing processed skins and Karakul garments is already in existence, and providing joint ventures can be entered into to secure access to international markets, considerable scope exists for increasing the value added to Karakul production before export.

If only 10% of existing pelt production could be processed to the Nappa stage and a further 10% of existing pelt production worked up into finished garments then under present market conditions the value of export earnings from the Karakul industry could be doubled. This further processing would also generate over 100 new jobs on the pelt processing side alone. Such a course of development is quite within the technical capacity of established Namibian enterprises, what is required to realise this potential is joint venture with European based companies to facilitate marketing. Here again it is hoped that the Lomé Convention could have an important role to play in facilitating such joint venture initiatives.

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An expansion of Karakul farming in communal areas would also create many new employment opportunities through the establishment of small-scale Karakul wool weaveries. There are already eight commercial Karakul weaveries in operation employing between 200 and 250 people and an unknown number of cottage weaveries. Yet there is considerable scope for rural employment creation through the stimulation of further local weaveries linked to a national marketing network.

Potentially for every farmer with a herd of 150 Karakul sheep, sufficient wool could be produced each year to employ 2 full time weavers, with a further two being employed in supporting activities related to the preparation of the wool prior to weaving. If sufficient training could be given to ensure a high standard of design (a weaving school already exists in Karibib), then an income of some R10,000 per annum for the weaver and assistant could be generated, providing markets for the finished product could be found.

The reintroduction of Karakul farming in communal areas could thus generate, in the early stages of the envisaged programme, hundreds of jobs in the weaving industry, stretching into many thousands of jobs over a ten year period, as the programme of re-stocking in the communal areas expands.

For such an ambitious programme to be successful however, a start needs to be made which can overcome the legacy of distrust which exists in this sector between commercial and communal area farmers and initial seed money to get pilot schemes underway is needed. This is where STABEX could come in and lay the basis for the development of an integrated Karakul farming and product processing industry over a ten year period, with other instruments of the Lomé Convention being deployed to extend appropriate support to this integrated programme as and when necessary.

Given the enormous problems of employment creation facing Namibia, particularly in the rural areas, an integrated programme for the development of the Karakul industry, given potential employment creation, appears an absolute imperative. Given that 50% of all currently manufactured Karakul carpets are exported, finding new markets for expanded production will be essential. Here, assistance in market development may well be required, for this is an area where Namibian expertise is sorely lacking. This has been aptly illustrated by current developments in the Namibian Game meat industry.

With independence the Namibian Game Meat Industry was looking forward to a period of expansion, as the constraints placed on it by South Africa's illegal occupation were removed. In 1989 the last year before independence, Namibia exported over Rand 5.5 million of fresh Game Meat to the EC market, principally the Federal Republic of Germany. Links with the neighbouring Botswanan industry were being developed and the prospect of higher returns for the high quality Namibian Meat (finally being marketed under its own name) seemed likely. On the basis of fresh meat exports, plans were even being laid for the development of processed Game Meat product exports to the EC. It was expected that this further processing would create additional employment and quadruple export earnings from the Game sector within a few short years.

What appeared good prospects for the Game Meat Exporters offered an opportunity for the consolidation of the Game Meat industry in Namibia.

However, by mid-July 1990 the prospects for the Namibian Game Meat Industry appeared bleak. This sudden turn around is illustrative of the difficulties which a range of Namibian products may face with independence. Traditionally, Namibian Game Meat exporters had enjoyed reasonable relations with the principle South African Game Meat exporters, who had largely taken the lead in marketing' game products internationally. With Namibian independence however, the South African suppliers sought exclusive marketing deals with those European importers the Namibian industry had previously been supplying. Overnight Namibian Game exporters were cut off from their traditional contacts in Europe.

The second principle factor adversely affecting the Namibian Game Meat industry was the economic changes taking place in Eastern Europe. The breakdown of State Marketing arrangements in eastern Europe has led to a total free for all in the export of East European Game Meats to the EC market. This is having a major depressive effect on the price of Game Meat obtained on the EC market. This should not have so directly affected Namibian Game Meat exports, for the Namibian product is significantly different from European Game Meats, being of better quality and taste. However, the inability of Namibian Game Meat exporters to develop brand name marketing of their individual product has ensured that they have fallen victim to the vagaries of the general game meat market. A lack of international marketing experience has the Namibian Game Meat industry ill-placed to respond to the adverse market conditions

