## CHAPTER VI

## COUNTRIES RECEIVING ASSISTANCE

The previous chapter dealt with the flow of intra-Commonwealth assistance on a regional basis and by programme. This chapter deals with the assistance received by individual Commonwealth countries and gives a short summary of recent economic progress, development objectives and policies for each. The statistical tables included in the country studies are based on information provided by the supplying country, supplemented in some instances by data from the receiving country. The countries are dealt with in alphabetical order within regions.

#### INDIA

The mid-term appraisal of the Fourth Five Year Plan (1969-74), published by the Indian Planning Commission, reveals that the national income at constant prices increased by 5.3 per cent in 1969-70 and 4.8 per cent in 1970-71 as against 5.6 per cent average annual growth rate envisaged in the Plan. The rate of growth is estimated to have further slowed down in 1971-72 as resources were greatly strained by the influx of refugees, natural calamities afflicting several parts of the country and the outbreak of hostilities with Pakistan in December. In addition to the failure to maintain the Fourth Plan overall growth target, sectoral contributions to the growth of the national income are not proceeding as envisaged in the Plan. While the output of food grains increased sharply in the earlier years of the Plan period, it is not expected that the Plan targets will be achieved. Commercial crops have shown an uneven performance and the manufacturing sector has fallen considerably behind the Plan targets.

The appraisal has led to a significant scaling down of investment and output targets. It is now estimated that only about half the Plan investment of Rs159,000 million would actually have taken place by the end of March 1972, which was the end of the Plan's third year. Moreover. the United States and Japan suspended distribution of direct financial aid to India on the outbreak of war with Pakistan and all economic ministries were instructed in January 1972 to reformulate their economic development planning on the assumptions that a resumption of aid from the United States will not be sought; that this will accelerate the decline in trade with the United States and the increase in trade with the USSR and Eastern Europe; and that India will have a continuing commitment to help restore the economy of Bangladesh. However, when the Plan was first formulated, emphasis was placed on mobilising internal resources so that dependence on foreign aid could be reduced significantly and it was recognised that high rates of export growth and savings along with reasonable price stability were prerequisites for the success of the plan.

Although the trade deficit widened in 1971 due to a slowdown in the growth of exports and a very large increase in imports, which had been held in strict check for three years, the reserves remained at an all-time peak approximating six months of imports. The nominal increase in the dollar value was, however, partly accounted for by the revaluation of gold and

IMF drawing rights following December's alteration of the American exchange The reserves are likely to come under increasing pressure as imports rate. and debt servicing are expected to rise still further. India's gross aid receipts from all donors have fallen steadily over the past five years from about \$1,600 million to less than \$1,000 million and net receipts from \$1,200 million to \$400 million. Debt servicing is expected to rise from the present equivalent of 28 per cent of export earnings to a peak of about 30 per cent in the two financial years that began on April 1st, 1972.

Gross financial aid from other Commonwealth countries to India showed a less pronounced increase in 1971 than in the previous year, with grants actually showing a small decline, as reductions in food aid from Britain and Canada were not offset by increases from other sources. Besides food aid, Canada provided grants for electricity generation and agriculture;

	Gra			Loa	ins		Technical	assistance
Supplying country	Gra	nts	Gro	oss	N	et	expen	diture
_	1970	1971	1 <b>9</b> 70	1971	1 <b>9</b> 70	1971	197 <u>0</u>	1971
Britain	1,697	701	42,216	60,230	26,594	40,624	867	1,132
Canada	20,860	20,551	23,103	24,597	23,096	24,590	265	407
Australia	1,320	2,060	-	-	-	-	202	274
New Zealand	200	234	-	-	-	-	32	42
Total	24,077	23,546	65,319	84,827	49,690	65,214	1,366	1,855

Number	and	man-monthe	financed	in	VART

£ thousand

Advis	ers and	other exp	erts		Trai	nees			Stud	ents	•
197	10	197	1	197	70	197	1	197	70	197	71
Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
57	289	67	269	215	598	246	823	732	3,441	855	5,494
3	5			57	373	80	476	62	283	64	542
7	27	7	53	157	687	100	372	15	135	24	224
1	12	2	14	22	77	10	70	5	54	3	23
		76		/=1	1 705	126	1.7/1	81/	2 012	0/6	6,283
	197 Number 57	1970           Number         Man- months           57         289           3         5           7         27           1         12	1970         197           Number         Man-months         Number           57         289         67           3         5            7         27         7           1         12         2	Number         Man- months         Number         Man- months           57         289         67         269           3         5             7         27         7         53           1         12         2         14	197         197           Number         Man- months         Number         Man- months         Number           57         289         67         269         215           3         5 $\cdots$ 57         57           7         27         7         53         157           1         12         2         14         22	197√         197√         197√           Number         Man- months         Number         Man- months         Number         Man- months           57         289         67         269         215         598           3         5           57         373           7         27         7         53         157         687           1         12         2         14         22         77	197 $197$ $197$ $197$ Number         Man- months         Number         Man- months         Number         Man- months         Number           57         289         67         269         215         598         246           3         5 $\dots$ $57$ 373         80           7         27         7         53         157         687         100           1         12         2         14         22         77         10	197 $197$ $197$ $197$ Number         Man- months         Number         Man- months         Number         Man- months         Number         Man- months           57         289         67         269         215         598         246         823           3         5 $\cdots$ $57$ 373         80         476           7         27         7         53         157         687         100         372           1         12         2         14         22         77         10         70	197 $197$ $197$ $197$ $197$ $197$ $197$ $197$ Number         Man- months         Number	197 $197$ $197$ $197$ $197$ $197$ Number         Man- months           57         289         67         269         215         598         246         823         732         3,441           3         5           57         373         80         476         62         283           7         27         7         53         157         687         100         372         15         135           1         12         2         14         22         77         10         70         55         54	197 $197$ <t< td=""></t<>

		<u>£</u> th	ousan	<u>1</u>		Numbe	er and m	an-months fin	anced	
		Loar	ıs	Technical		sers and	Tr	ainecs	St	udents
Year	Grants	Gross	Net	assistance		r experts Man-months	Number	Man-months	Number	Man-months
1967	26,506	45,410		1,136	98	556	548	2,428	505	3,363
1968	21,754	54,167	32,613	1,150	67	431	474	1,888	517	3,381
1969	21,770	42,204	20,481	1,275	76	518	452	1,996	504	3,588
1970	24,077	65,319	49,690	1,366	68	333	451	1,735	814	3,913
1971	23,546	34,827	65,214	1,855	76	336	436	1,741	946	6,283

the latter sector also received grants from Australia. The loan component of the British aid showed a further substantial increase and there was also a modest rise in Canadian loans. Debt repayments to Britain and Canada increased appreciably but the net inflow of loans was still higher than in previous years. Most of the Canadian and British loans were required for current imports but £4 million of the Canadian aid and £10.5 million of the British aid was devoted to development in the transport, communications, energy and manufacturing sectors.

There was a marked increase in technical assistance expenditure by other Commonwealth countries for India reflecting mainly the continuing rise in the number of students financed and in the average man-months for which The greatest numbers of the students were in each student was assisted. the fields of engineering, medical sciences, social sciences, education and agriculture. The number of advisers and other experts showed a modest increase though the average man-months financed was not significantly different from the low level of the previous year. Most of the increase in the experts category was in educational personnel whose share in the total exceeded 65 per cent. The non-educational personnel were again divided in a large number of fields, the more important ones being agriculture, health services, industry, mining, handicrafts, power, transport and These sectors also remained prominent among trainees communications. whose numbers declined, though there was a small increase in the total man-months financed.

Looking at the picture of intra-Commonwealth aid to India over the past five years, it is apparent that financial aid, both on a gross and net basis, has recovered from the low level to which it fell in 1969; in 1971 net assistance was over twice as great. It is also clear that this movement has been brought about by higher disbursements from loans as grants have remained comparatively steady. There has been an upward trend in the value of technical assistance provided mainly due to the larger number of students financed. The number of advisers and other experts has fluctuated from year to year and the average time served has declined, while there has been a downward trend in the number of trainees financed.

## MALAYSIA

In 1971 the gross national product of Malaysia is estimated to have increased by nearly 5 per cent as compared with 6.3 per cent in the previous year and the target rate of 6.5 per cent for the Second Five Year Plan (1971-75). The slowing down of the economy was largely due to the sluggishness of world demand brought about by the disturbed economic and monetary situation. The Second Plan's over-all target, virtually the same as the rate achieved during the previous five years, reflects the emphasis which is being placed on the income distribution and employment objectives. The Plan also aims at equalising the geographic distribution of industry and increasing the share of wealth held by Malays.

Since 1969 Malaysia's trade surplus has been falling. This is partly the result of the depressed export prices and partly of a fast expansion of imports because of the rapid rise in investment. In 1971 the trade surplus was reduced considerably as exports fell but imports increased by 3.5 per cent compared with the levels of the previous year. However, exports are expected to grow on average by 4.6 per cent annually for the duration of the Second Plan and the imports are forecast to show only a modest increase; the recent fall in trade surplus would thus be halted. The trade surplus has continued to offset a deficit on the invisible account which results from heavy outgoings for freight, insurance, interest and dividend payments. The strength of the reserves has been therefore maintained and registered a bigger increase in 1971 than in the previous year due mainly to a significant inflow of long-term capital.

There was a modest rise in gross financial aid to Malaysia from other Commonwealth countries as a substantial increase in grants was partly offset by declines in loans and investments. Net flows remained approximately at their 1970 level as repayments, particularly in respect of

£ thousand

				Lo	ans			Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	055	N	et	Gre	055	N	et		diture
county	1970	1971	1970	1971	<b>19</b> 70	1971	1970	1971	1970	1971	1970	1971
Britain Canada	56 10 <b>2</b>	895 181	3,677 290	2,862 765	2,966 289	<b>2,3</b> 07 752	1,371	1,108	-1,284 -	-2,189 -	1 <b>,43</b> 4 510	1,095 427
Australia	864	982	-	-	-	-	-	-	-	-	545	529
New Zealand India	5	72	-	-	-	-	-	-	-	-	233 45	335 (46)
Singapore	- `	-	-	-	-	-	-	-	-	-	2	4
Total	1,027	2,130	3,967	3,627	3,255	3,059	1,371	1,108	-1,284	-2,189	2,769	2,436

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	inees			Stu	lents	
Supplying Country	19	970	19	71	19	70	19	71	19	70	19	071
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	300	2,642	221	1,980	133	376	123	374	269	1,435	336	2,164
Canada	28	299	36	287	- 48	263	25	212	146	1,282	125	1,322
Australia	48	318	31	235	53	298	96	540	450	4,440	360	3,626
New Zealand	20	210	18	. 171	65	501	56	377	147	1,618	150	1,760
India	6	(62)	(6)	(62)	73	(146)	(42)	(84)	63	684	72	772
Singapore	-	-	-	-	-	-	-	-	12	119	8	96
Total	402	(3,531)	12ن	2,735	372	(1,584)	342	(1,587)	1,087	9,578	1,051	9,740

		<u>£</u> th	ousand				Numbe	er and m	an-months fin	anced	
	Loar	19	Invest	ments	Technical			Tr	ainees	St	udents
Grants	Gross	Net	Gross	Net	assistance						
					expenditure	Number	Man-months	Number	Man-months	Number	Man-months
3,774	-	-	718		3,295	(663)	6,298	378	(2,172)	1,273	(13,230)
4,172	1,937	1,045	2,286	-623	3,474	589	5,668	526	(2,387)	1,160	10,476
800	1,554	675	964	-679	2,725	507	4,632	330	(1,321)	1,101	10,534
1,027	3,967	3,255	1,371	-1,284	2,769	402	3,531	372	1,584	1,087	9,578
2,130	3,627	3,059	1,108	-2,189	2,436	312	2,735	342	(1,587)	1,051	9,740
	4,172 800 1,027	Grants Gross 3,774 - 4,172 1,937 800 1,554 1,027 3,967	Loans           Grants         Ret           3,774         -           4,172         1,937         1,045           800         1,554         675           1,027         3,967         3,255	Grants         Gross         Net         Gross           3,774         -         -         718           4,172         1,937         1,045         2,286           800         1,554         675         964           1,027         3,967         3,255         1,371	Loans         Investments           Grants         Gross         Net         Gross         Net           3,774         -         -         718            4,172         1,937         1,045         2,286         -623           800         1,554         675         964         -679           1,027         3,967         3,255         1,371         1,284	Loans         Investments         Technical assistance expenditure           Grants         Gross         Net         Gross         Net         Technical assistance expenditure           3,774         -         -         718          3,295           4,172         1,937         1,045         2,286         -623         3,474           800         1,554         675         964         -679         2,725           1,027         3,967         3,255         1,371         1,284         2,769	Loans         Investments         Technical assistance expenditure         Advious           Grants         Gross         Net         Gross         Net         Technical assistance expenditure         Advious           3,774         -         -         718          3,295         (663)           4,172         1,937         1,045         2,286         -623         3,474         389           800         1,554         675         964         -679         2,725         507           1,027         3,967         3,255         1,371         1,284         2,769         402	Loans         Investments         Technical assistance expenditure         Advisors and other experts           Grasts         Res         Net         Gross         Net         Technical assistance expenditure         Advisors and other experts           3,774         -         -         718          3,295         (663)         6,298           4,172         1,937         1,045         2,286         -623         3,474         589         5,668           800         1,554         675         964         -679         2,725         507         4,652           1,027         3,967         3,255         1,371         -1,284         2,769         402         3,531	Loans         Investments         Technical assistance expenditure         Advisors and other experts         Tr           Grants         Ross         Net         Gross         Net         Technical assistance expenditure         Advisors and other experts         Tr           3,774         -         -         718          3,295         (663)         6,298         378           4,172         1,937         1,045         2,286         -623         3,474         389         5,668         526           800         1,554         675         964         -679         2,725         507         4,632         330           1,027         3,967         3,255         1,371         -1,284         2,769         402         3,531         372	Loans         Investments         Technical assistance expenditure         Advisers and other experts         Trainees           Gross         Net         Gross         Net         Technical assistance expenditure         Mumber         Man-months         Number         Man-months           3,774         -         -         718          3,295         (663)         6,298         378         (2,172)           4,172         1,937         1,045         2,286         -623         3,474         389         5,668         526         (2,387)           800         1,554         675         964         -679         2,725         507         4,632         330         (1,321)           1,027         3,967         3,255         1,371         1,284         2,769         402         3,531         372         1,584	Loans         Investments         Technical assistance expenditure         Advisers and other experts         Trainees         St           Grants         Ross         Net         Gross         Net         Technical assistance expenditure         Advisers and other experts         Trainees         St           3,774         -         -         718          3,295         (663)         6,298         378         (2,172)         1,273           4,172         1,937         1,045         2,286         -623         3,474         389         5,668         526         (2,387)         1,160           800         1,554         675         964         -679         2,725         507         4,622         330         (1,321)         1,101           1,027         3,967         3,255         1,371         -1,284         2,769         402         3,531         372         1,584         1,087

investments were also higher. Grant aid from all sources increased and was mostly used for transport, communications and social infrastructure with a small allocation for agriculture and industry. A similar pattern of utilisation was evident in loan disbursements from Britain while nearly threequarters of the Canadian loan was meant for agriculture. New CDC investments benefited agriculture, multi-projects, industry and housing sectors though there was a substantial net outflow due to repayments on earlier loans.

Technical assistance expenditure in 1971 by other Commonwealth countries for Malaysia was appreciably lower than in the previous year with falls recorded for all categories. The total of advisers and other experts was 90 fewer than in 1970, the greatest decline being in the number of operational personnel whose proportion fell from about two-thirds of all experts and advisers in 1970 to about three-fifths in 1971. All the major fields, i.e. public administration, power, transport and communications and health services shared in the decrease in the number of experts. Educational personnel, on the other hand, showed a small increase. Traineeships continued to be sponsored in every field with increased concentration in public administration, power, transport and education. Most of the students financed were in the fields of engineering, natural sciences, agriculture, education and medical sciences.

Over the past five years gross financial assistance provided to Malaysia by other Commonwealth countries has shown no discernible trend. After falling to a very low level in 1969 it partially recovered in following two years. Net flows moved similarly and in 1971 were well under half the gross level. There has been underlying downward trend in technical assistance expenditure in the past three years. The number of advisers and other experts provided has fallen sharply and in 1971 was under half the figure for five years earlier and the total of students financed has also shown a downward trend and, apart from a large increase in 1968, the number of trainees has shown comparatively little variation over the years.

#### SINGAPORE

On the basis of preliminary estimates the G.N.P. at current prices rose by about 14 per cent in 1971 compared with about 15 per cent in each of the three preceding years. The main spur to economic growth continued to be the rapid expansion in the manufacturing sector. Besides new oil refineries, large new factories are planned by a number of international companies, indicating the success of the policy of attracting advanced technology industries. Progress is also being made in encouraging tourism and in developing Singapore as a major financial centre in South East Asia.

The Government's development estimates for 1972-73 show an increase of S\$115 million over the budget estimate of S\$636 million in 1971-72. As in previous years, a large part of this expenditure will be financed by domestic non-bank resources and the remainder by foreign loans and grants, current budget surplus and also possibly by some use of the Government's accumulated domestic and foreign assets. About 46 per cent of the proposed development outlays will be directly incurred by the Government and the remainder will be lent out to the various statutory bodies and the private sector industrial and commercial establishments. Defence works will absorb about 17 per cent of the total, and the education, public health and social services will account for 5 per cent. The remainder will go to finance projects in the transport, communications and land development sectors.

Despite a further increase in its trade deficit, Singapore's foreign exchange reserves rose by \$ 826 million to \$ 4,109 million between 1970 and 1971 because of large invisible earnings and capital inflows, especially private long-term foreign investment.