which threaten devastation to this emergent industry, which was
believed to have considerable export growth potential.
The problems in the game meat industry, arising from the lack
of experience in international marketing arising from Namibia's
past international isolation, are faced to varying degrees by
all exporting sectors in Namibia. Assistance in the
development of international marketing expertise is essential.
Namibia is to capitalise on the opportunities opened up
under the Lomé Convention and other new external trading
arrangements. Trade is central to the Lomé Convention. In
other ACP countries, such as Zimbabwe, the EC through the Lomé
Convention has extended development assistance to programmes of
export development, such a programme is sorely needed in
Namibia, both as an emergency stop-gap measure and as part of a
long term export development programme, based integrated
sectoral development plans. As we have seen such sectoral
development plans: for the cattle industry, expanding into
tannin and leather working; for the Karakul industry,
expanding into skin processing, garment manufacturing and
carpet and rug weaving; for the game industry, extending into
processed game meats and the further domestic processing of
various game products, offer considerable scope for employment
creation and increased foreign exchange earnings.
Whether the possibilities and potentialities will be realised
in large part will depend on the Namibian Government's capacity
to give a lead in the formulation of sectoral development
programmes and its ability to effectively mobilise external
assistance, both financial and technical in support of these
sectoral development programmes.
Under the Lomé Convention a wide variety of instruments exist
which could be deployed in an integrated manner to support the
development of Namibia's agricultural processing capacity and
foreign exchange earnings potential. In the process
considerable additional employment opportunities will be
created, thereby addressing one of the most pressing challenges
facing the Namibian Government. Finding the organisational
capacity to effectively deploy the various instruments
available under the Lomé Convention to promote such
development, is the principle challenge now facing the EC and
the Namibian Government as Namibia finally accedes to the Lomé
Convention.

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AWE PAA Association of West European Parliamentarians

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RESOLUTIONS ON SOUTH AFRICA

UNITED NATIONS and EUROPEAN PARLIAMENT

United Nations General Assembly, September 17, 1990

(main quotes)

United Nations General Assembly, December 14, 1989

(main quotes)

European Parliament, June 13, 1990

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Notes and Documents

September 1990

POLICIES OF APARTHEID OF THE GOVERNMENT OF SOUTH AFRICA

Resolution adopted by the United Nations General Assembly

on 17 September 1990

The General Assembly,

Recalling the Declaration on M and its Destructive

Consequences in Southern Africa, adopted by consensus on 14 December 1989,

at the sixteenth special session of the General Assembly,

Bearing in mind that the aforementioned Declaration calls upon the

South African regime, inter alia, to undertake certain measures in order to

create a climate suitable for negotiations in South Africa,

Recalling that the Declaration called upon the international community

not to relax existing measures aimed at encouraging the South African regime

to eradicate apartheid until there is clear evidence of profound and

irreversible changes, bearing in mind the objectives of the Declaration,

Noting that Members of the United Nations and the international

community have generally adhered to the Programme of action contained in the

Declaration and expressing its concern over any departures that have occurred

from the international consensus reflected in the Declaration,

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. _ Noting further that while some significant measures in the right

direction have been undertaken by the South African regime, such as the

unbanning of the African National Congress of South Africa (ANC), the Pan

Africanist Congress of Azania, and other political organizations and the

release of some political prisoners, including Nelson Mandela, and the

regime's declared commitment to abolish the apartheid system, continued

efforts are needed to establish a climate fully conducive to negotiations and

free political activity,

transformation of South Africa,

1. Reaffirms the provisions of the Declaration on M3535! and its Destructive Consequences in Swtthern Africa and the need for their full and immediate ijrtplementation;
 2. DeterminesthatfurtherstepsnwdbobeundertakenbytheSouth African regimen to implement the profound and irreversible changes called for in the Declaration;
 3. Gills gmn all Governments and intergovernmental organizations to adhere strictly to the Programme of action contained in the Declaration ?j by maintaining existing measures aimed at encouraging the South African regime to eradicate aweid until there is clear evidence of profound and irreversible changes, bearmg in mind the objectives of the Declaration;
 4. Further calls ggggn the South African regime to proceed without delay to establish a climate fully conducive to negotiations by taking all the steps stipulated in the Declaration in particular, to implement its oarmitment to repeal all legislation, such as the Internal Security Act, designed to circumscribe political activity;
 5. galls fofan immediate end to violence and urges the Sart'h African authorities to take urgent action to end it, specifically by dismantling the m structures as well as ensuring effective and mpartial action by the security form and calls upon all parties concerned to oontrihrte to the wtablshment of a climate free of violence;
 6. Welcomes the fact that ANC and the South African regime have engaged in talks which have thus far resulted in the Groote Schuur and the Pretoria meetings aimed at facilitating the carmenoemerrt of substantive negotiations;
 7. Coamerxis ANC for having taken the initiative in calling for talks with the South African regime and for its lardmark decision to suspend the armed struggle;
 8. fgge\$ the international community and the Secretary-General, through the relevant United Nations agencies, to provide all possible assistance to facilitate the re-wtablshment of previously banned political organizations in South Africa as well as the reintegration of released political prisoners;
 9. Meets the Secretary-General, through the relevant United-Nations agencies, to provide all necessary assistance for the voluntary repatriation of the South African refugees and political exiles in safety and dignity, and requests the South African regime, the liberation movements and other organizations in South Africa and the international oonmmity to extend their full support to this endeavour;
 10. R31. gests the Secretary-General to remain actively seized of developments m South Africa, and suhnit by 30 June June 1991 to the forty-fifth session of the General Assembly a report on further progras in the implementation of the Declaration.
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Main quotes from the Declaration adopted by consensus in the UN General Assembly, December 1989:

3. We are at one with the people of South Africa that the outcome of such a process should be a new constitutional order determined by them and based on the Charter of the United Nations and the Universal Declaration of Human Rights. We therefore hold the following fundamental principles to be of importance:

(a) South Africa shall become a united, non-racial and democratic State;
(b) All its people shall enjoy common and equal citizenship and nationality, regardless of race, colour, sex or creed;
(c) All its people shall have the right to participate in the government and administration of the country on the basis of universal, equal suffrage, under a non-racial voters' roll, and by secret ballot, in a united and non-fragmented South Africa;

(d) All shall have the right to form and join any political party of their choice, provided that this is not in furtherance of racism;

(e) All shall enjoy universally recognized human rights, freedoms and civil liberties, protected under an entrenched bill of rights;

(f) South Africa shall have a legal system that will guarantee equality of all before the law;

(g) South Africa shall have an independent and non-racial judiciary;

(h) There shall be created an economic order that will promote and advance the well-being of all South Africans;

(i) A democratic South Africa shall respect the rights, sovereignty and territorial integrity of all countries and pursue a policy of peace, friendship and mutually beneficial co-operation with all peoples.

4. We believe that acceptance of these fundamental principles could constitute the basis for an internationally acceptable solution that will enable South Africa to take its rightful place as an equal partner among the world community of nations.
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5. We believe that it is essential that the necessary climate be created for negotiations. There is an urgent need to respond positively to this universally acclaimed demand and thus create this climate. I

6. Accordingly, the present South African regime should, at the least:

(a) Release all political prisoners and detainees unconditionally and refrain from imposing any restrictions on them;

(b) Lift all bans and restrictions on all proscribed and restricted organizations and persons;

(c) Remove all troops from the townships;

(d) End the state of emergency and repeal all legislation, such as the Internal Security Act, designed to circumscribe political activity;

(e) Cease all political trials and political executions.

7. These measures would help create the necessary climate in which free political discussion can take place - an essential condition to ensure that the people themselves participate in the process of remaking their country. x

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8. We are of the view that the parties concerned should; in the context of the necessary climate, negotiate the future of their country and its people in good faith and in an atmosphere which, by mutual agreement between the liberation movements and the South African regime, would be free of violence. The process could commence along the following guidelines:

(g) Agreement on the mechanism for the drawing up of a new constitution, based on, among others, the principles enunciated above, and the basis for its adoption;

(b) Agreement on the role to be played by the international community in ensuring a successful transition to a democratic order;

(g) Agreed transitional arrangements and modalities for the process of the drawing up and adoption of a new constitution, and for the transition to a democratic order, including the holding of elections.