The flow of official funds, on a gross basis, from Britain to Singapore showed an appreciable reduction in 1971 as only CDC investments increased. As repayments of interest and principal were higher than in

£ thousand

	T		Ι	Lo	ans			Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	055	N	et	Gro		N	let		diture
	1970	1971	1 <b>97</b> 0	1971	1970	1971	1970	1971	1970	1971	1 <b>97</b> 0	1971
Britain	1,493	1,150	4,944	4,435	4,757	4,246	1,153	1,700	1,077	1,406	<b>28</b> 6	375
Canada	2	-	-	- 1	-	- 1	-	-	-	-	217	170
Australia	-	-	-	-	-	-	- 1	-	-	-	271	309
New Zealand	-	-	-	-	-	- 1	-	-	-	-	76	80
India	-	-	-	-	-	-	-	-	-	-	12	(13)
Total	1,495	1,150	4,944	4,435	4,757	4,246	1,153	1,700	1,077	1,406	862	947

Number and man-months financed in year

	Advi	sers and	other ex	perts		Trai	nees			Stu	lents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	62	441	57	531	35	107	29	93	173	1,258	200	1,433
Canada	7	48	12	109	36	320	29	319	88	693	79	685
Australia	28	73	16	57	80	481	67	492	147	1,243	127	1,277
New Zealand	2	24	4	24	27	171	17	107	43	435	52	502
India	2	24	-		5	(10)	6	(12)	27	306	(29)	(332)
Malaysia	-	-	-	-	1	2	-	-	-	-	-	
Total	101	610	89	721	184	(1,091)	123	(1,023)	478	3,935	487	4,229

			£ th	ousand				Numb	er and m	an-months fin	anced	
		Loar	19	Invest	ments	Technical		sers and r experts	Tr	ainees	St	udents
Year	Grants	Gross	Net	Gross	Net	assistance			Number	Man-months	Number	Man-months
1967	1,574	-	-	280		612	82	677	117	(797)	394	(3,530)
1968	225	284	95	211	211	804	85	(592)	150	(1,168)	414	3,665
1969	1,130	3,054	2,690	1,053	931	835	89	698	180	1,100	439	3,933
1970	1,495	4,944	4,757	1,153	1,077	862	101	610	184	(1,091)	478	3,935
1971	1,150	4,435	4,246	1,700	1,406	947	89	721	148	(1,023)	487	4,229

the previous year the decline in net inflows was even more pronounced. While the education and housing sectors remained important recipients of British assistance,  $\pounds 1.8$  million were provided for transport development. There was also a shift in investments from manufacturing to energy and multi project sectors.

Technical assistance expenditure for Singapore increased in 1971 as more students were assisted and the man-months financed for a smaller number of advisers and experts showed a marked increase. The fall in the number of experts and advisers reflected the fact that operational personnel were at an unusually high level in the previous year due to an extraordinary provision of 23 operational personnel in health services. Other advisers and experts in both the educational and non-educational categories showed small increases in 1971, the former category constituting nearly 60 per cent of the total. There was a further increase in the number of trainees taking courses in power, transport and communications which was not, however, big enough to offset decreases in most other categories particularly trade, banking and insurance. Among the total of students financed, which was 2 per cent higher than in 1970, courses in engineering, medical sciences and education continued to attract the largest number.

Looking at the latest five-year period, flows of intra-Commonwealth financial assistance, which are almost wholly from Britain, have been much higher in the second half of the period than in the first half. Expenditure on technical assistance received by Singapore has shown an upward trend. However, the number of advisers and other experts, apart from the high figure in 1970, has shown little variation but the upward movement in the total of trainees financed was checked in 1971. On the other hand, the number of students financed has risen continuously.

## SRI LANKA (CEYLON)

In 1971 the growth of national output slowed down to less than 1 per cent from about 4 per cent in 1970 and 5 per cent in 1969. The slack is attributed to the internal difficulties during the second quarter of the year, the poor performance of agriculture and the steep fall in world rubber prices. The resulting scarcity of foreign exchange led the Government to curb further the imports of essential raw materials which, in its turn, affected the expansion of domestic industry and commerce. Despite a further contraction in the trade deficit, Ceylon's balance of payments difficulties were aggravated by another big increase in repayments of short-term debts. The enlarged current account deficit of Rs1, 353 million was partly financed by an increase in foreign aid, including a cash loan from China and partly by a greater use of cash credits to finance imports. These credits increased to the equivalent of almost 30 per cent of the country's imports bill from about 20 per cent in 1970 and 7 per cent in 1969. The debt servicing burden has increased from 10 per cent of export earnings in 1968 to 16 per cent in 1971.

The Five-year Plan (1972-76) has set an ambitious target of raising the country's rate of economic growth to over 6 per cent a year from about 4.5 per cent in the five years to 1971 and about 3.5 per cent over the decade to 1967. Employment is to be provided for another 810,000 persons. Other principal objectives of the Plan include a substantial expansion of export earnings, mainly by the promotion of new exports based on the manufacture or part-manufacture of local materials; virtual self-sufficiency in food; and a six-fold increase in tourism, implying about 220,000 visitors in 1976.

The Plan envisages a total investment of about R.15,000 million, 10 per cent of which is expected to be financed by net inflows from abroad. In fact the gross inflows of foreign funds would have to be considerably higher than in recent years even though the ratio of domestic savings is expected to increase from 12.5 per cent to 17 per cent of gross domestic product. The private sector is expected to finance 76 per cent of the total investment and its role is particularly stressed in four main areas: the improvement in the level of efficiency of the estate sector in tea, rubber and coconut; the major contribution towards the creation of a new export

	Gra	-		Loa	ins		Technical	assistance
Supplying country	Gra	nts	Gro	55	N	et	expen	diture
-	1970	1971	1 <b>9</b> 70	1971	1970	1971	1 <b>97</b> 0	1971
Britain Canada Australia New Zealand India Singapore	956 2,310 384 49 - -	993 1,334 423 - - -	3,211 1,145 - 1,988 -	4,585 930 - - 951 -	2,941 1,137 - 1,487 -	4,280 922 - 291 -	376 85 92 19 16 1	396 69 90 18 (22) 3
Total	3,699	2,750	6,344	6,466	5,565	5,493	589	598

Advisers and other experts Trainees Students 1971 1970 Supplying 1970 1971 1970 1971 country Number Man-Number Man-Number Man-Number Man-Number Man-Number Manmonths months months months months months 345 116 183 46 (34) 26 119 17 38 9 17 783 171 221 110 .808 345 94 306 26 439 30 40 39 247 2 Britain 254 77 14 50 2 18 20 240 Canada 2 4 1 11 31 12 260 97 24 12 206 26 Australia 10 (36) 10 38 New Zealand -1 12 (6) (62) 406 (32) (358) India Singapore Malaysia 9 1 9 41 6 12 1 1 --. -1 --\_ Total (732) 407 2,697 545 3,775 47 310 (47) (332) 210 (751) 170

		£tł	ousan	a		Numbe	er and m	an-months fin	anced	
		Loai	ns	Technical		sers and	Tr	ainees	St	udents
Year	Grants	Gross	Net	assistance		r experts				
		01033	Net	expenditure	Number	Man-months	Number	Man-months	Number	Man-months
1967	1,843	5,957		578	(52)	330	235	869	(250)	(1,682)
1968	1,371	4,456	3,230	555	50	300	232	(854)	295	2,220
1969	1,462	5,567	4,765	662	<b>7</b> 0	<b>3</b> 57	278	(1,123)	316	2,423
1970	3,699	6,344	5,565	589	47	310	210	(751)	407	2,697
1971	2,750	6,466	5,493	598	(47)	(332)	1 70	(732)	545	3,775

Note: Financial flows for 1967 are at pre-devaluation rates.

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Number and man-months financed in year

# £ thousand

sector; the success of the whole tourist programme; and the development of the residential construction sector. At the same time the various Government agencies will increase their participation by indicating in detail the major branches of activities to be undertaken by the private sector and by co-ordinating activities between public and private enterprises.

The flows of financial assistance from other Commonwealth countries to Sri Lanka declined appreciably, on both a gross and a net basis, in 1971. After a substantial increase in grant aid in 1970, disbursements were much smaller, mainly due to a reduction in the Canadian food aid. Practically all grants, which amounted to  $\pounds 2,750,000$ , were in the form of food aid with only  $\pounds 92,000$  provided for projects in agriculture and transport. Loans also showed a much smaller increase than in the previous year. With the exception of a British loan of  $\pounds 50,000$  for communications, all the loans were used to finance current imports.

Following the sharp decline in the previous year, the value of technical assistance provided by other Commonwealth countries to Sri Lanka showed some recovery in 1971. The number of advisers and experts remained the same as in 1970 but the total of man-months financed showed a small increase. The number of primary and secondary teachers increased from 8 to 12 and 2 teachers were provided in the field of vocational training; the total number of educational personnel remained unchanged as there were reductions in other types. A decrease of 4 in operational personnel was compensated by an equal increase in non-educational advisers. There was a decline of 40 in the number of trainees financed. Public administration, power, transport and education were the most frequent choices for trainees with significant numbers in economic planning, industry, health and social services. The upward trend in students financed continued with medical sciences and engineering continuing to attract most, while social sciences, agriculture and economics were also well represented.

Looking at the five year period 1967 to 1971, the upward movement in total financial assistance was checked in 1971 while there has been a decline in technical assistance expenditure from the high level reached in 1969. Apart from a high figure in 1969, the number of advisers and other experts has shown very little change but the number of trainees financed appears to be declining. On the other hand, the total of students financed has shown a marked upward trend and in 1971 was over double that for five years earlier.

#### BOTSWANA

The National Development Plan for 1970-75 aims at a high real G.D.P. growth rate of 15 per cent per annum. Most of this growth is expected to come from an improvement in the quality and quantity of beef and from mining, especially the newly established copper/nickel and diamond mines. To this end, almost half (48 per cent) of the present total planned expenditure has been allocated to the Shashi complex involving a dam, thermal power station and new township centering around the copper/ nickel deposits at Selebi-Pikwe. A similar, though smaller, infrastructural project has been planned for the Orapa diamond mine. The Plan emphasises not only infrastructure for mining, but generally, since a further 30 per cent of the expenditure has been earmarked for public works, roads and communications. A further  $7\frac{1}{2}$  and 6 per cent have been allocated respectively to agricultural veterinary services and water supplies relative to the general improvement in live-stock quality. Botswana has been receiving an annual grant-in-aid from Britain to balance its recurrent budget but the need for these grants is expected to progressively decline as prospective resources from mining begin to accrue and revenue from the revised Customs Union Agreement with South African increases. In fact, the country aims at budgetary self-sufficiency by the end of the Plan period. However, with regard to financing the capital budget, a large shortfall appears to exist, part of which will be met by mobilising local savings, and the remainder, involving substantial sums, sought from external sources. Finance has already been made available from several external sources for the Shashi Complex.

£ thousand

	T			Lo	ans			Inves	tments		Technical	assistance
Supplying Country	Gre	ints	Gr	055	N	et	Gr	085	N	et		diture
	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1 <b>9</b> 70	1971
Britain	1,856	862	362	2,828	217	2,684	-	-	- 155	-147	577	714
Canada	-	6	- 1	-	-	-	•	-	-	-	12	7
Australia	-	-	-	-	-	-	-	-	-	-	18	10
New Zealand	-	-	- 1	-	-	-	-	-	-	-	1	-
Singapore	-	-	` <b>-</b>	-	-	-	-	-	-	-	1	1
Total	1,856	868	362	2,828	217	2,684	-	-	- 155	-147	609	732

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	lnees			Stu	lents	
Supplying Country	19	970	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Numb <b>er</b>	Man- months	39 - - - - -	Man- months
Britain	323	2,703	305	3,045	18	60	22	78	21	122	39	175
Canada	1	2	2	16	.8	32	3	27	-	-	- 1	-
Australia	1	12	1	12	8	45	4	30	-	-	-	-
New Zealand	-	-	-	-	-	-	-	-	-	-	-	-
Singapore	-	-	-	-	1	12	1	10	-	-	-	-
Total	325	2,717	308	3,073	35	149	30	145	21	122	39	175

			£ th	ousand				Numbe	er and m	an-months fin	anced	
		Loar	ns	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year		Gross	Net	Gross	Net	assistance		r experts Man-months	Number	Man-months		
1967	4,395	443		326		435	258	2,490	31	104	6	18
1968	5,239	138	-6	-	-186	444	272	2,564	19	57	10	64
1969	4,184	143	-1	-	-168	562	324	2,882	23	84	17	59
1970	1,856	362	217	-	-155	609	325	2,717	35	149	21	122
1971	868	2,828	2,684	-	-147	732	308	.3,073	30	145	39	175

The level of total gross financial assistance to Botswana, virtually all from Britain, recovered somewhat from the marked decline of 1970. However, the aid pattern is changing with loans now forming a much larger proportion of the total compared to grants, which have declined steadily following Botswana's reduced dependence on British budgetary grants-in-aid. The increased British loans were almost exclusively earmarked for projects in the fields of transport, public building, education and other social infrastructure. Again, in 1971, there was a large net outflow from previous investments.

Expenditure on technical assistance by other Commonwealth countries continued to increase in 1971. Although the actual number of advisers and other experts was reduced, the average length of their stay increased, averaging ten months, compared to just over eight months in the previous year. Well over half the total expenditure on technical assistance consisted of British support for OSAS advisers in the fields of public administration (84 experts), agriculture (70), education (45), power, transport and communications (34), economic planning (20) and health (19) as well as smaller numbers in other fields. Despite the fact that the number of trainees being financed by Britain rose, mainly trainees under the SCAAP programme in public administration (10), health (4) and power (3), the number of trainees being financed by Canada and Australia was halved, so that there was an overall reduction in numbers, compared to 1970. However, there was a significant increase in the number of students; these were entirely British educated and comprised mainly students in education (15) under the C.E.C. and other programmes, and social science students (12) taking courses under the SCAAP and British Council programmes.

The table covering the five year period shows the reduction in grant aid in recent years and the fact that there has been no new C.D.C. investment since 1967 while amortization and interest on earlier investment remains substantial. There has been an upward trend in expenditure on technical assistance. The rise in the total of advisers and other experts was halted in 1971 as was that in the number of trainees financed but there has been a strong upward trend in the number of students over the five-year period.

## EAST AFRICA

Part of the assistance provided by Commonwealth countries is to East Africa in general, much of it through the Common Services Organisation, and cannot be apportioned to individual countries. In 1971, there was a large increase in loan disbursements to East Africa, and although principal and interest repayments on former British loans remained at a high level, in net terms, loan disbursements increased from an outflow of some £420,000 in 1970 to a total inflow of about £2.5 million in 1971. A large proportion of this increase resulted from a £3 million loan from Canada for general non-project development. Britain provided the remaining £948,000 as project aid for transport development.

Technical assistance expenditure continued to increase in 1971, following greater outlays by Britain (the main supplier of technical assistance), Canada and Australia. However, the number of British experts and advisers declined markedly following the virtual discontinuation of providing educational personnel to East Africa in general. About 85 per cent of the experts in East Africa were concentrated in the power, transport and communications sector while most of the increased number of trainees took courses in these subjects. Other trainees went on courses in public administration and industry while the majority of students were studying engineering, economics and agriculture.

Looking at the longer-term, there was a net outflow of finance in each of the years 1968-70 but there was a substantial inflow last year. The value of technical assistance provided by Commonwealth countries to East Africa in general has shown an upward trend even though the number of advisers and other experts has fallen very markedly since 1968. On the other hand, the number of students financed has risen markedly but for trainees the sharp fall recorded in 1968 was not made good urtil 1971.

	Gra	-		Loa	ns		Technical	assistance
Supplying country	Gra	nts	Gro	555	N	et	expen	diture
	1970	1971	1970	1971	1970	1971	<b>19</b> 7 <u>0</u>	1971
Britain	-	-	195	984	-1,443	-510	2,340	2,603
Canada	-	21	1,022	3,041	1,022	3,041	186	420
Australia	-	-		-	-	-	3	7
Total	-	21	1,217	4,025	- 421	2,531	2,529	3,030

£ thousand

	Advis	ers and	other exp	perts		Trai	nees			Stud	ent s	
Supplying	197	70	197	71	197	0	197	/1	197	0	197	71
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	1,040	10,356	840	8,538	68	438	79	407	54	383	63	403
Canada	26	196	43	393	11	77	9	72	-	-	10	61
Australia	-	-	-	-	9	63	10	40	-	-	-	-
Total	1,066	10,552	883	8,931	88	578	98	519	54	383	73	464

Number and man-months financed in year

		<u>£</u> th	ousand	<u>1</u>		Numbe	er and m	an-months fin	anced	
		Loar	15	Technical		sers and	Tr	ainees	St	udents
Year	Grants	Gross Net	Not	assistance		r experts				
		01033	Met	expenditure	Number	Man-months	Number	Man-months	Number	Man-months
1967	61	1,899		2,204	1,228	13,732	97	606	41	413
1968	7	639	-675	2,355	1,594	16,252	84	560	47	354
1969	5	-	1,391	2,390	1,443	12,349	87	599	51	373
1970	-	1,217	-421	2,529	1,066	10,552	88	578	54	383
1971	21	4,025	2,531	3,030	883	8,931	98	519	73	464
									1	

#### THE GAMBIA

The economy of the Gambia is essentially dependent on agriculture and fishing, with groundnuts the predominant cash crop, contributing 90 per cent of the country's exports and employing 85 per cent of its With the economy so dependent on a single primary product, its population. yearly performance consequently reflects prevailing conditions in the world's oil and fats market, over which the country has little or no control. The Gambia's Third Development Programme (1971/72-1973/74) attacks this problem by emphasising diversity of agricultural output - into, for example rice and fodder crops - and intensification of production through the use of better seeds, fertilisers, mechanical equipment adapted to local conditions, and especially, to improved educational and extension services. In addition, the proposed new Commercial Development Bank is expected to create an Agricultural Credit Fund to supply credit to be co-ordinated with the extension effort. Expenditure on the agricultural sector has risen from 12 per cent in the previous Programme to 22 per cent (D4.4 million out of a total D21 million expenditure) in the current Programme. Furthermore, this amount excludes expenditure on the extension service, which is financed from the recurrent budget.