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9. In pursuance of the objectives stated in this Declaration, we hereby decide:

(a) To remain seized of the issue of a political resolution of the South African question;

(b) To step up all-round support for the opponents of apartheid and to campaign internationally in pursuance of this objective;

(9) To use concerted and effective measures, including the full observance by all countries of the mandatory arms embargo, aimed at applying pressure to ensure a speedy end to apartheid ;

(0) To ensure that the international community does not relax existing measures aimed at encouraging the South African regime to eradicate apartheid until there is clear evidence of profound and irreversible changes, bearing in mind the objectives of this Declaration; _

(c) To render all possible assistance to the front-line and neighbouring States to enable them: to rebuild their economies, which have been adversely affected by South Africa's acts of aggression and destabilization; to withstand any further such acts; and to continue to support the peoples of Namibia and South Africa:

(X) To extend such assistance to the Governments of Angola and Mozambique as they may request in order to secure peace for their peoples, and to encourage and support peace initiatives undertaken by the Governments of Angola and Mozambique aimed at bringing about peace and normalization of life in their countries;

(9) The new South Africa shall, upon adoption of the new constitution, participate fully in relevant organs and specialized agencies of the United Nations.

10. We request the Secretary-General to transmit copies of the present Declaration to the South African Government and the representatives of the oppressed people of South Africa and also request the Secretary-General to prepare a report and submit it to the General Assembly by 1 July 1990 on the progress made in the implementation of the present Declaration.

AWE PAA Association of West European Parliamentarians
for Action against Apartheid

RESOLUTION EUROPEAN PARLIAMENT, adopted June 13, 1990

South Africa

Joint resolution replacing Docs. 33-1205, 1226, 1233, 1244 and 1260/90

RESOLUTION

on South Africa

The European Parliament,

A. having regard to its previous resolutions on the eradication of apartheid in South Africa and to those of the ACP-EEC Joint Assembly, 8. whereas the recent discussions between the ANC and the South African authorities represent a first step towards negotiations but whereas the bases of apartheid remain in South Africa and whereas, in particular:

- most of the laws which institutionalize the system remain in force;
- the South African police continues to occupy the townships and to oppress the population;
- political prisoners remain in prison;
- the state of emergency has not been lifted throughout the country,

C. taking into account the EC common policy on South Africa, which consists of a package of restrictive and positive measures; the declared aim of which is 'the complete abolition of apartheid as a whole and not just of certain components of the system' (Council decision of 10 September 1985),

D. recalling the UN declaration on South Africa, unanimously adopted on 14 December 1989, which demands 'to ensure that the international community does not relax existing measures aimed at encouraging the South African regime to eradicate apartheid until there is clear evidence of profound and irreversible changes, bearing in mind the objectives of this declaration' and recognizing that the South African Government has still to take many of the steps set out in this declaration,

E. recalling that these objectives are the new constitutional order of a non-racial, democratic state with equal rights for all its citizens,

F. whereas the campaign against apartheid conducted unrelentingly by banned or legal organizations and the pressure exerted at international level as a result of economic sanctions have been a decisive factor in compelling the South African Government to start negotiations,

PV 18 II PE 142.454

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having regard to the Commonwealth Committee of Foreign Ministers on Southern Africa meeting in Abuja, Nigeria on 16-17 May which agreed to 'call on all Commonwealth and non-Commonwealth countries to maintain existing sanctions and measures until Pretoria was brought to the negotiating table and change was clearly and irreversibly secured' and that the Committee agreed to 'convey its views to non-Commonwealth governments and in particular to the members of the EC and G7 groupings of countries',

having regard to the meetings of the Council of Ministers of 18 June in Luxembourg and the European Council of 25 and 26 June in Dublin at which the Community's policy towards South Africa is to be reviewed, Welcomes the freeing of Nelson Mandela, praises his courage and determination after 27 years in prison and welcomes him to the European Parliament;

Welcomes the positive changes which have taken place in South Africa following President de Klerk's new policy introduced on 2 February 1990 and the positive way in which Nelson Mandela and the ANC have responded to this opportunity to abolish apartheid;

Considers the results of the Grote-Schuur discussions as a starting point towards negotiations on the basis of the UN declaration;

Acknowledges the important contribution which international sanctions and other pressures including those of the European Community have made towards securing progress towards the ending of apartheid,

Supports the appeal made by Nelson Mandela on 16 May 1990 to all governments not to take any premature steps towards lifting, even partially, sanctions against the South African Government;

Considers that it would be extremely undesirable for the Community to abandon its anti-apartheid sanctions policy prior to the conclusion of an agreement on the establishment of a new constitutional order in South Africa under which all citizens are treated as equals in a non-racial, democratic society;

Calls on the Member States which are currently proposing the partial or phased relaxation of European Community sanctions against South Africa to reconsider their positions in the light of the enormity of the human rights violations which are perpetrated under the apartheid system and with due regard to their past resolve to abolish the apartheid regime;

Appeals, accordingly, to the Council of Ministers which is to meet on 18 June in Luxembourg and to the European Council on 25 and 26 June in Dublin to ensure that all sanctions, including economic, cultural and sporting sanctions, by the Community and the Member States are continued and implemented against South Africa until apartheid is completely and irrevocably abolished;

PV 18 II PE 142.454

A. The Greote Schuur Minute

THE GOVERNMENT AND the African

National Congress agree on a common commitment towards the resolution of the existing climate of violence and intimidation from whatever quarter as well as commitment to stability and to a peaceful process of negotiations.

Flowing from this commitment, the following was agreed upon:

1. The establishment of a Working Group to make recommendations on a definition of political offences in the South African situation; to discuss, in this regard, time scales; and to advise on norms and mechanisms for dealing with the release of political prisoners and the granting of immunity in respect of political offences to those inside and outside South Africa. All persons who may be affected will be considered. The Working Group will bear in mind experiences in Namibia to return and help with the establishment and management of political activities, to assist in bringing violence to an end and to take part in peaceful political negotiations.

3. The Government undertakes in review existing security legislation to bring it into line with the new dynamic situation developing in South Africa in order to ensure normal and free political activities.

4. The Government reiterates its commitment to work towards the lifting of the state of

emergency in Namibia and elsewhere. The Working Group will aim to complete its work before 1 May 1990. It is understood that the South African Government, in its discretion, may consider other political parties and movements and other relevant bodies. The proceedings of the Working Group will be confidential. In the meantime the following offences will receive attention immediately:

(a) The leaving of the country without a valid travel document.

(b) Any offences related merely to organisations which were previously prohibited.

2. In addition to the arrangements mentioned in paragraph 1, temporary immunity from prosecution for political offences committed before today, will be considered on an urgent basis for members of the National Executive Committee and selected other members of the ANC from outside the country, to enable emergency. In this context, the ANC will exert itself to fulfill the objectives contained in the preamble.

5. Efficient channels of communication between the Government and the ANC will be established in order to curb violence and intimidation from whatever quarter effectively. The Government and the ANC agree that the objectives contained in this minute should be achieved as early as possible.

Cape Town, 4th May 1990

B. The Pretoria Minute

THE GOVERNMENT AND the ANC have held discussions at the Presidency, Pretoria, today, 6 August 1990.

1. The Government and the ANC have again committed themselves to the Groote Schuur Minute.

2. The final report of the Working Group on political offences dated 21 May 1990, as amended, was accepted by both parties. The guidelines to be formulated in terms of the Report will be applied in a phased manner. The Report makes provision for formulation of guidelines which will be applied in dealing with members of all organisations, groupings or institutions, governmental or otherwise, who committed offences on the assumption that a particular cause was being served or opposed. The meeting has instructed the Working Group to draw up a plan for the release of ANC-related prisoners and the granting of indemnity to people in a phased manner and to report before the end of August. The following target dates have in the meantime been agreed upon:

t The body or bodies referred to in paragraph 82 of the Report of the Working Group will be constituted by 31 August 1990.

t The further release of prisoners which can be dealt with administratively will start on 1 September 1990.

h Indemnity which can be dealt with in categories of persons and not on an individual basis will be granted as from 1 October 1990. This process will be completed not later than the end of 1990.

1 In all cases where the body or bodies to be constituted according to paragraph 8.2 of the Report of the Working Group will have to consider cases on an individual basis, the process will be expedited as much as possible. It is hoped that this process will be completed within six months, but the latest date envisaged for the completion of the total task in terms of the Report of the Working Group is not later than 30 April 1991.

This programme will be implemented on the basis of the Report of the Working Group.

3. In the interest of moving as speedily as possible towards a negotiated peaceful political settlement and in the context of the agreements reached, the ANC announced that it was now suspending all armed actions with immediate effect. As a result of this, no further armed actions and related activities by the ANC and its military wing Umkhonto We Sizwe will take place. It was agreed that a working group will be established to resolve all outstanding questions arising out of this decision to report by 15 September 1990. Both sides once more committed themselves to do everything in their power to bring about a peaceful solution as quickly as possible.