By sector, communications is expected to receive the largest share (D10.6 million) of total expenditure, although much of the improvement in communications will benefit the agricultural sector, e.g. improved river and road communications related to rural development and marketing. About half of this figure will go towards improvements to Bathurst port, the country's major export outlet. A further D3.6 million has been allocated to the service sector, most of which has been earmarked for education, with the remainder going to government administration and health and a further D 155,000 has been set aside as equity for the new Commercial Development Bank. Investment in public utilities and construction is relatively small (D1.6 million), being hampered to some extent by a shortage of skilled manpower.

Finance for the development budget is expected to come largely from the United Kingdom, D11.3 million, out of a total of D21 million, while the I.D.A., for the first time, is expected to provide D 6.8 million, of which D4.4 million will go towards the Port Development Project. Local funds are expected to provide D2.45 million.

The flow of official funds to the Gambia from other Commonwealth countries, although higher than in 1970 remained small. Again, no grants were made, but loan disbursements from Britain, being exclusively for project aid, increased substantially. Investment funds, destined largely for the service industries, rose from near zero levels to £127,000.

Technical assistance expenditure by other Commonwealth countries recovered in 1971. Most of this assistance was again supplied by Britain, who provided fewer experts than in 1970, but increased its support for trainees and students. The experts were mainly engaged in education (24), power (11), agriculture (9), health and commerce. Of the trainees, most were trained by Britain under SCAAP arrangements, taking courses, in the main, in power, transport and communications, public administration and commerce. There was an appreciable rise in the number of student places supplied by Britain; Gambian students in Britain financed under SCAAP, C.E.C. and British Council programmes mainly studied education (35), social sciences (18), engineering (11) and agriculture (5).

In 1968 over £1 million of financial assistance were provided to the Gambia but by 1971 the gross figure was only a little over £30,000 and the net figure some £235,000. There has been no discernible trend in the level of technical assistance expenditure. However, the number of advisers and other experts provided has declined continuously in recent years but more trainees and students have been financed.

#### £ thousand

	T			Lc	ans			Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	oss	N	et	Gr	095	N	let		diture
	1970	1971	1 <b>9</b> 70	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain	-	Cr.151	230	333	183	263	-	127	-	125	167	274
Canada	-	-	-	-	-	-	-	-	-	-	16	4
Australia	-	-	-	-	-	-	-	-	-	-	15	11
New Zealand	-	-	-	-	-	-	-	-	-	-	2	1
India	-	-	-	-	-	-	-	-	-	-	-	(1)
Total	-	Cr.151	<b>23</b> 0	333	183	263	-	127	-	125	200	291

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	inees			Stu	dents	
Supplying Country	19	970	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	80	688	65	606	26	118	33	158	72	372	86	537
Canada	1	7	-	-	4	12	-	-	(5)	(23)	2	20
Australia	-	-	-	-	4	28	4	18	8	83	6	72
New Zealand	-	-	-	-	-	-	-	-	2	24	2	17
India	-	-	-	-	-	-	3	(6)	-	-	-	-
Total	81	695	65	606	34	158	40	182	87	50 <b>2</b>	96	646

			£th	ousand				Numbe	er and m	an-months fin	anced	
		Loan	S	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year	Grants	Gross	Net	Gross	Net	assistance		r experts Man-month <b>s</b>		Man-months		
1967	475	27		-	-	313	87	824	23	97	76	564
1968	14	1,007	1,004	-	-	195	82	747	31	154	72	507
1969	cr.132	780	761	-	-	300	78	727	32	136	73	541
1970	-	230	183	-	-	201	81	695	34	158	87	502
1971	cr.151	333	263	127	125	291	65	606	40	182	96	646

#### GHANA

The Ghana One year Development Plan (1970/71) aiming at a growth rate of 5 per cent, was disrupted by a severe set-back in 1971, when world cocoa prices slumped (cocoa being the mainstay of the economy, providing about 60 per cent of total exports). This resulted in a trade deficit of N 62.7 million and led to a massive 48.6 per cent devaluation of the cedi (readjusted upwards by 42 per cent in the following February). The pervasive problems of slow growth in agricultural output, shortages of foreign exchange and skilled labour remained, and this situation in no way assisted the position with regard to Ghana's large external debt. A minibudget introduced in February revised the import licensing system making it more restrictive and cut the current budget by C65 million by curtailing all projects which were not directly productive or essential. In the Governments' White Paper outlining economic policy for 1972-74, growth in the agricultural sector is heavily stressed with the object of becoming selfsufficient in essential foodstuffs (especially rice, sugar, maize and cassava); providing raw materials for industry (such as cotton, kenaf and oilpalm); and producing additional cash crops for export (pineapple, ginger, avocado, pepper): this is to be carried out under a special "Feed Yourself Operation". The Government is assisting production by waiving customs duty on agricultural machinery, reducing bank interest rates on agricultural loans and completing storage facilities begun earlier. Under this programme, the Government is also to make farm-land available to the unemployed in an attempt to redress the urban unemployment situation. The cocoa industry, under pressure from competitive producers such as Nigeria, is to be streamlined and expanded with new marketing headquarters in London. Other sectors of the economy to be expanded are forestry, mining, particularly bauxite and limestone, and tourism, which is being re-organised and a new five-year development plan for tourism is being implemented.

The flow of official Commonwealth aid to Ghana in 1971 rose to over  $\pounds 8$  million gross and  $\pounds 7.8$  million net (after allowing for repayments on earlier loans and investments). Over 90 per cent of the grant disbursements, which increased sharply, consisted of food aid from Canada, which also provided a further  $\pounds 74,000$  in grants and  $\pounds 695,000$  in loans towards project aid for electricity generation. The entire loan disbursements from Britain were devoted to non-project aid to finance current imports and programmes. Although still comparatively small, C.D.C. investments more than doubled over the previous year, concentrating solely on the manufacturing industries.

Technical assistance expenditure by other Commonwealth countries fell below the 1970 level, the main donors being Britain and Canada, with Australia, India and New Zealand contributing further by financing smaller numbers of trainees and students. Educational personnel provided by Britain and Canada accounted for much of the total assistance, although the numbers supplied (420) were fewer than in 1970 (457). Most of these experts were provided by Britain under BESS arrangements and by Canada under the SCAAP programme. The other non-educational exp.erts were employed in all sectors of the economy, with concentrations in agriculture, public administration, health and power, transport and communications. The number of trainees financed by Commonwealth countries also declined slightly; most of the trainees were financed under the British SCAAP programme in the field of social services, engineering, education and agriculture. However, student numbers rose appreciably and were mainly studying education, medicine, engineering, social sciences and agriculture.

Looking at the table covering the five year period, it is clear that grants have increased substantially in the most recent two years and by 1971 were around double the average for 1967-69. Loan disbursements have been substantial since 1968. The long-term upward trend in the value of technical assistance provided to Ghana was checked in 1971 but this did not affect the number of students financed which has risen continuously in recent years. The number of advisers and other experts provided and the total of trainees financed, which were at peak levels in 1969, have declined appreciably in subsequent years.

£ thousand

				Lc	ans			Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	oss	N	let	Gr	<b>355</b>	N	et		nditure
	1970	1971	1970	1971	<b>19</b> 70	1971	1 <b>9</b> 70	1971	1970	1971	1970	1971
Britain	-	-		5 <b>,61</b> 0	4,034	5,250	155	371	100	291	932	894
Canada Australia	1,044	1,510	525 -	752	525 -	725	-	-	-	-	<b>99</b> 0 57	897 66
New Zealand India	-	-	-		-			-	-	-	1 13	6 38
Total	1,044	1,510	4,925	6,362	4,559	6,002	155	371	100	291	1,993	1,901

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	nees			Stu	lents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	466	4,643	436	3,057	161	611	138	507	290	1,709	380	2,385
Canada	84	<b>83</b> 0	75	716	40	260	29	250	110	1,094	117	1,182
Australia	-	-	1	9	10	<b>3</b> 5	19	60	24	242	22	190
New Zealand	-	-	-	-	1	3	-	-	-	-	3	34
India	-	-	1	12	15	(30)	22	(44)	4	29	2	15
Total	550	5,473	513	3,794	227	(939)	208	861	428	3,074	524	3,776

			<u>£</u> th	ousand				Numbe	er and m	an-months fin	anced	
		Loar	15	Invest	ments	Technical		sers and	т	ainees	<b>C</b> +	udents
Year	Grants	<b>C</b>	N-4	6	Net	assistance	othe	r experts		amees	51	udents
				expenditure	Number	Man-months	Number	Man-months	Number	Man-months		
1967	740	30		-	-	1,144	525	4,709	173	(837)	271	(2,152)
1968	823	5,083	4,639	600	579	1,577	544	5,531	223	(1,068)	344	2,460
1969	769	4,824	4,458	-	-69	1,891	600	5,764	233	832	392	2,885
1970	1,044	4,925	4,559	155	100	1,993	550	5,473	227	(939)	428	3,074
1971	1,510	6,362	6,002	371	291	1,901	513	3,794	208	861	524	3,776

#### KENYA

The basic strategy of the Second Development Plan 1970-74 lies in creating a rapid expansion in rural incomes to offset the past imbalances between the relatively high urban and low rural incomes, which in turn, have led to increased urban unemployment. The public investment programme is geared to raising the standard of rural living by raising the levels of health and education services in rural areas, improving the secondary road system and the rural water and electricity supplies. The Plan envisages a real annual average growth of G.D.P. of 6.7 per cent, while allowing for a high population increase of some 3 per cent per annum. Trade and transport are expected to contribute over a quarter of this growth, while agriculture and manufacturing are both expected to contribute about 20 per Total gross fixed capital formation is expected to increase by an cent. average 9 per cent per annum to a total of £K682 million over the Plan period; of this, public investment should account for about one-third and will concentrate on providing basic infrastructure (particularly for transport) and social services. Almost half the combined private and public investment will be absorbed by transport and communications (20 per cent), manufacturing (15 per cent) and agriculture (12 per cent). Manufacturing output is expected to double over an eight-year period, although this growth will depend largely on the level of private investment. Tourism is also expected to expand rapidly and to achieve a doubling of its foreign exchange earnings over the Plan period.

Taxation will be used as an additional instrument to achieve a more equitable distribution of wealth between rural and urban areas, and at the same time, government aims to raise sufficient revenue to cover recurrent surplus so as to finance about 11 per cent of the planned public development expenditure. External aid is expected to make up about 50 per cent of the required plan finance, while the rest would be met from domestic borrowings.

Estimates for 1972/73 indicate that many of the planned growth targets may be exceeded. Real G.D.P. is expected to increase by as much as 8 to 10 per cent, with agricultural production growing by 15 per cent and manufacturing output increasing substantially following the high levels of investment recorded over the past year. Development estimates for 1972/73 anticipate expenditure to be well in excess of that planned.

In net terms, total financial assistance to Kenya provided by other Commonwealth countries amounted to only £1.6 million or less than a quarter of the total in gross terms (both net and gross totals being appreciably lower than those of the previous year). This was due to the very high level of reverse flows resulting from repayments of principal and interest on former loans and investments, which are currently running at well over £5 million Grant disbursements fell to a very low level, the entire British a year. grant being devoted to project aid for agriculture and education, while Canadian grant aid was largely non-project and concentrated on general Loan disbursements, also well below the 1970 level, reflected development. project support by the United Kingdom for agriculture, manufacturing, health education and power, transport and communications, and by Canada for community projects. Unlike loan and grant disbursements, the amount of capital invested was well above that of 1970, going mainly into electricity generation, manufacturing, agriculture and housing.

Technical assistance expenditure by other Commonwealth countries for Kenya was only a little lower in 1971 although outlays by Britain fell quite sharply. This was reflected in smaller numbers of advisers and other experts as the number of OSAS personnel fell further; most of these were engaged in the educational field concentrating on primary and secondary education (716 compared to 840 last year), while the numbers employed at university level remained unchanged from 1970. Non-educational personnel were employed in the same fields as in 1970, viz. power, transport and communications (155), public administration (101), agriculture (99) and health (75). The number of trainees showed little change, but their training pattern changed with the emphasis on public administration, industry, agriculture and health. Student numbers, particularly those financed by Britain, rose appreciably with the major fields of study being medicine (130), engineering (45), agriculture (44), and social sciences (29).

£ thousand

	1			Lo	ans		[	Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	oss	N	et	Gr	585	N	let		diture
	1970	1971	1970	1971	<b>197</b> 0	1971	1 <b>9</b> 70	1971	1970	1971	1970	1971
Britain	100	47 15	6,108	4,072 37	2,076	989 37	1,620	2,810	-91	538	3,271 732	2,891 1,010
Canada Australia	-	-	- 42	- 37	- 42	- 37	-	-	-	-	47	50
New Zealand India	-	-	-	-	-	-	-	-	-	-	10 <b>2</b> 0	5 23
Total	177	62	6,150	4,109	2,118	1,026	1,620	2,810	-91	538	4,080	3,979

Number and man-months financed in year

	Advi	sers and	other ex	perts		Trai	nees			Stu	lents	
Supplying Country	19	970	19	71	19	70	19	71	19	70	19	71
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	1,661	15,443	1,484	15,929	85	369	96	354	199	1,051	299	1,530
Canada	68	628	62	696	30	196	20	150	28	272	40	331
Australia	2	21	2	24	19	77	17	108	5	56	6	58
New Zealand	-	-	-	-	3	33	3	30	1	12	3	36
India	2	20	-	-	6	(12)	9	(18)	37	421	36	(393)
Total	1,733	(16,112)	1,548	16,649	143	(687)	145	660	270	1,812	384	2,,348

			£th	ousand				Numb	er and m	an-months fin	anced	
		Loar	ıs	Investi	ments	Technical		sers and	Тг	ainecs	St	udents
Year	Grants	Gross	Net	Gross	Net	assistance		r experts				
		91033	net	01033	net	expenditure	Number	Man-months	Number	Man-months	Number	Man-months
1967	265	3,627		1,965	••	(4,253)	1,985	16,564	168	(795)	(259)	(1,934)
1968	343	5,321	2,609	1,248	11	(4,753)	1,858	18,709	176	(813)	257	1,830
1969	782	4,818	1,951	2,465	1,061	3,549	1,879	18,451	144	594	259	1,909
1970	177	6,150	3,118	1,620	-91	4,080	1,733	(16,112)	143	(687)	270	1,812
1971	62	4,109	1,026	2,810	5 <b>3</b> 8	3,979	1,548	16,649	145	660	384	2,348

The total amount of financial assistance provided to Kenya by other Commonwealth countries reached a peak in 1969 but this was succeeded by a heavy fall. Over the five years, 1967 to 1971 technical assistance expenditure has fluctuated considerably. The number of advisers and other experts has shown an accelerating downward trend while that of trainees has changed very little since 1969 at a somewhat lower level than in preceding years. The total of students financed was comparatively steady between 1967 and 1970 but rose very sharply in 1971.

#### LESOTHO

Lesotho's First Five Year Plan 1970/71-1974/75, though primarily a public investment programme laying the foundation for future plans, treats as a priority the creation of new employment opportunities within Lesotho, since an estimated 45 per cent of the male labour force is employed outside the country in South Africa. A minimum annual growth of G.D.P. of 5 per cent is aimed at, of which the agricultural sector is expected to contribute 3.1 per cent per annum. By placing major emphasis on agriculture, the Plan aims at transforming the industry from a predominantly subsistence to a cash-crop basis, by increasing yields and shifting production towards more profitable crops; 23 per cent of the R28.8 million programme has been allocated to this sector. In order to create the necessary conditions for long-term development, over 58 per cent of the programme will be spent on expanding the country's social and economic infrastructure. Other development targets include the promotion of small-scale manufacturing and tourism and expanding appropriate education and training facilities, while ending the government's dependence on budgetary assistance from Britain by the end of the Plan period. An important project, expected to contribute significantly to the economy and to government revenue by the sale of water to South Africa, is the construction of the Malibamatso dam. Although revenue is expected to increase from these sales and from higher income from the Southern African Customs Union, nevertheless, the major source of finance for this programme is expected to be external aid and with this in mind the Plan emphasises the need for well prepared, sound development projects which aid donors can reasonably be expected to support.

Lesotho's 1972/73 budget was boosted by a larger share of revenue from the revised Customs Union Agreement which is expected to contribute R6.7 million out of a total estimated revenue of R11.6 million, thus allowing the government to substantially reduce its dependence on British grants-inaid to balance its budget. The budget deficit has been reduced to R700,000 or 6 per cent of net expenditure in 1972-73 (compared to R 6 million or 55 per cent in 1967). Of a total expenditure of R12.9 million, priority has been given to education (23 per cent) and agriculture (11 per cent).

The flow of official assistance from Britain, (Lesotho's sole Commonwealth donor in 1971), regained much of its former level after having been drastically reduced in 1970. There was a substantial rise in grants, the bulk of which were earmarked to finance projects relating to the social infrastructure, agriculture, transport and health. Loan disbursements, which form only a small proportion of total gross financial assistance, were down slightly on the previous year, but there was some investment, mainly in new housing.