El

4. Both delegations expressed serious concern about the general level of violence, intimidation and unrest in the country, especially in Natal. They agreed that in the context of the common search for peace and stability, it was vital that understanding should grow among all sections of the South

African population that problems can and should be solved through negotiations. Both parties committed themselves to undertake steps and measures to promote and expedite the normalisation and stabilisation of the situation in line with the spirit of mutual trust obtaining among the leaders involved.

5. With due cognizance of the interest, role and involvement of other parties the delegations consider it necessary that whatever additional mechanisms of communication are needed should be developed at local, regional and national levels. This should enable public grievances to be addressed peacefully and in good time, avoiding conflict.

6. The Government has undertaken to consider the lifting of the State of Emergency in Natal as early as possible in the light of positive consequences that should result from this accord.

7. In view of the new circumstances now emerging there will be an ongoing review of security legislation. The Government will give immediate consideration to repealing all provisions of the Internal Security Act that:

- (a) refer to communism or the furthering thereof;
- (b) provide for a consolidated list;
- (c) provide for a prohibition on the publication of statements or writings of certain persons; and
- (d) provide for an amount to be deposited before a newspaper may be registered.

The Government will continue reviewing security legislation and its application in order to ensure free political activity and with the view to introducing amending legislation at the next session of Parliament. The Minister of Justice will issue a statement in this regard, inter alia calling for comments and proposals.

8. We are convinced that what we have agreed upon today can become a milestone on the road to true peace and prosperity for our country. In this we do not pretend to be the only parties involved in the process of shaping the new South Africa. We know there are other parties committed to peaceful progress. All of us can henceforth walk that road in consultation and co-operation with each other. We call upon all those who have not yet committed themselves to peaceful negotiations to do so now.

9. Against this background, the way is now open to proceed towards negotiations on a new constitution. Exploratory talks in this regard will be held before the next meeting which will be held soon.

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FORM
LEGISLATION
Internal Security Act
Public Safety Act
State of Emergency
"Unrest Areas"
PERSONS
Detention without Trial
Banning
Restriction of Movement
Political Trials
Politico! Imprisonment
Political Executions
Listing
ORGANISATIONS
Banning
Foreign Funding Bon
GATHERINGS
Banning
PUBLICATIONS
Banning
Restriction
POLITICAL ACTIONS
Criminolisotion
PO Box 32723
Braamtontein 2017
Johannesburg
South Afnca
Phone: (011) 403-4450/1
Fax1339-1422
CURRENT STATUS REPORT
ON REPRESSION
OS 01 30.08.90
'I. FORMAL REPRESSION
POWERS
Intact 1 under
Intact 1 "review"
Lifted 9.6.90 except in
N010!
Invoked 248.90
Intact under ISA
intact under SoE
Now in "Unrest Areas"
Intact under ISA
SoE & Unrest Areo Regs.
Intact - wide powers
Release programme
agreed
Under review
Under "consideration"
Intoct under ISA
Intact
InTocT under ISA and SoE
in Natal and Unrest Areas
in Witwatersrand/ Vool
Triangle
Intcct under ISA
Numerous other laws
IFNOCT under SOE
USE
See below
See below
In Natal
In 19 dismcts of Tronsvool
Cominues daily; 120 in detention
In NOTOI only
In Witwatersrand/Vool Triangle
Not used for several years
Not yet invoked
Over 200 trials in progress

3 000 prisoners
58 polmcol prisoners on death row
Over 300 people cannot be quoted
No organisations banned
UDF and NUSAS are "Affected Organisations"
Blonkel ban on OH outdoor gatherings
without permission. Numerous gatherings
broken up by force. Over 200 deaths in
police action in 1990, and continuing.
No restrictions on Media under SoE In
Note! or under Unrest Areas in Witwaters-
rand/Voor Triangle
Prosecutions for subversion, banned
publications, unlawful gatherings, incite-
ment, etc. Contradiction, between of-
fence of promoting communism and the
unbanning of The SACP, now under
"Consideration".

SECURITY MANAGEMENT

VIGILANTES

HIT SQUADS

2. INFORMAL REPRESSION

The former Notional Security Management System (NSMS) has been downgraded and renamed The Notional Coordinating Mechanism (NCM). The welfare role of The NCM has been emphasised and The security role de-emphasised; nevertheless The STOTe Security Council (SSC) remains as a essential component. Along with police violence, vigilantism presents the most serious form of repression and the greatest threat towards peaceful negotiation. Statistics for July 1990 reveal 72 vigilante attacks resulting in 11 deaths (69 in NCT and 37 in PWV) while August deaths in vigilante-related violence have topped the 500 mark, Despite commissions of enquiry, and The announced disbanding of The CCB, hit squads continue to operate with seeming impunity. In July, 10 attacks were recorded resulting in 4 deaths, In addition 20 incidents of right-wing Terrorism were recorded in July, resulting in 9 deaths and 59 injured.

AWE PAA Association of West European Parliamentarians
for Action against Apartheid

STATEMENT BY A DELEGATION OF SOUTH AFRICANS VISITING VARIOUS EUROPEAN
COUNTRIES UNDER THE AUSPICES OF AWEPA

OCTOBER 11 - 22 1990.

The membership of the delegation is drawn from the following organisations:
the South African Council of Churches, the Southern African Catholic Bishops
Conference, the Black Sash, the Human Rights Commission, the Institute for
Contextual Theology, the United Democratic Front, the African National Congress;
the Azanian People's Organization and the Pan Africanist Congress of Azania.

We regard the purpose of our visit as being:

- to inform members of the European Community on present developments in South Africa
- to urge continuing pressure for profound and irreversible change; and to define what we would consider as "irreversible";
- to emphasise the need for a clear understanding of the obstacles which still lie in the path towards negotiations;
- to seek material support to enable recently unbanned political movements to strengthen their organisational structures; and therefore their ability to contribute to the peaceful transformation of the South African society, .

We acknowledge that certain changes have taken place: for example, the lifting of the state of emergency in all areas except in Natal, the unbanning of organisations, and the release of key leaders of those organisations from prison.

In addition, the Separate Amenities Act has been repealed, and the repeal of the Group Areas Act and other legislation is to be considered. -

However, before we begin to reward the South African government for these "reforms" we need to be aware of what has changed. The Population Registration Act racially classifies every South African from birth. It then determines through a series of subsidiary laws whether and how a person may own land and housing, and receive state services such as education; health and social welfare.

No repressive legislation has, in fact, been removed or even modified. Only the implementation of certain measures has been suspended. The Public Safety Act is fully intact: In terms of its powers, a state of emergency still exists in Natal, and 19 "unrest areas" have been declared in the Transvaal.

The Internal Security Act remains on the statute book in spite of the government's undertaking to review it. Detention without trial under this Act continues on a daily basis: During September 253 people were detained in South Africa (including the self-governing "homelands").

Only 156 political prisoners have been released out of between 2 and 3 thousand. Political trials have not been halted and continue to create more political prisoners. Over 400 such trials have been completed this year and another 300 are in progress. 11

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Capital punishment has not been abolished. There are over 300 people on death row, 55 of them for politically related offences. Their position remains precarious as their lives depend on the retrial of their individual cases.

A so-called Consolidated list contains the names of over 300 persons who may not be quoted.

There is a blanket ban on all outdoor gatherings unless special permission has been granted.

Formal repression as described above is accompanied by its ever-present and more sinister accomplice - informal repression, the extension of repression into the realms of the semi-legal and the non-legal.

Vigilantes and hit-squads have played a dominant role in the recent township violence. Vigilante actions have caused the deaths of more than 800 people over the last 3 months, while hit squads have played the role of agents provocateurs. It is in this area of informal repression that there are strong suspicions of the old securocratic elements within the government taking a hand in order to sabotage the negotiation initiatives.

In our meetings so far we have been received with courteous attention, and have been assured of an on-going commitment to maintaining the present position on sanctions. However, we are aware that there are moves in some quarters in the European Community to ease the situation in order to "encourage" or "reward" the moves towards the negotiation process. We urge that no changes in the present policy should be made unless clear direction is given from within South Africa that such encouragement is appropriate. .

We have stressed the necessity of listening to the voices of the disenfranchised majority when attempting to define the irreversibility of the change process. The dismantling of apartheid will only be irreversible when

(a) a constituent assembly, elected on the basis of universal suffrage, has been constituted;

(b) sovereign power has been removed from existing apartheid legislative structures and invested either in the constituent assembly or another agreed interim structure; and

(c) when a white minority cannot legally reverse or veto the process through the present unrepresentative legislative structures.

We conclude that the continuing support and encouragement of the international community has been and will be essential to the efforts to ensure that apartheid is irrevocably set aside in South Africa and replaced with a system of government which is truly peaceful and just because it is based on democratic processes and enjoys the support of the majority of the people.

Rome. 13.10.90.