£ thousand

	T			Lo	ans			Inv <b>e</b> s	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	055	N	et	Gr	055	N	let		diture
	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1 <b>97</b> 0	1971
Britain Canada Australia	348 12 -	2,620 - -	56 - -	44 - -	16 - -	4 - -	- -	116 - -	-	113 - -	249 93 9	274 108 12
Total	360	2,620	56	44	16	4	-	116	-	113	351	394

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	inees			Stu	dents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia	132 7 -	1,229 57 -	101 9 -	741 92 -	7 19 3	7 78 16	18 7 6	43 51 25	39 4 4	267 32 46	37 4 2	273 45 24
Total	139	1,288	110	833	29	101	31	119	47	345	43	342

			£ th	ousand				Numbe	er and m	an-months fin	anced	
		Loar	5	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year	Grants	Gross	Net	Gross	Net	assistance		r experts Man-months	Number	Man-months		Man-months
1967	3,538	278		-	-	267	133	1,090	54	274	83	517
1968	3,914	119	78	-	-	349	140	1,205	36	175	65	453
1969	3,337	91	50	-	-	365	130	1,115	44	163	58	386
1970	360	56	16	-	-	351	139	1,288	29	101	47	345
1971	2,620	44	4	116	113	394	110	833	31	119	43	342

Note: Financial flows for 1967 are at pre-devaluation rates.

Total technical assistance expenditure for Lesotho increased in 1971. However, there was a decline in the number of advisers and students financed by other Commonwealth countries. Most of the advisers and experts were OSAS personnel engaged in the fields of power, transport and communications, public administration and health, while half of the 30 educational personnel were employed in primary and secondary education. Although the number of trainees financed by Britain were doubled, those financed by Canada were halved, so that the total number of trainees showed only a slight increase on the previous year; these attended courses, in the main, in public administration, community development, and power, transport and communications. As in the previous year, the majority of students financed by other Commonwealth countries concentrated on law and education. The table giving figures for the latest five years shows that, leaving the very low flows of 1970 aside, that the total amount of financial assistance has been on a downward trend since 1968 while the technical assistance expenditure has shown an upward movement. The number of advisers and other experts showed only small changes until 1971, but that of students financed declined continuously and no clear trend is discernible for trainees.

### MALAWI

Estimates show that in 1971 the Gross Domestic Product grew in real terms by 13 per cent. There was a substantial expansion of agricultural output, mainly due to favourable weather conditions. All other sectors also attained accelerated rates of growth, the only exception being construction which was affected by the completion of a number of major projects. Exports increased by about 22 per cent in value, and total imports by about 12 per cent in value. External reserves increased by almost K1 million to K22.8 million.

In 1972/73 the Government's development expenditure is estimated at K31.3 million, with priority continuing to be given to agriculture, transport and communications. These together account for more than one-half of the total planned expenditure. Of the total planned development expenditure almost 70 per cent will be financed from external loans, 6.4 per cent from external grants and reimbursements, and the balance from internal resources. On the recurrent expenditure account, considerable progress has been achieved in reducing the need for budgetary aid from Britain, which is expected to come to an end in 1973.

Over a longer period, the official Statement of Development Policies for this decade aims to double the G.D.P. between 1970 and 1980 which would imply an increase of about 66 per cent in per capita income, taking into account an estimated population increase of 2.5 per cent per annum. The development strategy is based on a rapid expansion of agricultural output and stresses the role of specific development projects, particularly in the field of agricultural and rural education and land development.

Britan was again the main Commonwealth donor of official aid to Malawi in 1971. In addition to techinical assistance, Canada made available a loan, of C 16 million\* for the purchase of locomotives. Project aid from Britain continued to be spread throughout the field of agriculture, transport and communications, and social infrasturcture.

The majority of technical assistance specialists continued to be operational personnel engaged mainly in five fields - power, transport and communications, public administration, agriculture and health services. The number of operational personnel was a little higher than in 1970. The supply of primary and secondary teachers increased to ninety-five and that of university teachers to one hundred while there was some reduction in educational administrators and advisers. The most frequent fields of study by students remained Post Office telecommunications, education, medicine and social science, while for trainees they were public administration, power and transport. Expenditure on technical assistance provided to Malawi has fluctuated within comparatively narrow limits in recent years.

<sup>\*</sup> Figure since furnished by the Government of Malawi.

	[]			Lo	ans			lnves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	099	N	et	Gro	555	N	et		diture
	1970	1971	1970	1971	<b>19</b> 70	1971	1970	1971	1970	1971	1 <b>9</b> 70	1971
Britain	2,624	4,775	3,280	2,666	2,801	-1,796	120	575	- 508	8	1,685	1,742
Canada	- 1	-	-	125	-	125	-	-	] -	-	36	16
Australia	-	-	-		-	-	-	-	] -	- 1	47	55
New Zealand	-	-	-		-	-	-	-	-	-	4	5
India	- 1	- 1	-		-	-		-	-	-	2	(10)
Other Countries	-	-	-		•	-	-	-	-	-	(4)	-
Total	2,624	4,775	3,280	2,791	2,801	-1,671	1 <b>2</b> 0	575	-508	8	1,778	1,828

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	lnees			Stud	lents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	71
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	1,060	10,817	1,065	9,570	76	305	64	271	167	1,195	161	1,422
Canada	4	36	2	7	-	-	1	12	9	88	11	114
Australia	4	42	5	47	11	84	15	106	6	67	6	72
New Zealand	-	-	-	-	1	4	1	3	1	12	3	34
India	3	24	2	24	-	-	-	-	7	80	3	21
Other Countries	-	-	-	-	6	6	-	-	(2)	(24)	-	- '
Total	1,071	10,919	1,074	9,648	94	399	81	392	(192)	(1,466)	184	1,663

			£ th	ousand				Numbe	er and m	an-months fin	anced	
		Loar	19	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year	Grants	Gross	Net	Gross	Net	assistance		r experts Man-months	Number	Man-months	Number	Man-months
1967	4,200	2,751		310		1,508	1,097	(11,398)	93	429	(142)	(849)
1968	3,159	2,814	2,387	202	-237	1,802	1,115	11,042	78	423	163	1,127
1969	2,730	2,455	2,025	234	-388	1,825	1,101	10,939	78	382	171	1,313
1970	2,624	3,280	2,801	120	- 508	1,778	1,071	10,919	94	399	(192)	(1,466)
1971	4,775	2,791	-1,671	575	8	1,828	1,074	9,648	81	392	184	1,663

Note: Financial flows for 1967 are at pre-devaluation rates.

In 1971 technical assistance expenditure for Malawi recovered from the slight drop suffered in the previous year. The increase was largely due to substantial rises in the cost of financing students. Although the number of experts increased, they were, on average 'in the field for a shorter period than in the previous year. The majority of experts continued to be operational personnel engaged mainly in four fields - power, transport and communications, public administration, agriculture and health services. The number of operational personnel was a little higher than in 1970. The supply of primary and secondary teachers increased to 95 and that of university teachers to 100 while there was some reduction in educational administrators The number of students financed declined and the most frequent and advisers. fields of study remained engineering, education, medicine and social sciences, while for trainees, which also declined in number, they were public administration, power and transport.

Over the longer-term, the total of gross financial assistance from other Commonwealth countries was at its lowest level in 1969 but has since more than recovered. On the other hand, there appears to be an underlying downward trend in the net figure owing to heavy repayments of capital and interest payments on loans. Expenditure on technical assistance provided to Malawi has fluctuated within comparatively narrow limits in recent years.

#### MAURITIUS

Mauritius is heavily dependent on sugar for it and its by-products account for 90 per cent of crop production and 94 per cent of visible exports. In its long-term Development Strategy, covering the U.N. Development Decade 1970-1980, the Government aims at reducing this dependence, not by diminishing the importance of sugar, but by supplementing it with other highvalue export crops such as tea and tobacco; encouraging domestic production of imported foodstuffs such as rice, vegetables, groundnuts and livestock (by providing more extensive irrigated areas); and also by expanding manufacturing through the creation of Export Processing Zones, investment in which is being encouraged by generous fiscal incentives. Top priority is given in this Plan and in the shorter Four-Year Plan (1971-75), to reducing the high level of unemployment by creating new job opportunities in manufacturing industries (other than sugar and tea), agriculture, service industries and construction and public works. Tourism is also expected to become an increasingly important source of employment and foreign exchange. On the basis of these changes, the aim of the longer Plan is for full employment by the creation of 130,000 additional jobs by 1980. The shorter Four-Year Plan provides for the creation of 52,000 jobs, but more immediately, for the mopping up of the present unemployment under a special programme of labourintensive public works. Because of the size of this programme it is being administered by a newly established Development Works Corporation and is expected to be financed by external aid, rather than out of the recurrent budget.

Under the Development Plan (1971-75), combined private and public expenditure is expected to total some R1,200 million of which R400 million is to be met from external sources. Of the expected R515 million expenditure by the private sector, over half is expected to go to industry and just under 20 per cent to agriculture, while public investment will concentrate on infra-structural developments, particularly water, electricity, site developments for export producing industries and improving housing throughout the island.

The total flow of official funds to Mauritius, on both a gross and a net basis, showed a slight increase in 1971, the rise in loan disbursements more than offsetting a reduction in grant aid. A large proportion of the grants consisted of food aid from Britain and Australia, while the loan disbursements, provided solely by Britain, related to projects in the fields of transport, public buildings and communications. For the second year in succession there was no new investment and repayment commitments remained at the same level as in 1970.

Commonwealth technical assistance expenditure for Mauritius reached its former level, following a marked decline in 1970. Although the numbers of experts, advisers and trainees all rose, much of the increase in expenditure was accounted for by the rise in the number of students. Of the total experts and advisers, 24 were educational experts employed mainly at University level, while the non-educational personnel served in the fields of public administration, power, transport and communications and health. The trainees were largely financed by Britain with smaller numbers supported by India and Australia; the four major fields of study were public administration, social services, health and industry. The most popular

£ thousand

	T			Lo	ans			lnves	tments		Tashatasl	assistance
Supplying Country	Gr	ants	Gro	099	N	et	Gro	099	N	et		diture
	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain	698	598	801	894	461	530	•	-	-38	-38	194	211
Canada	-	1	-	-	-	-	-	-	-	-	27	18
Australia	-	71	-	-	-		-	-	-	-	15	17
New Zealand	-	-	-	-	-	-	-	-	-	-	1	9
India	-	-	-	-	-	-	-	-	-	-	20	43
Total	698	670	801	894	461	530	-	-	-38	-38	257	298

	Advi	sers and	other ex	perts		Tra	lnees			Stu	lents	
S <b>upplying</b> Country	19	70	19	71	19	70	19	71	19	70	19	071
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	59	482	53	491	32	129	40	153	97	524	161	1,078
Canada	1	8	1	12	1	12	-	-	8	56	5	49
Australia	-	-	-	-	4	17	5	<b>3</b> 5	6	58	6	46
New Zealand		-	-	- 1	- 1	-	-	-	7	84	10	103
India	14	(53)	22	(224)	7	(14)	18	(46)	53	555	55	606
Total	74	(543)	(76)	(727)	44	(172)	63	(234)	171	1,277	237	1,882

Number	and	man-months	financed	in year

[			£ the	ousand				Numbe	er and m	an-months fin	anced	
		Loar	15	Invest	ments	Technical		sers and r experts	Tr	ainees	St	udents
Year	Grants	Gross	Net	Gross Net	assistance			Number	Man-months	Number	Man-months	
1967	798	570		<b>22</b> 5		(260)	95	888	51	(200)	99	(868)
1968	2,166	1,535	1,211	-	-50	(297)	85	754	34	(181)	116	1,004
1969	1,110	353	15	233	184	293	68	5 <b>9</b> 4	42	(170)	119	1,065
1970	698	801	461	-	- 38	257	74	(543)	44	(172)	171	1,277
1971	670	894	530	-	- 38	298	(76)	(727)	<b>6</b> 3	234	237	1,882

Note: Financial flows for 1967 are at pre-devaluation rates.

courses undertaken by students were medicine (64), engineering (56), the humanities (29), and education (19).

The amount of financial assistance provided by way of grants has declined markedly since 1968 while loan disbursements have risen from the low level of 1969, which offset the exceptionally high figure for the preceding year. Apart from 1970, the expenditure on technical assistance by other Commonwealth countries, has been of the order of  $\pounds 290 - \pounds 300,000$  per annum in recent years. While the numbers of both trainees and students financed have been showing an upward trend, the total for advisers and other experts is still appreciably lower than in 1967-68.

#### NIGERIA

The Second National Development Plan (1970-74) forecasts progressively accelerating growth rates of output, income and employment. The growth rate of G.D.P. is expected to increase from 6.6 per cent per annum during the first four years to 9.5 per cent in 1974, and the success of the Plan's policies will mean a doubling of real per capita income by 1985. The largest share of public capital expenditure is devoted to transport which receives almost a quarter of the total £N1,025 million, mainly for road and rail reconstruction, while education receives 14 per cent and agriculture only slightly less - to be used for irrigation schemes, the establishment of a National Agricultural Bank and appropriate research. The planning of industrial projects will be closely integrated with projects for modernising agricultural production and, as a matter of public policy, the iron and steel complex, the petro-chemical industries, fertiliser production industries and petroleum production industries (especially for local distribution) will be reserved for effective direct public sector control. Other large and medium scale industries are to be run as mixed ventures with government and local private participation at a minimum level of 35 per cent. Nigeria aims at self-sustained growth to reduce reliance on foreign aid, by eliminating foreign dominance in the economy. To this end, government will seek to acquire equity participation in a number of strategic industries.

According to the First Progress Report on the Plan, many of the targets are being successfully met, although actual growth has been one-sided, originating almost entirely from the oil industry, estimated to have contributed about 50 per cent of the growth during 1971/72. The G.D.P. growth rates for 1970/71 and 1971/72 were 9.6 per cent and 12 per cent, The G.D.P. almost double the projected rates, but price increases of over 6 per cent per annum (compared to the assumed level of 1.5 per cent per annum) have eroded these gains. However, the actual rate of capital formation increased faster than the Plan estimated, due to a marked increase in domestic savings, which formed 90 per cent of total savings. Despite the fact that government expenditure was higher than that estimated, this was more than offset by a large rise in government revenue resulting from greatly increased oil revenues. Agriculture, which received only about 8 per cent of total investment during 1971-72 (compared to 60 per cent for machinery and equipment mainly for oil) remained stagnant, thus creating a widening in the The Government is to take a controlling interest urban-rural income gap. in commercial and industrial enterprises and an Enterprise Promotion Decree, published early in 1972, gives a list of enterprises banned from foreign ownership, and ensures that others have a 40 per cent Nigerian equity participation. Unemployment remains a problem with 4.5 million unemployed, compared with the Plan's assumption of only 0.5 million new jobs, while the lack of skilled manpower is causing bottlenecks in the Plan's implementation.

In its 1972-73 budget, with an increased surplus on the budgeted current account originating from vastly increased oil revenues, the Government is increasing the allocation to its capital budget to  $\pounds N$  200 million out of an estimated total of  $\pounds N$  238 million, the remainder will be made up from limited domestic and external borrowings. Major sectoral allocations are for transport, mainly road construction ( $\pounds N$  70 million),

£ thousand

Number and man-months financed in year

<u> </u>	T			Lo	ans			Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	055	N	et	Gre	055	N	et		nditure
	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain	2,847	1,952	5,657	2,472	1,664	-1,450		1,060	201	-240	1,499	1,614 890
Canada Australia	637 117	923	888 -	3,702	880 -	3,535	-	-	-	-	997 66	56
New Zealand	-	-	-		-		-	-	-	-	10	4
India	-	6	-		-		-	-	-	-	31	24
Total	3,601	2,881	6,545	6,174	2,544	2,085	1,027	1,060	201	-240	2,603	2, 588

	Advi	sers and	other ex	perts		Tra	nees			Stud	lents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	71
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	1,275	11,988	1,233	10,166	309	963	312	1,162	492	2,506	700	4,012
Canada	93	801	78	700	65	482	57	532	78	666	105	889
Australia	-	-	-	-	37	173	31 -	133	8	82	9	91
New Zealand	-	-	- 1	-	1	12	-	-	12	144	8	58
India	1	6	-	-	44	(88)	33	78	28	<b>29</b> 7	27	276
Total	1,369	12,805	1,311	10,866	456	(1,718)	433	1,905	618	3,695	849	5,326

			£ th	ousand				Numbe	er and m	an-months fin	anced	
V	C	Loar	15	Invest	ments	Technical		sers and r experts	Tr	ainees	St	udents
rear	┼┼	Gross	Net	Gross	Net	assistance expenditure		Man-months	Number	Man-months	Number	Man-months
1967	1,166	3,085		279		(2,326)	2,286	18,275	390	(1,730)	(484)	(3,749)
1968	1,384	4,174	1,329	31	-538	(2,222)	1,546	10,423	324	(1,549)	493	3,298
1969	2,619	2,383	-1,251	24	-785	2,820	1,434	13,096	349	(1,343)	532	3,450
1970	3,601	6,545	2,544	1,027	201	2,603	1,369	12,805	456	(1,718)	618	3,695
1971	2,881	6,174	2,085	1,060	-240	2,588	1,311	10,866	433	1,905	849	5,326

Note: Financial flows for 1967 are at pre-devaluation rates.

agriculture ( $\pounds$ N 20 million), trade and industry ( $\pounds$ N 19 million) and education ( $\pounds$ N 10 million).

The amount of gross financial assistance provided by other Commonwealth countries to Nigeria remained at a high level in 1971, although slightly less than in the previous year. There was a reduction in grant and loan disbursements from Britain, but an appreciable increase in those from Canada. In net terms, however, there was a noticeable decline in total assistance due to larger reverse flows resulting from amortization and interest payments on past loans and investments, mainly to Britain. A large proportion of the grant provided by Britain was for relief and rehabilitation following the ending of the civil war, while the bulk of the Canadian grants was devoted to food aid and education. Loan disbursements from Britain were concentrated on communications projects, which were supported to a lesser extent by Canada, most of whose loan disbursements, totalling over £3 million, was provided for non-project, general development.

Expenditure on technical assistance by other Commonwealth countries was a little lower than in 1970 and although there was a drop in the number of experts and trainees financed by Commonwealth countries, this waslargely offset by increased expenditure on students whose numbers rose sharply due to the higher number of places offered by Britain. Educational personnel totalling some 762, or more than half the total of experts supplied, were concentrated on university and higher education (387) and to a lesser extent on primary and secondary education (137). The distribution of non-educational personnel remained almost unchanged, the main fields being power, transport and communications (224), health (106), agriculture (72) and public administration (72). There was a small reduction in the number of persons being trained, although the same courses of training were taken as in 1970, namely public administration, power, transport and communications, health, education and agriculture. The main subjects for students continued to be education, social sciences, medicine, engineering and agriculture.

In the three years 1967 to 1969, the gross financial flows to Nigeria from other Commonwealth countries averaged about £5 million but in the two most recent years this figure was doubled. The value of technical assistance provided by other Commonwealth countries has fallen from the 1969 peak. The number of advisers and other experts has shown a downward trend over the five year period whereas the number of students financed has increased markedly as did the total of trainees until the setback in 1971.

#### SIERRA LEONE

In 1971 the economy of Sierra Leone experienced both slow growth and rising prices, closely following its 1970 course. One of the major causes of slow growth was the decline in exports which was largely attributed to a fall in demand for diamonds. Agricultural exports also declined with falling world prices for the country's major exports and a fall in production of palm kernels. The decline in imports was not as sharp as that in exports and the trade balance deteriorated considerably. The apparent increase in reserves largely reflected the second SDR allocation.

The Government continues to give high priority to agricultural development so as to achieve an even distribution of rural incomes, selfsufficiency in foodstuffs, particularly rice, and increased earnings from agricultural exports such as cocoa, coffee and palm kernels. While preparations for a national development plan are continuing, a Ten-Year Development Plan for agriculture has been formulated by the FAO under a UNDP scheme and is being examined by the Government. The total cost of the Plan over the period 1971-1980, is estimated to be Le26.8 million of which the public sector is expected to contribute just under 50 per cent.

Much of the development finance in recent years has been utilised in the implementation of the five-year road programme which is due to be completed in 1974. The various projects under this programme are progressing satisfactorily and are being accompanied by a gradual phasing-out of the somewhat antiquated railway system. In the development estimates for 1971/72 an effort was made to rationalise the inter-sectoral allocation of the available resources with a relatively smaller provision for transport. About 46 per cent of the total development expenditure was expected to be financed from foreign grants and loans.

Loans from Britain were the only financial assistance received by Sierra Leone from other Commonwealth countries and, because of principal and interest payments on earlier loans, there continued to be a net outflow on funds. However, the increase in official loans and a small fall in repayments in respect of the C.D.C. investments reduced the net outflow

 $\hat{\mathbf{L}}$  thousand

	T			Lo	ans			Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	oss	N	et	Gr	055	N	let		nditure
	1970	1971	1970	1971	1970	1971	<b>197</b> 0	1971	1970	1971	1970	1971
Britain	-	-	515	658	-70	22	-	-	-197	-185	417	353
Canada	-	-	-	-	-	- 1	-	-	-	-	15	10
Australia	-	-	-	-	-	-	-	-	-	-	23	16
New Zealand	-	-	-	-	-	-	-	· ·	-	-	2	1
India	-	-	-	-	-	-	-		-	-	2	-
Total	-	-	515	658	-70	22	-	-	- 197	- 185	459	380

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	inees			Stu	dents	
Supplying Country	19	970	19	71	19	70	19	71	19	70	19	71
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	219	1,956	223	2,031	58	212	61	275	176	1,002	239	1,422
Canada	-	-	-	-	1	1		-	9	47	7	41
Australia	-	-	-	-	7	37	6	54	7	75	5	31
New Zealand	-	-	-	- 1	1	4	-	-	1	9	1	12
India	-	-	-	-	-	-	-	-	-	-	-	-
Total	219	1,956	223	2,031	67	254	67	329	193	1,133	252	1,506

			£ th	ousand				Numbe	er and m	an-months fin	anced	
		Loar	s	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year	G <b>r</b> ant <b>s</b>	Gross	Net	Gross	Net	assistance		r experts Man-months	Number	Man-months	ļ	
1967	30	547		155		410	313	2,611	79	(329)	157	1,001
1968	4	383	-211	-	-187	440	264	2,501	70	(329)	172	1,130
1969	- 1	544	-42	-	-217	442	230	2,120	67	(282)	184	1,182
1970	-	515	- 70	-	-197	459	219	1,956	67	254	193	1,133
1971	-	<b>6</b> 58	22	-	-185	380	223	2,031	67	329	252	1,506

from  $\pounds 267,000$  to  $\pounds 163,000$ . The greater part of the loan assistance was devoted to the transport sector.

Technical assistance expenditure for Sierra Leone was somewhat lower than in 1970. The number of advisers and experts, and students financed went up while the number of trainees remained unchanged. The man-months financed in each category, particularly for the students, increased in 1971. Educational personnel whose number increased by 8 to 152 represented 68 per cent of all advisers and experts. Among the non-educational personnel there was increased concentration in the field of power, transport and communications which accounted for more than half the total in this category with significant numbers in public administration and health services. Public administration was also the most prominent area of study for trainees with smaller concentrations in the fields of power, transport and communications, health services and education. A relatively large concentration of students occurred in the field of education with the remainder being fairly evenly spread between social sciences, economics, medical sciences and fine arts.

The table giving details of assistance over the five years 1967 to 1971 shows that all the financial flows since 1968 have been loan disbursements and that in each year, after allowing for amortization and interest payments, there has been a net outflow of funds. The value of technical assistance provided by other Commonwealth countries has been growing slowly but was substantially reduced last year. The downward trend in the total of advisers and other experts was checked in 1971 but the number of trainees financed has shown little change in recent years. On the other hand, there has been an upward trend for many years in the number of students financed.

#### SWAZILAND

The Post-Independence Development Plan (1969/70-1973/74) recognise the major dilemma of raising living standards of a population with over 75 per cent dependent on subsistence agriculture (maize, animal husbandry), while at the same time attempting to aim at budgetary solvency, when the creation of a taxable capacity must inherently be a lengthy process. In the past, Swaziland has received substantial budgetary support for both its recurrent and capital programmes from British grants-in-aid. One of the major tasks under the Plan is to mobilise foreign capital funds for the public investment programme and to stimulate private capital imports. The availability of finance and the conditions under which it is obtained will affect the implementation and composition of the present capital programme which is only partly financed. Nevertheless, the Plan aims at raising living standards quickly (while allowing for a continued high population growth of some 3 per cent per annum), by exploiting the country's mineral resources of asbestos, iron ore and coal, and a rapid transition in agriculture from a subsistence to a cash economy. The Government will take an active part in land use planning, development and settlement schemes, and intends to buy land for resale to relieve shortages of land in The public investment programme provides for an even Swazi areas. distribution of investment into infrastructural projects such as roads (17.4 per cent) and power (12.2 per cent) with further emphasis on education (14.3 per cent) and housing (12.1 per cent) while agriculture and industry are to receive 13.9 per cent and 10.8 per cent respectively. Private

investment is expected to concentrate on industrial and commercial development and the Government is encouraging further foreign capital into agriculture, mining and industry by providing substantial tax incentives.

In the 1972/73 budget, a capital fund of R 10 million is planned of which R4.7 million is expected to be obtained from Britain while R2.75 million will be met by Swaziland's surplus revenue, arising from the greater share of the South African Customs Union receipts. The largest share of the capital is to go to the agricultural sector (31 per cent) followed by education (15 per cent) while about 10 per cent is earmarked for mining, industry and commerce.

Despite a doubling of loan disbursements, total gross financial assistance to Swaziland from Britain fell for the second consecutive year and was under one-third of the 1970 figure. Most of this

£ thousand

Supplying Country				Lo	ans			Inves	tments		Technical	assistance
	Gr	ants	Gre	oss	N	et	Gro	055	N	et		diture
J	1970	1971	1970	1971	<b>19</b> 70	1971	1970	1971	1970	1971	1970	1971
Britain	839	<b>Cr.1,406</b>	715	1,463	457	1,205	1,124	900	-1,257	-2,409	452	505
Canada	-	1	-	-	-	-	-	-	-	-	19	16
Australia	-	-	-	-	-	-	-	-	-	-	9	5
New Zealand	-		-	-	-	-	-	-	-	-	-	2
India	-	-	-	-	-	-	-		-	-	1	(1)
Total	839	C <b>r.1,</b> 405	715	1,463	457	1,205	1,124	900	-1,257	-2,409	481	529

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	in <b>ee</b> s			Stu	lents	
Supplying Country	19	970	19	971	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	231	2,082	235	2,184	24	92	18	47	38	215	50	246
C <b>a</b> nada	-	-	-	-	18	101	9	89	-	-	-	-
Australia	-	-	-	-	4	16	2	9	2	11	1	11
New Zealand	-	-	-	-	-	-	2	24	- 1	-	-	-
India	-	-	-	-	-	-	-	-	4	48	2	24
Total	231	2,082	235	2,184	46	209	31	169	44	274	53	281

			£th	ousand				Numbe	er and m	an-months fin	anced	
		Loar	ns	Invest	ments	Technical		sers and	Tr	ainces	St	udents
Year	Grants	Gross	Net	Gross	a la	assistance		r experts Man-months			·	Man-months
											ł	
1967	2,517	248		1,273		401	183	1,889	36	173	46	296
1968	2,231	501	272	625	- 664	339	216	1,953	34	234	54	289
1969	2,881	380	134	742	-728	391	208	2,025	52	198	43	331
1970	839	715	457	1,124	-1,257	481	231	2,082	46	209	44	274
1971	ùr 1,405	1,463	1,205	900	-2,409	529	235	2,184	31	169	.53	281

reduction was caused by the refund of over-issues on grants in the previous year since the increased revenue arising from Swaziland's revised Customs Union Agreement with South Africa, are progressively eliminating the need for budgetary aid. Investment levels were also lower than in 1970, and there were large reverse flows resulting from capital and interest repayments on former C.D.C. investments; these doubled over the previous year. Consequently, there was net outflow of about £2.6 million from Swaziland in 1971.

Technical assistance expénditure by other Commonwealth countries rose in 1971, reflecting greater expenditure by Britain which provided increased numbers of OSAS personnel and offered significantly higher numbers of student places to Swaziland. Most of the educational personnel were teachers employed in primary and secondary education, while noneducational personnel were employed, as in 1970, in the fields of public administration (49), power, transport and communications (30) and agriculture (27). Trainee numbers fell appreciably compared with 1970 with the most popular courses continuing to be in public administration and in industry, mining and handicrafts. The number of students financed by other Commonwealth countries, particularly Britain, rose appreciably with studies being concentrated in education and to a lesser extent in agriculture, law and social science.

It is clear from the table showing assistance provided to Swaziland in the five years 1967 to 1971 that gross flows of financial aid have been sharply reduced and, with high payments of amortization and interest, the net figure which was very small in 1970 became a large negative one in the succeeding year. On the other hand, the value of technical assistance provided to Swaziland has shown an upward trend which has been reflected in a corresponding movement in the number of advisers and other experts. The number of trainees financed reached a peak in 1969 but has since declined while that of students shows no clear trend.

#### TANZANIA

In 1971 the economy of Tanzania suffered from severe droughts which reduced the country's capacity to earn foreign exchange. Development investments, which continued at a high level throughout 1971, and the need for large imports of foodstuffs and sugar resulted in an 18 per cent increase in imports. The overall trade balance, which had moved into a deficit in 1970 from a modest surplus in 1969, showed a much bigger deficit in 1971. However, it is notable that in 1971, 40 per cent and 35 per cent of all imports were composed of capital and intermediate goods respectively. Despite increased assistance from foreign countries and more effective control over leakages, Tanzania's foreign exchange reserves have declined since 1969.

The Second Five-year Plan (1969/74), which aims at a growth rate of 6.5 per cent per annum, laid heavy emphasis on expenditure in the field of transportation and communications. However, the latest Annual Plans and the mid-term review of the Second Plan have stressed the need for alternative courses which would channel more resources to directly productive sectors. A number of institutional changes including the creation of the Tanzanian Rural Development Bank, are aimed at stimulating a small-scale industry and formulating agricultural projects in livestock, dairy, tea, tobacco, cotton, etc. In the immediate future, the heavy commitments to the ongoing capital intensive projects will, however, make it difficult to modify priorities to any significant degree.

The development estimates for 1972/73 have budgeted for a 26 per cent increase in expenditure, excluding the unfunded group B projects and the local expenses of Tanzan railway to be financed from Chinese commodity credits. Of the total development budget of Sh.1,171 million, about 44 per cent will come from locally identified resources and the balance will be financed from external sources. The cost of servicing the Government's external debt for 1971-72 was estimated to be about 5.2 per cent of export earnings. If debts contracted by the parastatal agencies and the private sector and Tanzania's share of the East African Community's debts are taken into account, the present debt servicing ratio is probably of the order of 8 per cent of export earnings.

£ thousand

	1			Lo	ans			Inves	tments		Techater	l assistance
Supplying Country	Gr	ants	Gre	055	N	et	Gro	<b>355</b>	N	let		nditure
	1970	1971	1 <b>97</b> 0	1971	1970	1971	1 <b>9</b> 70	1971	1970	1971	1970	1971
Britain		8	-	-	- 582	-471	238	715	-605	23	1,792	1,405
Canada	50	259	162	670	162	670	-	-	-	-	929	1,170
Australia	-	-	-	-	-	-	-	- 1	-	-	35	33
New Zealand	-	-	-	-	-	-	-	-	-	- 1	2	1
India	-	-	-	-	-	-	-	-	-	-	17	15
Total	50	267	162	670	-420	199	238	715	-605	23	2,775	2,624

	Advi	sers and	other ex	perts		Tra	inees			Stu	dents	
Supplying Country	19	970	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	385	2,884	161	822	17	42	17	73	65	252	65	448
Canada	94	813	123	1,240	52	499	39	424	32	291	29	309
Australia	-	-	-	-	13	74	19	108	7	34	3	34
New Zealand	-	-	-	-	-	-	1	1	2	23	1	9
Indi <b>a</b>	-	-	1	12	14	(28)	22	64	21	213	14	158
Total	479	3,697	285	2,074	96	(643)	98	670	127	813	112	958

Number and man-months financed in year

			£th	ousand			Number and man-months financed							
Year	Grants	Loar	19	Invest	ments	Technical		sers and	Tr	ainees	Students			
		Gross	Net	Gross	Net	assistance		r experts		-				
		01033 1121		Gross Net		expenditure	Number	Man-months	Number	Man-months	Number	Man-months		
1967	258	599		3		1,338	· 936	9,915	192	(1,101)	277	(2,189)		
1968	99	458	-12	66	-555	2,438	833	7,244	125	(915)	198	1,517		
1969	54		-500	43	-1,055	2,377	628	5,522	109	615	99	855		
1970	50	162	-420	238	- 605	2,775	479	3,697	96	(643)	127	813		
1971	267	670	199	715	23	2,624	285	2,074	98	670	112	958		

There was a marked increase in gross financial assistance to Tanzania from Commonwealth countries which rose from £450,000 in 1970 to nearly £1.7 million in 1971 with the result that a net outflow of almost £1 million in 1970 was transformed into a net inflow of £489,000 in 1971. A large part of the increase was supplied by grants and loans from Canada while British C.D.C. investments increased by £477,000. Most of the Canadian grant disbursements were for social infrastructure and general development while loans from that country were concentrated on agriculture and communication development. C.D.C. investments were more widely spread than in previous years with significant allocations for agriculture, industry, housing and multi-project sectors.

There was a reduction in technical assistance expenditure provided by Commonwealth countries to Tanzania in 1971 as the number of experts and advisers fell for the third successive year. The decline was much steeper than in the previous year with a substantial fall in operational personnel from 132 to 29; it was particularly noticeable in agriculture and in power, transport and communications, while operational personnel were no longer provided for public administration, economic planning and social services. The number of educational personnel also fell from 312 to 198, the biggest reduction being in the supply of primary and secondary school teachers. There was little change in the number of trainees with the major fields being industry, mining and handicrafts, power, transport and communications and agriculture. The total of students declined but continued to be more or less evenly divided between education, engineering, social sciences and medical sciences.

As the five year table shows the gross value of financial assistance provided by other Commonwealth countries to Tanzania declined until 1971 when there was a dramatic increase. As there are heavy amortization and interest payments, there were substantial outflows on a net basis, apart from 1971. No clear trend is apparent for technical assistance expenditure but the level fluctuates around a higher level than hitherto. The number of advisers and other experts has shown a very marked downward trend, the 1971 total being well under a third of that for five years earlier. A similar movement has been recorded for trainees financed with the latest figure about half that for 1967 while the number of students financed also shows an underlying decline.

#### UGANDA

During the Second Plan (1966-71) period, the gross domestic product is estimated to have grown by less than 4 per cent per annum compared to the Plan target of 6.3 per cent. While the subsistence sector showed a growth rate broadly in line with the Plan target of 2.2 per cent, almost all sectors of the monetary economy lagged behind the targets. Uganda's Third Development Plan envisages an annual growth rate of 3.6 per cent in the subsistence sector and 5.6 per cent in the monetary sector over the five years to mid-1976, by which time the monetary sector is expected to contribute 72 per cent of the total output. Agricultural production in the monetary sector is planned to grow by 4.8 per cent per annum with diversification, particularly emphasising livestock production, being an essential feature, although a greatly increased cotton crop is also envisaged. It is hoped that industrial production will enjoy the highest rate of growth amounting to 7.6 per cent. The objectives of the Plan include the promotion of a more equitable distribution of incomes, particularly through investments in rural development; the generation of more jobs; and the Ugandanisation of the economy in the most rapid and orderly fashion possible. A total fixed investment of Sh.7,700 million has been estimated for the Plan period with the Government contributing 51 per cent.

In 1971 Uganda's gross domestic product increased in real terms by 2.1 per cent compared with 3.1 per cent in the previous year as drought conditions affected the production of main export commodities. However, domestic expenditure, particularly Government spending, grew extremely rapidly, bringing about a 45 per cent increase in total imports for the year. As the value of exports in 1971 was nearly 7 per cent below the 1970 level due to lower commodity prices and the effects of the drought, the visible trade surplus showed a marked decline. Foreign exchange reserves were eroded to an unusually low level leading to the imposition of drastic corrective measures late in the year.

After a substantial increase in the previous year, the gross official aid provided by other Commonwealth countries to Uganda in 1971 fell by  $\pounds756,000$  to  $\pounds1.9$  million. Although there was some increase in the Canadian grant aid and in the C.D.C. investments, the gross flows declined due to a sharp cutback in the disbursements of British loans. Smaller repayments of principal and interest, however, meant that the fall in net financial inflows was not as great as in gross flows. Transport and education remained important recipient sectors though agriculture received most assistance in 1971, including a Canadian grant of  $\pounds17,000$ .

There was a significant increase in the technical assistance expenditure for Uganda in 1971 which mainly reflected the rise in the number of students financed. The number of experts and advisers also expanded slightly but there was a considerable fall in the average man-months financed in this category. In contrast with the previous year, there was a substantial increase in educational personnel from 927 to 1,099. The primary and secondary teachers increased by 40 to 143 but a relatively higher increase took place in the university and higher educational sector in which the number rose from 63 to 171. The number of non-educational personnel declined as a large reduction in operational personnel occurred in all the major sectors i.e. public administration, power, transport and communications, industry and mining, agriculture and health services which together account for most of the personnel in this category. Advisers and personnel in other sectors showed small increases. There was a further decline in the number of trainees financed and small concentrations occurred in public administration, power and transport, industry, mining and handicrafts, trade and banking, agriculture, health and education. More students were financed in 1971 with a continuing emphasis on medical sciences, social sciences, agriculture and education.

Looking at the five years 1967 to 1971, the gross flows of financial assistance provided to Uganda by other Commonwealth countries rose from the low level recorded in 1968 but in 1971 dropped back to the 1969 figure. Whereas in both 1968 and 1969 there was an outflow on a net basis, in the past two years there has been a small net inflow. The downward trend in technical assistance expenditure was checked in 1971, while the number of advisers and other experts provided has been around 1,500 in the past three years. There has been a downward trend in the number of trainees financed but student numbers have risen sharply from the low level to which they fell in 1969.

<u>**£**</u> thousand

	T			Loans				lnves	tments	Technical assistance expenditure		
Supplying Country	Grants		Gross		Net		Gross		Net			
	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain	-	-	2,226	1,575	682	99	102	112	-248	- 89	2,024	2,342
Canada	4	119	311	81	311	81	-	-	-	- 1	411	472
Australia	-	-	-		-		-	-	-	-	50	48
New Zealand	-	-	-		-		-	-	-	- 1	5	7
India	-	-	-		-		-	-	-	-	12	(19)
Total	4	119	2,537	1,656	993	180	102	112	- 248	-89	2,502	2,888

	Advi	sers and	other ex	perts		Tra	inees		Students				
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	971	
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	
Britain	1,446	14,810	1,439	13,351	112	435	78	314	263	1,502	384	2,319	
Canada	41	400	51	433	28	139	19	135	31	277	56	395	
Australia	2	20	2	10	22	149	22	166	3	25	8	82	
New Zealand	-	-	1	8	1	12	1	3	5	58	3	29	
India	-	-	1	12	8	(16)	18	41	33	342	29	324	
Total	1,489	15,230	1,494	13,814	171	(751)	138	659	335	2,204	480	3,149	

Number and man-months financed in year

			£th	ousand			Number and man-months financed							
Year	Grants	Loan	s	Invest	ments	Technical		sers and	Tr	ainees	Students			
		Gross	Net	Gross	Net	assistance		r experts Man-months		Man-months				
1967	14	3,380		180		1,790	1,824	15,983	189	(956)	354	(2,618)		
1968	25	990	-185	495	37	2,792	1,382	14,010	191	(879)	330	2,391		
1969	5	1,617	137	272	-198	2,601	1,529	14,812	182	827	315	2,309		
1970	4	2,537	993	102	-248	2,502	1,489	15,230	171	(751)	335	2,204		
1971	119	1,656	180	112	-89	2,888	1,494	13,814	138	659	430	3,149		

#### ZAMBIA

Zambia's First National Development Plan (1968-1970) continued into 1971. A review of this plan shows that the G.D.P. growth rate fell just short of the target, 10.6 per cent compared to the planned figure of 11.7 per cent per annum. However, much of this growth was attributable to high world copper prices obtaining during the period, for excluding this effect, the annual growth rate was only about 6 per cent. (Mining and quarrying form the largest sector of the economy, with copper contributing over 40 per cent of G.D.P. and about 90 per cent of foreign exchange earnings). Actual output of copper fell far short of the Plan target. Performance in the agricultural sector was also disappointing, but the manufacturing sector exceeded expectations with industrial productivity increasing by some 20 per cent each year. Total expenditure during the First Plan period exceeded the planned outlay by 37 per cent although recurrent expenditure, boosted by sharp increases in subsidy payments, accounted for a large proportion of this increase. However, gross fixed capital formation almost trebled over the period with the Governments' share rising from 19 per cent in 1965 to between 26 and 30 per cent by the end of the Plan period.

In Zambia's Second National Development Plan (1972-1976), expansion in agricultural production is given top priority, with the aim of improving the income and nutritional standards of the population, providing import substitution of foodstuffs (particularly maize) and industrial raw materials, and expanding economically justified exports like oil seeds and tobacco. To assist this expansion, special Intensive Development Zones are to be established to concentrate public services and investment for the integrated development of rural areas and to enable farmers in these areas to adopt modern agricultural practices so as to continue the transition from a subsistence to a cash economy. In the mining sector, the volume of copper production, which remained stagnant during the First Plan, is expected to rise by 39.5 per cent during the Second. Expansion in the output of other minerals is also forecast, while in the manufacturing sector, the value of gross output is projected to more than double over the period. Important projects provided for during the Plan include a substantial increase in power generation, the construction of the Tanzam Railway, expansion of the tourist industry, education, health and housing.

The Second Plan envisages an annual G.D.P. growth rate of 6.8 per cent, which will enable real per capita G.D.P. to rise from K246 in 1971 to K300 by 1976, while allowing for a high population growth of 2.9 per cent per annum. Over the whole of the Plan period, private expenditure is expected to total some K685 million, while total Government expenditure is estimated at K2,851 million, just under half of which has been allocated to projects and programmes on both capital and recurrent account, while the remainder is for committed recurrent expenditure. Finance from foreign borrowings (K348 million) and from budgetary resources and domestic borrowings is expected to total K2,456 million leaving a gap of K153 million to be covered from appropriate budgetary and non-budgetary sources.

Gross financial assistance to Zambia rose substantially in 1971, reflecting sharp rises in British C.D.C. investments particularly in transport, mining and manufacturing. Grant assistance from Canada supported education, while most of Canada's loan disbursements concentrated on transport. Repayments of principal and interest on former loans and investments continued at a high level; these payments are currently running at over £880,000

	1			Lo	ans			Inves	tments		Tashadaal	assistance
Supplying Country	Gr	ants	Gr	055	N	et	Gre	055	N	et		diture
	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain Canada Australia New Zealand India	38 25 - -	- 121 - -	- - -	- 187 - -	- 269 - - - -	-302 187 - -	7 - - -	1,576 - - - -	-374 - - -	992 - - -	2,524 207 88 7 9	3,842 264 68 7 (15)
Total	63	121	-	187	- 269	-115	7	1,576	-374	992	2,835	4,196

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	inees			Stu	dents	
Supplying Country	19	970	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	3,626	37,595	3,414	33,703	72	227	84	292	95	533	84	514
Canada	13	117	28	245	9	88	8	94	10	73	11	96
Australia	4	48	5	34	24	130	18	105	11	105	2	10
New Zealand	-	-	-	-	-	-	1	3	9	88	6	61
India	-	•	-	-	8	(16)	21	(42)	22	264	24	259
Total	3,643	37,760	3,447	33,982	113	(461)	132	536	147	1,063	127	940

			£th	ousand				Numbe	er and m	an-months fin	anced	
		Loar	15	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year	Grants			Net	assistance		r experts Man-month <b>s</b>		Man-months			
1967	10,018	840		350		3,756	3,664	(37,066)	123	(522)	145	(960)
1968	784	17	-376	1,048	703	4,565	3,854	33,715	107	(528)	173	1,022
1969	301	268	- 35	892	541	4,497	4,021	38,159	83	364	153	973
1970	63	-	-269	7	-374	2,835	3,643	37,760	113	(461)	147	1,063
1971	121	187	-115	1,576	992	4,196	3,447	33,982	132	536	127	· <b>94</b> 0

Note: Financial flows for 1967 are at pre-devaluation rates.

compared to  $\pounds650,000$  in 1969 and 1970. Whereas there was an outflow on a net basis in 1970, there was a net inflow of nearly  $\pounds1$  million in 1971.

After the reduction in 1970, there was a strong recovery in technical assistance expenditure by other Commonwealth countries. This resulted from increased expenditure by Britain, especially on trainees as adviser and student numbers were reduced. Over 90 per cent of the experts were O.S.A.S. personnel, both educational (1, 134) and non-educational (2,183). The educational personnel were mainly teachers in primary and secondary education (999) but there were also considerable numbers in technical education and at university level, while the non-educational experts were concentrated in power (851), health (421), public administration (331) and agriculture (254). An increased number of trainees took courses, and as in 1970, mainly in public administration and power, transport and communications. There was a reduction in the number of students financed although there was an increase in those studying education, (the major subject studied). The other main disciplines followed were social sciences, agriculture, engineer-ing and medicine.

Over the five years to 1971, there was no clear pattern for financial assistance except that amortization and interest payments on earlier loans exceed new loan disbursements. Apart from 1970, the value of technical assistance provided by other Commonwealth countries to Zambia has ranged between £4 and  $\pounds 4\frac{1}{2}$  million in recent years. The number of advisers and other experts provided increased up to 1969 but since then have been sharply reduced and the 1971 figure was well below that for 1967. On the other hand, the number of trainees financed has recovered from the low 1969 level but student numbers have declined from the 1968 peak.

# CYPRUS

Many of the targets planned for in the Second Development Plan (1967-71) were attained and the planned growth rate was not only attained but surpassed. The planned annual growth rate of G.D.P. at constant factor cost was of the order of 7.2 per cent but the annual rate actually attained is estimated at about 8 per cent. Agriculture is still the largest and one of the most vital sectors of the economy of Cyprus and production increased by 8.4 per cent compared to 8.2 per cent envisaged in the Plan. The rate of growth of animal husbandry production which rose by 10.1 per cent annually exceeded the planned rate of 9.6 per cent. The rate of growth of manufacturing, at about 9 per cent, was less than the planned growth rate of 10 per cent but was still far higher than that attained in the First Plan. The Plan provided for an increase in exports of agricultural products by 93.7 per cent; it is estimated that the growth has been of the order of 104 per cent. The target for industrial exports was also surpassed.

The Third Five-Year Plan (1972/76) envisages a growth rate of GDP of about 7 per cent. The average rate of growth of agriculture at 7 per cent is expected to be less than the rate achieved during the Second Plan Period partly because of shortage of water in the case of agricultural products and high production costs in the case of animal husbandry products. A target of 11 per cent per annum has been set for industrial production and the contribution of industry to G.D.P. is estimated to rise to 14.6 per cent in 1976 compared to 12.1 per cent in 1970 and 1971. Exports of agricultural and animal products are expected to increase by about 70 per cent by the end of the period with citrus fruit, table grapes and wines heading the export list and industrial exports are expected to increase by two-thirds.

Cyprus has not received any financial assistance from other Commonwealth countries in recent years but has made substantial payments of interest and principal to Britain on earlier loans. However, these payments are declining and accounted for only £89,000 in 1971.

There was an increase in 1971 in technical assistance expenditure by other Commonwealth countries in Cyprus due to a larger number of students receiving assistance. The number of experts, however, fell due to a decline in those serving in the educational field. Of the five non-educational advisers, three were experts in power, transport and communications. The number of trainees financed also fell but the main area of training remained

the public administration (7) although there were small numbers on courses in education and the social services. There was a moderate rise in the number of students financed. Although they covered a wide range of subjects, the main emphasis was on education (48), engineering (49), agriculture (16) and natural sciences (14).

The table covering the five years 1967 to 1971 shows that Cyprus had received no financial assistance from other Commonwealth countries during that period. On the other hand, the value of technical assistance provided has shown an upward trend. The number of advisers and other experts provided reached a peak in 1969 but by 1971 had fallen back to around the 1966 level. Apart from 1969, the total of trainees financed has shown a downward trend but the number of students financed has moved upwards

	Gra	<b></b>		Loa	ins		Technical	assistance
Supplying country	Gra	nts	Gro		N	et	expen	diture
-	1970	1971	1 <b>9</b> 70	1971	1970	1971	1970	1971
Britain					-98	-89	197 <u>a</u>	228
Dritam		-	-		- 30	-09	19/ <u>a</u>	220
Canada	-	-	-	-	-	-	6	4
Total	-	-	-	-	- 98	-89	203 <u>a</u>	232

£ thousand

Number and man-months financed in year

	Advis	ers and	other exp	erts		Trai	nees			Stud	ents	
Supplying	197	70	197	'1	197	0	197	71	197	70	193	71
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	72	367	33	302	25	84	17	55	144	829	165	1,032
Canada	-	-	-	-	-	-	-	-	4	15	2	24
Total	72	367	33	302	25	84	17	55	148	844	167	1,056

a May include some assistance not passing through official bilateral channels.

			£th	ousand				Numbe	er and m	an-months fin	anced	
		Loan	s	Investi	ments	Technical		sers and	Tr	ainees	St	udents
Year	Grants	Gross	Net	Gross	Net	assistance		r experts Man-months	Number	Man-months	Number	Man-months
1967	-	-	_	<del>.</del>	-	102	41	319	68	192	59	281
1968	-	-	-238	-	-	139	53	374	28	110	94	503
1969	_ 1	-	-199	-	-	. 171	72	340	46	125	119	715
1970	-	-	- 98	-	-	203	42	367	25	84	148	844
1971	-	-	- 89	-	-	232	33	302	17	55	167	1,056

## MALTA

For Malta G.D.P. at factor cost in current market prices rose by about 4 per cent in 1971, which was well below the target growth rate of 9.4 per cent laid down in the Third Development Plan (1969-74) and substantially lower than the rates achieved in 1969 and 1970. This slow down was mainly attributable to reduced activity at the dry docks during the first half of the year and also to a fall in output in other sectors including agriculture, manufacturing and government enterprises. The trade gap showed some signs of reversal in 1971 as there was a rise in exports by 17 per cent and a fall in imports by 2.5 per cent.

In 1971 the total resources available to the economy increased by about 2 per cent and, as in previous years, a substantial proportion was

	Gra	-		Loa	ins		Technical	assistance
Supplying country	Gra	ints	Gro	995	N	et	expen	diture
	1970	1971	1970	1971	1970	1971	1 <b>9</b> 70	1971
Britain	7,261	6,541	-	2,800	- 609	-3,608	78	76
Canada	-	-	-	-	-	-	12	9
Australia	-	-	-	-	-	-	-	2
Total	7,261	6,541	-	2,800	-609	-3,608	90	87

£ thousand

	Advis	ers and	other exp	perts		Trai	nees			Stud	ents	
Supplying country	197	70	197	71	197	0	197	71	197	70	197	71
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	67	373	42	417	21	79	26	64	41	227	39	206
Canada	-	-	-	-	1	3	-	-	7	33	4	48
Australia	-	-	-	-	-	-	-	-	1	1	1	10
Total	67	373	42	417	22	82	26	64	49	261	44	264

Number and man-months financed in year

			£ th	ousand				Numbe	er and m	an-months fin	anced	
		Loan	s	Investi	ments	Technical		sers and r experts	Tr	ainees	St	udents
Year	Grants	Gross	Net	Gross	Net	assistance		·	Number	Man-months	Number	Man-months
1967	4,573	1,004		-	-	57	32	312	52	130	53	301
1968	4,954	1,750	1,422	-	-	73	41	361	44	123	57	379
1969	2,697	1,200	713	-	-	95	62	379	31	90	49	273
1970	· )	· -	-609	-	-	90	67	373	22	82	49	261
1971	6,541	2,800	3,608	-	-	37	42	417	26	64	44	264
		1					1					

obtained from abroad. However, unlike the previous two years, current earnings supplemented by permanent transfers of money from abroad, which included higher receipts for the use of military facilities, financed the required resources and left a balance of payments surplus of  $\pounds M1.7$  million. In spite of this available surplus, the gap between domestic savings and investment requirements was  $\pounds M9.3$  million.

The flow of gross financial assistance to Malta rose in 1971 when it was 29 per cent above the 1970 level. All the increase resulted from loan disbursements. Nevertheless, grants, which were slightly below the 1970 level still formed the larger part of the flow. However, due to very large payments of interest and principal on earlier loans the net inflow declined quite substantially to about two-fifths of the 1970 level. Nearly all grant disbursements in 1971 were for project aid, much of which was directed towards the manufacturing industry, transport and communications, and social infrastructure. A large part of loans, all project aid, was for the service industries but a substantial amount also went towards agriculture, transport and communications, and social infrastructure.

There was a slight fall in technical assistance expenditure for Malta by other Commonwealth countries. The number of advisers fell sharply and of the 42 provided, 36 were educational personnel, mainly teachers. More teachers were employed in university and higher technical education than at primary and secondary school level. The number of trainees financed increased slightly but the duration of their courses was much shorter; they mainly went for courses in social sciences (9), education (8), public administration (5), health (2) and power, transport and communications (2). The number of students financed declined moderately and half of the 1971 total were studying education. There was a small number studying medical sciences and social services.

The gross flows of financial assistance to Malta from other Commonwealth countries, which fell to a comparatively low level in 1969 rose sharply in the two following years but at the same time amortization and interest payments have been increasing steeply. The value of technical assistance provided has fallen from the 1969 peak. The number of advisers and other experts provided showed an upward trend until 1971 when there was a marked reduction while for both trainees and students there appears to have been an underlying downward trend in recent years.

# BARBADOS

Barbados is a small, densely populated island whose main sources of income are sugar, of which the production in 1971 was the worst in well over the decade, and tourism. Industry within a comparatively short period has grown sufficiently to account for about a tenth of G.D.P. The Government is tackling the problem of population firstly, at source, by instituting family planning services and secondly by creating job opportunities through the continued construction of factories for new enterprises as a means of encouraging investment in the manufacturing sector, the streamlining of the administrative sector to ensure the continued orderly development of the tourist industry, the provision of assistance to farmers in the development of the cotton industry, increased efforts to make the country self-sufficient within the near future in the production of many vegetables and steps to develop deep sea fishing.

	1			Ĺo	ans			Inves	tments		Tashatasl	assistance
Supplying Country	Gr	ants	Gre	oss	N	et	Gro	<b>5</b> 55	N	et		diture
Country	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain Canada Australia	105 149 -	- 169 -	- 14 -	- 149 -	- 14 -	- 149 -	365. - -	1,180 - -	361 - -	1,124 - -	129 103 4	136 142 2 (2)
India New Zealand	-	-	-	-	-	-	-	-	-	-	-	1
Total	254	169	14	149	14	149	365	1,180	361	1,124	237	283

#### Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	inees			Stu	lents	
S <b>upplying</b> Count <b>r</b> y	19	70	19	71	19	70	19	71	19	70	19	971
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	46	411	53	391	21	85	22	50	71	384	75	459
Canada	8	73	15	138	25	195	33	247	20	183	20	177
Australia	-	-	-	-	1	10	1	8	1	12	-	- 1
India	-	-	-	-	-	-	-	-	4	32	3	36
Other Countries	-	-	-	-	1	12	-	-	-	-	-	-
New Zealand	-	-	-	-	-	-	-	-	-	-	1	10
Total	54	484	68	529	48	302	56	<b>3</b> 05	96	621	99	682

			£th	ousand				Numbe	er and m	an-months fin	anced	
		Loan	1.5	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year		Gross	Net	Gross	Net	assistance		r experts Man-months	Number	Man-months	Number	Man-months
1967	30	-	-	-	-	175	61	590	50	306	81	503
1968	80	25	25	4	4	181	61	487	19	78	99	701
1969	106	32	32	64	64	249	46	465	52	286	105	676
1970	254	14	14	365	361	237	54	484	48	302	96	621
1971	169	149	149	1,180	1,124	283	68	529	56	305	99	682

Note: Financial flows for 1967 are at pre-devaluation rates.

The policy of deficit budgeting during the last ten years has been fortified by the steady growth of the economy and the accumulation of surpluses which assisted in defraying part of the capital expenditure during the period. These surpluses amounting to EC\$29 million when added to the annual debt charges constitute the contribution of the present generation to the permanent assets of the country. The total capital expenditure during the same period amounted to EC\$94.5 million. The approved estimates of 1972/73 call for expenditure in the current and capital services of the government in the region of EC\$140.4 million, an increase of 26.6 per cent over the 1971/72 level with a capital expenditure of EC\$32.9 million. The current revenue has been estimated at EC\$95.2 million with a deficit on the current account of EC\$12.5 million, which would have to be met totally from loan funds. The upward trend in the inflow of external finance from other Commonwealth countries to Barbados continued in 1971 when both gross and net flows were more than double those in 1970. Grants, all project aid from Canada, were mainly used for agriculture and transport sectors while loans, all project aid from Canada, were mainly used for community projects although some funds went towards agriculture. A large part of the new investment went towards housing but a substantial amount was directed towards electricity generation and agriculture.

Technical assistance expenditure by other Commonwealth countries showed an increase in 1971. The number of advisers and other experts was higher than in 1970 with increases in educational personnel, who were mostly teachers, non-educational advisers who served mainly in agriculture and health, and the non-educational operational personnel, who totalled 44, were working in many fields including health (25), power, transport and communications (6), agriculture (4), social services (3) and public administration (2). There was an appreciable increase in the number of trainees financed by other Commonwealth countries and they concentrated chiefly on courses in industry, mining and handicrafts (16), public administration (14) and power and transport (8). The number of students financed by other Commonwealth countries was slightly higher than in 1970; the largest number studied education but there was also an appreciable number studying economics and medical sciences.

Over the five years 1967 to 1971 the financial assistance provided by other Commonwealth countries showed an upward trend mainly as a result of higher investment by the C.D.C. The value of technical assistance supplied to Barbados also rose over the period. The number of advisers and other experts, which had fallen to a low level in 1969, has risen in the past two years but has not yet reached the 1966 level of 71. Apart from 1968, the number of trainees financed has been on average, around 50 while about double that number of students have been financed in each year since 1968.

# GUYANA

The G.N.P. of Guyana increased by 6.8 per cent in 1971, above the 1970 level but below the 7.7 per cent average achieved during the 1965-70 period. This was much higher than the planned target of 5-6 per cent in the Development Programme (1966-72). All sectors expanded last year, except forestry, and some sectors such as agriculture, construction and mining grew at a faster rate than the economy as a whole. There was a healthy balance of payments surplus of G#12 million. On the other hand, unemployment remains a problem which affects 20-25 per cent of the labour force.

Since the establishment of the Co-operative Republic, now two years old, the whole emphasis of the country has been on self-help and self-reliance through the establishment of co-operatives, the nationalisation of the bauxite industry and "minaturisation" of foreign banks. The Development Programme for 1972-76 aims at a high degree of self-sufficiency. This means a greater thrust in agriculture which is in Guyana a labour-intensive exercise, setting up textile factories as well as growing and processing cotton, and building housing from local material. It is hoped that in these areas alone jobs will be found for more persons than those who are currently unemployed.

				Lo	ans			lnves	tments		Technical	•
Supplying Country	Gra	ants	Gr	oss	N	et	Gr	<b>355</b>	N	et	expen	
country	<b>197</b> 0	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain	100	-	1,456	1,305	300	126	1,775	1,207	1,537	894	235	154
Canada	633	285	936	244	936	244	-	-	-	-	257	252
Australia	-	-	-	-	-	-	-	-	-	-	3	6
New Zealand	-	-	- 1	-	-	-	-	- 1	-	-	-	-
India	-	-	-	-	-	-	-	-	-	- 1	2	4
Other Countries	-	-	-	-	-	-	-	-	-	-	-	-
Total	733	285	2,392	1,549	1,236	370	1,775	1 <b>,2</b> 07	1,537	894	497	416

Number and man-months financed in year

	Advi	sers and	other ex	perts		Trai	inees			Stu	lents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	53	427	41	381	46	149	40	99	57	337	77	488
Canada	18	138	23	193	67	462	70	488	34	281	38	283
Australia	-	-	-	-	2	10	2	16	-	-	1	10
New Zealand	-	-	-	-	-	-	-	-	-	-	-	-
India	-	-	-	-	-	-	(13)	(26)	7	84	8	78
Other Countries	2	13	-	-	-	-	-	-	-	-	-	-
Total	73	578	64	574	115	621	125	629	98	702	124	859

			£th	ousand				Numbe	er and m	an-months fin	anced	
		Loan	ıs	Invest	ments	Technical		sers and	Тг	ainees	St	udents
Year	Grants	Gross	Net	Gross	Net	assistance		r experts Man-months		Man-months		
1967	965	1,009		-80		306	122	1,068	74	528	67	529
1968	1,297	915	-221	689	523	352	76	634	111	501	82	720
1969	608	1,344	204	1,015	860	364	68	529	97	422	89	661
1970	733	2,392	1,236	1,775	1,537	497	73	578	115	621	98	702
1971	285	1,549	370	1,207	894	416	64	574	125	629	124	859

Note: Financial flows for 1967 are at pre-devaluation rates.

In 1971 both gross and net inflows of financial assistance from other Commonwealth countries to Guyana declined as all three categories were reduced. The grants, which were provided solely by Canada and which were mostly project aid, were mainly for transport and education while a small amount in the form of multiproject aid was for general development. British loans, all project aid, were mainly for multiprojects, transport and communications and social infrastructure while Canadian loans were partly project aid mainly for agriculture and partly non-project aid for general development. Investment finance mainly went for housing and mining and quarrying although some funds went towards agriculture.

There was an appreciable decline in the technical assistance expenditure by other Commonwealth countries for Guyana. The number of advisers and other experts fell by 9 to 64 in 1971 reflecting a decline in educational personnel (25) mainly teachers. All but one of the twelve non-educational advisers were in power, transport and communications. The 27 operational personnel were mainly in the fields of health, economic planning and power, transport and communications. The number of trainess financed by other Commonwealth countries rose moderately with a sharp increase in those going on courses in education (22). Large numbers also went for industry and mining (29), public administration (19) and power and transport (16). There was a sharp increase in the number of students financed by other Commonwealth countries, who were mostly studying economics and natural and social sciences although an appreciable number were studying engineering, medical sciences and agriculture.

The table giving details for the most recent five years shows that the financial assistance provided by other Commonwealth countries rose substantially in 1968, remained at about the same level in the following year, then increased very sharply in 1970 only to fall back to around the 1968-69 level last year. The upward trend in the value of technical assistance provided to Guyana was checked in 1971 even though the number of students financed continued to increase and that of trainees rose further from the low 1969 level. On the other hand, the number of advisers and other experts has varied from year to year.

# JAMAICA

Since the slow-down of 1967, the Jamaican economy has experienced three consecutive years of buoyancy but the growth rate in 1971 was not as high as in previous years. During the period 1967-1971 the G.P.D. growth rate averaged 9.2 per cent per annum or 8.2 per cent capita in current prices; in real terms this amounted to about 4 per cent per annum over the period. Bauxite and aluminium industry made a significant contribution and the past few years saw a massive physical expansion but it appears that there is now a levelling off. The performance of export agriculture, particularly sugar, was poor with a growth rate of only 2 per cent per annum. In the budget of 1972 assistance has been given to export agriculture and the tourist sector.

Jamaica has been consistently running a deficit on its balance of payments current account as the gap between imports and exports has been rising since export earnings were falling because of unsatisfactory performance of sugar industry and import bill for consumer items was increasing. There have been large investment inflows into the bauxite and aluminium industry and the hotel industry, but investment capital in bauxite has now ceased.

In 1971 the gross flow of financial assistance from other Commonwealth countries to Jamaica recovered from the sharp reduction in the previous year as much more was provided by way of loans and investments. Furthermore, in contrast to 1970, when there was a net outflow of £149,000, there wa a net flow of over £1.4 million due to mainly higher loan disbursements from Canada. Grants and loans, all from Canada, were mostly project aid mainly for community projects and transport and communications but some non-project aid was provided for general development. Investment finance again went mostly towards housing although some funds were directed to agriculture and service industries.

	1		[	Lo	ans			lnves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	055	N	et	Gr	oss	N	let		diture
	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain Canada Australia New Zealand	- 155 - -	- 198 - -	- 418 - -	- 977 - -	- 144 387 - -	- 144 933	1,428 - - -	2,369 - - -	-547 - - -	437 - - -	383 409 1 1	440 535 3 2
Total	155	198	418	977	243	789	1,428	2,369	-547	437	794	980

Number	and	man-months	financed	in	vear

	Advi	sers and	other ex	perts		Tra	inees			Stu	dents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand	97 56 - -	809 507 -	115 74 - -	969 690 - -	39 49 - -	122 317 -	38 53 1 -	130 455 5 -	80 29 1 1	465 257 5 10	90 40 1 2	496 2રુ1 9 22
Total	153	1,316	189	1,659	88	439	<u>92</u>	590	111	737	133	808

			<u>£</u> th	ousand	·····			Numb	er and m	an-months fin	anced	
		Loar	s	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year	Grants	Gross	Net	at Crass Not		assistance		r experts				
		01033	mer	01033	Met	expenditure	Number	Man-months	Number	Man-months	Number	Man-months
1967	71	332		1,114		529	130	1,110	80	476	142	1,027
1968	.186	738	555	3,320	1,911	536	145	1,236	95	509	139	1,025
1969	5	697	534	2,872	1,080	639	135	1,191	84	388	134	861
1970	155	418	243	1,428	-547	794	153	1,316		439	111	737
1971	198	977	789	2,369	437	930	189	1,659	92	590	133	808

Note: Financial flows for 1967 are at pre-devaluation rates.

There was a sharp increase in the value of technical assistance provided by other Commonwealth countries to Jamaica in 1971. This was reflected in a substantial rise in the number of advisers and other experts; the increase brought the number of educational personnel to 65, while there were 25 non-educational advisers serving mainly in public administration, power, transport and communications and industry and mining and handicraft, and 84 non-educational operational personnel, of which 17 were in power, transport and communications, 14 in public administration, 14 in health and There was a slight increase in the number of trainees 11 in agriculture. financed by other Commonwealth countries but more went on courses in public administration, industry and mining, and health. While the number on courses in power, transport and communications remained unchanged, those going for education dropped from 11 in 1970 to 1 in 1971. The number of students financed by other Commonwealth countries recovered in 1971 from the previous year's decline. Large numbers studied education, social sciences and engineering, but there was a fair proportion for medical sciences, agriculture and humanities.

As the five-year table shows, the gross flows of financial assistance to Jamaica declined sharply in both 1969 and 1970 so that in the latter year they were under half the 1968 figures while there was an outflow on a net basis. However, there was a considerable measure of recovery in 1971. The value of technical assistance provided by other Commonwealth countries has shown a strong upward trend and this was reflected in a similar movement, apart from in 1969, in the total of advisers and other experts. In most recent years the number of trainees financed has been around 90 while the downward trend in the number of students was checked in 1971.

### TRINIDAD AND TOBAGO

The Third Five-year Plan (1969-73) anticipates a real growth rate of the economy of 4.5 per cent per annum, but it would appear that this target was not achieved during the first three years since G. D. P. grew by 3.5 per cent in 1970 and may have shown a lower rate of growth in 1971. Preliminary estimates indicate that crude oil output was 7 per cent lower in 1971 than in the previous year and that about 6 per cent less crude oil was refined. On the other hand, the manufacturing sector appears to have grown by 6 per cent and the boom in the construction industry, which started after the revision of the Plan in June 1970, when an increased public sector building programme to create jobs was announced, continued. The trade deficit has shown a substantial increase since 1969 and this seems to have continued in 1971 as a result of imports of capital goods associated with oil exploration.

There was a sharp fall in both gross and net flows of financial assistance to Trinidad and Tobago during 1971 as smaller grants and loan disbursements were received while amortization and interest payments increased. Investments rose slightly. Nearly all grant disbursements were project aid for general development. All loans were project aid with disbursements from Canada mainly for electricity generation and community projects and those from Britain for transport. All new investment was for housing.

The value of technical assistance provided by other Commonwealth countries to Trinidad and Tobago rose as more trainees and students were The number of advisers and other experts showed a further sharp financed. fall as the numbers provided by Canada continued to decline. All the educational personnel (12), mainly teachers, were from Canada. Of the 7 operational personnel, from Britain, 3 were experts in agriculture. Other advisers were experts in a wide variety of fields. The number of trainees financed by other Commonwealth countries increased moderately. Whereas the trainees financed by Canada took courses mainly in industry, mining and handicraft (20), health services (12) and public administration (8), those financed by Britain took courses mainly in power, transport and communications (8) and social services (8). The number of students financed by other Commonwealth countries increased quite substantially; a large proportion studied social and medical sciences but there were small numbers studying education, natural sciences, engineering and economics.

During the five years 1967 to 1971 there was no overall pattern for financial flows from other Commonwealth countries to Trinidad and Tobago although the total has fallen in the past two years. The value of technical assistance provided which amounted to almost £500,000 in 1969 has since been at about three-fifths of that level. The number of advisers and other experts provided has shown a downward trend over the period but the number of students financed has recovered from the low 1969 level and there has been appreciable variation for trainees.

<u>£</u> thousand

Number and man-months financed in year

	1			Lo	ans			Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	oss	N	et	Gr	<b>05</b> 5	N	let		diture
	1970	1971	1 <b>9</b> 70	1971	1970	1971	1970	1971	1970	1971	1 <b>9</b> 70	1971
Britain Canada Australia New Zealand	- 133 - -	- 10 - -	9 611 - -	91 298 - -	-103 601 - -	- 50 298 - -	50 <b>8</b> - - -	565 - - -	236 - - -	242 - - -	76 202 9 1	145 155 3 -
India	-	-	-	-	-	-	-	-	-	-	4	5
Total	133	10	620	389	498	248	508	565	236	242	292	308

_	Advi	sers and	other ex	perts		Tra	inees			Stu	dents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada	13 24	70 <b>226</b>	10 15	82 86	12 44	29 273	20 49	62 414	50 25	281 187	73 21	474 180
Australia	-	-	-	-	1	3	-	-	4	43	5	36
New Zealand India	-	-	-	-	-	-	-	-	15	170	20	234
Total	37	296	25	168	58	308	69	476	94	681	119	924

			£th	ousand				Numbe	er and m	an-months fin	anced	
		Loar	s	Invest	ments	Technical		sers and	Tr	ainees	St	udents
Year	Grants	Gross Net Gross Net		assistance		r experts Man-months	Number	Man-months	Number	Man-months		
1967	-	821		291		406	83	716	49	(228)	125	(921)
1968	59	598	534	280	-435	416	63	490	41	210	119	892
1969	1	292	198	1,646	1,480	497	51	420	69	257	91	687
1970	133	620	498	508	236	292	37	296	58	308	94	681
1971	10	389	248	565	242	308	25	169	69	476	119	924

# BRITISH HONDURAS (BELIZE)

The economy of British Honduras is based on agriculture and still depends overwhelmingly on sugar exports which some fifteen years ago took over from timber as the main product. Sugar production is steadily increasing and stimulated by the recent trebling of its U.S. export quota the annual output may reach 100,000 tons. Citrus production is the economy's other mainstay but livestock and fishing have been designated priority areas for development. Tourism has grown slowly because of lack of resources to improve roads, to build hotels and develop resorts. Emphasis has been placed on the development of infrastructure - roads, modern telephone system, deep water extension of the port of Belize city, and the development of the Belize international airport. Just as in many countries other Caribbean countries, British Honduras has a very serious unemployment problem. Since 1966, the recurrent budget has been entirely financed from domestic revenue but the greater part of the capital expenditure is financed by overseas aid.

				Lo	ans			Inves	tments		Techatas	assistance
Supplying Country	Gr	ants	Gre	055	N	et	Gr	055	N	et		diture
	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Britain Canada	655 59	1,358 139	1,325 -	268 -	1,244 -	200	-	-	-14 -	-4 -	326 65	206 43
Total	714	1,497	1,325	268	1,244	200	-	-	-14	-7	391	249

	Advi	sers and	other exp	perts		Tra	inees			Stu	lents	
Supplying Country	19	70	19	71	19	70	19	71	19	70	19	971
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Other Countries	43 3 1	402 22 1	45 4 -	408 37 -	14 21 -	38 138 -	20 9 -	69 95 -	40 27 -	207 229 -	47 32 -	287 265 -
Total	47	425	49	445	35	176	29	164	67	436	79	549

number			s muanced	I'll vear
	the second s	the second s		

£ thousand

			<u>£</u> th	ousand			Number and man-months financed								
		Loans Investments Technical						sers and	Tr	ainees	Students				
Year	Grants	Gross	Net	Gross	Net	assistance		r experts Man-months	Number	Man-months	Number	Man-months			
1967	1,555	215		4		198	56	538	44	198	59	397			
1968	1,733	213	143	-	-16	209	65	615	40	165	62	464			
1969	2,405	-	-71	-	-16	345	58	520	35	153	63	511			
1970	714	1,325	1,244	-	-14	<b>3</b> 91	47	425	35	176	67	436			
1971	1,497	268	200	-	-7	249	49	445	29	164	79	549			

There was a moderate decline in both gross and net financial assistance to British Honduras from other Commonwealth countries in 1971 when the rise for grants was more than offset by the fall for loans. More than half of the grants, mostly project aid, were for transport but some funds went for agriculture, education and community projects. All the loans went towards multiprojects.

Technical assistance expenditure by other Commonwealth countries declined sharply. There was little change in the number of advisers and other experts who were mainly serving in public administration, social services, health and agriculture. The number of trainees financed by other Commonwealth countries fell in 1971 when most went on courses in public administration and industry and mining. On the other hand, the number of students financed by other Commonwealth countries increased; most of the students were studying education but some studied economics, social sciences and engineering.

The flows of financial assistance from other Commonwealth countries reached a peak in 1969 and have declined subsequently. The peak for the value of technical assistance was one year later. While the number of trainees financed showed a downward trend and the total of advisers and other experts fell after 1968, that of students increased over the five years 1967 to 1971.

# EASTERN CARIBBEAN

The six countries which make up the Associated States of Eastern Caribbean are dependent on agriculture although tourism is increasingly becoming an important sector. Antigua and St. Kitts are dependent on sugar while in Grenada, St. Vincent, St. Lucia and Dominica bananas occupy a similar position, thus the development aims include agricultural diversification. Promotion of tourism has become a great area of emphasis and expenditure programmes include building of hotels and improvement of infrastructure in particular roads, harbours and airports. Public utilities, particularly improving water supplies to alleviate the problem of water shortage, occupy a prominent place in the development expenditure of most States. Other objectives include the raising of health and educational standards.

In 1971 grant disbursements to Grenada, St. Kitts, St. Vincent and Dominica increased but those to Antigua and St. Lucia declined. A large part of grant disbursements, mostly project aid, was directed towards transport in all the Associated States although a substantial amount went towards education and community projects and some funds towards agriculture. Non-project grant aid, mostly from Britain, to Dominica, St. Kitts and St. Vincent, was mostly budgetary support. Except for St. Kitts, which received £650,000 as loans from Britain for transport, gross loans were negligible and net loans remained at the same negative level. C. D. C. made very large and substantial new investments in all the Associated States except St. Kitts. A large part of new investment in St. Lucia and Antigua went towards service industries but in St. Vincent, Dominica and St. Lucia the emphasis was more on housing and electricity generation and in Grenada on electricity generation and service industries.

There was a very sharp increase in the technical assistance expenditure by other Commonwealth countries in all the Associated States However, the number of advisers and other experts of Eastern Caribbean. fell for all countries except Dominica, the overall number declining from 173 in 1970 to 146 in 1971. The number of operational personnel (overall total 89 compared to 77 in 1970), mainly teachers, increased for all countries except Grenada while the number of non-educational advisers (overall total 26 compared to 23 in 1970) increased or remained the same for all countries except St. Vincent. The biggest fall occurred in the number of operational personnel (overall total 33 compared to 74 in 1970) with a sharp drop in all the countries; operational personnel were mainly engaged in public administration and health. Trainees financed by other Commonwealth countries inc increased for all countries except Grenada and St. Vincent and the overall There was a substantial increase for total increased by 24 to 211 in 1971. the second year in succession in the number of trainees going for courses in public administration (overall total 72 compared to 60 in 1970) and industry and mining (overall total 79 compared to 61 in 1970). The number of students financed by other Commonwealth countries did not change significantly except in the case of St. Lucia where there was a substantial increase. In all the Associated States the larger proportion studied education although there were a few in most States who studied economics and engineering.

£ thousand

				Lo	ans			Inves	tments		Technical	assistance
Receiving Country			Gross		Net		Gross		Net			diture
,	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1 <b>9</b> 70	1971
Antigua	966	745	-	-	-63	-63	8	84	-5	82	154	209
Dominica	1,586	1,690	2	-	1	- 1	<b>2</b> 74	498	231	493	154	296
Grenada	412	745	1	1	- 106	-107	-	236	-55	196	169	236
St. Lucia	1,406	1,164	-	-	-4	-5	1,400	2,210	1,229	1,913	205	364
St. Kitts	821	1,403	-	650	-1	650	-	-	-	-	101	363
St. Vincent	1,196	1,523	-	-	-1	-1	49	351	22	348	193	259

Number	and	man-	months	financed	in	vear

	Advi	sers and	other ex	perts		Trai	nees		Students			
Receiving Country	1970		1971		1970		1971		1970		1971	
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Antigua	22	183	17	102	30	213	49	250	29	181	21	170
Dominica	17	104	23	122	38	198	46	236	36	205	35	225
Grenada	18	119	12	123	28	161	22	169	30	212	- 33	214
St. Lucia	54	384	38	389	28	195	38	190	30	195	40	241
St. Kitts	30	220	28	249	14	70	20	90	26	196	26	185
St. Vincent	32	242	28	245	49	279	36	259	32	228	28	217

# OTHER COMMONWEALTH COUNTRIES IN AMERICA

For all the dependencies in America tourism is the major sector in the Development Plans with emphasis on the construction of new hotels and on the improvement of the infrastructure (i.e. roads, etc.) and public utilities to serve the needs of increased tourist traffic. All the countries also aim to improve educational standards, health and housing. Other notable developments not unconnected with the development of tourism are road and marine developments in the Bahamas, docking facilities in Bermuda, deep water harbour improvements, airport and a water supply in Cayman Islands, underground water distribution system, deep water pier and a new marina in Montserrat, telecommunications in Turks and Caicos Islands, and housing, land reclaimation and an electricity extension scheme in the Virgin Islands.

#### f thousand

				Lo	ans			Inves	tments		Technical	assistance
Receiving Country	Gra	ants	Gross		Net		Gro	055	N	let		diture
, see the second s	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971	1970	1971
Bahamas Bermuda Cayman Is. Falkland Is. Montserrat Turks & Caicos Is. Virgin Is.	- 198 14 577 517 569	- 365 46 592 581 771	- - - 4 -	- - - 2,399	- -12 -4 -2 -6	-14 -14 -4 2,393	- - 22 -			- -3 -9 -	12 4 47 32 86 31 75	60 1 50 42 150 76 168

	Advi	sers and	other ex	perts		Trai	inees		Students			
Receiving Country	19	70	19	71	19	70	19	71	19	70	19	071
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Bahamas Bermuda Cayman Is. Falkland Is. Montserrat Turks & Caicos Is. Virgin Is.	- 34 51 28 32 26	- 238 210 222 248 165	- 47 49 24 28 17	14 393 414 178 148 163	2 -2 -10 -3 -3	2 11 66 11 13	- 3 - 15 1 3	- 2 3 100 4 8	21 2 7 2 11 6 18	101 18 57 16 66 42 86	16 3 10 14 6 16	97 15 78 39 27 107

Number and man-months financed in year

There was a sharp increase in grant disbursements (mostly from Britain) to Cayman Islands, Falkland Islands and the Virgin Islands in 1971 although the increase were relatively small for the Turks and Caicos Islands and Montserrat. For Montserrat, the Turks and Caicos Islands and the Virgin Islands substantial amounts, were for budgetary support. For these three countries and Cayman Islands, project aid was mainly directed towards transport and communications and education and other community projects. For the Falkland Islands, however, grant aid went towards electricity generation. Except for Virgin Islands which received large amounts of non-project loans from Britain, gross loans were nil and net loans were at small negative levels. There was a small new investment by C.D.C. in Montserrat for electricity generation.

Technical assistance expenditure by other Commonwealth countries to all the dependencies in America except Bermuda showed a considerable The increase in the number of advisers and other experts to increase. Cayman Islands was nearly offset by a fall in all the other countries and the overall total remained 172 in 1971. The number of educational personnel (overall total 76 compared to 67 in 1970), mainly teachers, increased but non-educational advisers fell (overall total 6 compared to 16 in 1970). The number of operational personnel showed little change and they were mainly engaged in public administration, power, transport and communications, and The overall number of trainees financed by other Commonwealth health. countries increased from 20 in 1970 to 25 in 1971; more than half were from Montserrat and about half of these attended courses in industry and mining. The number of students financed by other Commonwealth countries to Cayman Islands and Montserrat increased moderately but for others the numbers fell or did not change significantly. Most students studied education.

### FIJI

Over the Fifth Five-year Plan period (1966-70) the annual average rate of growth is estimated to have been about 5.3 per cent, close to the planned rate of 5.6 per cent. Over the Plan period the annual average rate of population increase has been around 2.5 per cent per annum, thus the real income per capita rose by over 2.8 per cent per annum. High rates of expansion were achieved in building and construction, transport and communications, electricity and water, and private services mainly tourism. However, the rate of growth of agriculture was less than the planned rate and lower than the rate of growth of population and this reflects limitations in the growth of Fiji's staple industries, sugar and copra.

The Sixth Development Plan (1971-75) fixes the target rate of growth for G. D. P. at 6.7 per cent per annum. Since population growth is expected to be about 2.3 per cent per annum the actual improvement in per caput G. D. P. is expected to be around 4.4 per cent per annum. Building and construction (9 per cent) and tourism (20 per cent) are expected to grow at relatively high rates but mining and manufacturing may not do as well as during the previous Plan period. The expected growth in agriculture is put at 3.5 per cent as greater reliance has been placed on agricultural commodities other than sugar.

	T			Lo	ans			Inves	tments		Technical	assistance
Supplying Country	Gr	ants	Gr	055	N	et	Gr	055	N	et		nditure
	<b>197</b> 0	1971	1970	1971	<b>197</b> 0	1971	1970	1971	1 <b>9</b> 70	1971	1970	1971
Britain	1,467	1,737	-	-	-166	-167	9	153	-1	117	923	1,366
Canada	-	-	-	-	-	-	-	-	-	-	2	3
Australia	281	357	-	-	-	-	-	-	-	-	74	141
New Zealand	-	143	-	-	- 1	-	-	- '	-	-	9	32
India	1	14	-	-	-	-	-	-	-	-	13	(14)
Total	1,749	2,251	-	-	-166	- 167	9	153	-1	117	1,021	1,556

Number and man-months financed in year

	Advi	sers and	other ex	perts		Tra	inees			Stu	dents	
Supplying Country	19	970	1971		1970		1971		1970		1971	
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	436	4,813	455	4,365	41	256	39	150	82	514	91	588
Canada	-	-	-	-	-	-	-	<b>_</b> -	2	8	2	24
Australia	8	62	9	61	27	200	38	199	13	143	20	197
New Zealand	-	-	-	-	7	38	7	38	7	72	8	93
India	2	(20)	(9)	(90)	10	<b>(2</b> 0 <u>)</u>	6	(12)	32	326	34	417
Total	446	4,895	473	4,516	85	514	90	399	136	1,063	155	1,319

			£ th	ousand			Number and man-months financed								
		Loar	15	Invest	ments	Technical		sers and	Tr	ainces	St	udents			
Year	Grants	Gross	Net	Gross	Net	assistance		r experts Man-months		Man-months	Number	Man-months			
1967	<b>6</b> 04	-		6		423	458	4,794	35	201	92	650			
1968	1,205	-	-166	-	-10	1,199	446	4,854	44	322	96	634			
1969	2,366	-	-166	86	64	1,185	451	4,823	58	(407)	105	648			
1970	1,749	-	-166	9	- 1	1,021	446	4,895	85	514	136	1,063			
1971	2,251	-	-167	153	117	1,556	473	4,516	90	399	155	1,319			

Note: Financial flows for 1967 are at pre-devaluation rates.

Total investment of F#364 million will be required to achieve the targets of the Plan. Of this the planned central government investment is estimated at about F#75 million (nearly twice as much as the actual expenditure during the previous Plan) with roughly 40 per cent going towards infrastructure, 24 per cent towards social services and 19 per cent towards economic services. In order to finance the Plan expenditure it is estimated that nearly 23 per cent of the total resources will have to come from abroad, and of the planned central government expenditure, 53 per cent would have to be from external sources.

Fiji receives most of its financial assistance in the form of grants and in 1971 there was a considerable increase in the grant disbursements by other Commonwealth countries. Less than a quarter was in the form of non-project aid including food aid from Australia. Project aid was mainly for multiprojects and education. Gross loans were negligible and net loans were at the same negative level as in 1970. C.D.C. made substantial new investments in Fiji, all for housing.

There was a very sharp increase in technical assistance expenditure by other Commonwealth countries for Fiji in 1971 with a marked rise in the number of advisers and students. The number of educational personnel (97) increased by a half; most were teachers in primary and secondary schools and technical and vocational training colleges but there were also several educational administrators. The number of non-educational advisers (11) increased marginally while the non-educational operational personnel, distributed mainly in power, transport and communications (95), public adminstration (84), agriculture (64), health (39), economic planning (19) and social services (10) fell moderately. There was some increase in the number of trainees financed by other Commonwealth countries. Most of them went on courses in public administration (24), social services (17), education (12), power, transport and communications (10) and agriculture There was a substantial increase in the number of students financed (10).by other Commonwealth countries, the main subjects of study being education (33), engineering (26), social sciences (15) and fine arts (14).

The table covering the five years to 1971 shows that the upward trend in financial assistance provided by other Commonwealth countries was checked in 1970 but there was a large measure of recovery in the succeeding year. During the period 1968 to 1970 the value of technical assistance provided showed comparatively little change but there was an increase of about a half in 1971. An upward trend has been recorded for the number of students and trainees financed while the total of advisers and other experts, which in earlier years had shown little variation, rose sharply in 1971.

# TONGA

The Development Plan (1965-70) established for the first time a series of development objectives for the country. Expenditure totalling T\$4.1 million was originally proposed but the actual expenditure was T\$4.85 million and the level of expenditure was made possible by a higher contribution from Tonga's own resources than anticipated and additional aid from Britain being available. Expenditure on infrastructure, nearly 40 per cent of both planned and actual expenditure, was mainly directed to roads, harbours and airfields. Actual expenditure on social and community services was considerably higher than the proposed expenditure, about 25 per cent of the total.

The principal objectives of the Development Plan (1970-75) are to develop the economic potential of the Kingdom so as to raise the standard of living of its population and reduce its dependence on external economic assistance. Total expenditure amounting to T\$4,77 million is proposed during the Plan period with 40 per cent of the expenditure directed towards economic services (more than half of this going to agriculture) and 34 per cent towards infrastructure(in particular for expansion of shipping services). It is estimated that nearly 52 per cent of the total resources needed will have to come from abroad.

Tonga has received most of its financial assistance from Britain in the form of grants. In 1971 grant disbursements fell to almost a quarter of the 1970 level and were in the form of project aid for multi-projects. There was a moderate increase in the technical assistance expenditure by other Commonwealth countries for Tonga although the number of advisers and students fell and the number of trainees remained roughly the same. Of the 3 educational personnel, 2 were teachers, while the 5 non-educational personnel were working in a variety of fields, and the 20 operational personnel were mainly engaged in the fields of power, transport and communications (7), public administration (6) and agriculture (3). The trainees financed mostly went on courses on education (11) and public administration (3), while many of the students were studying education and medical sciences.

The amount of financial assistance supplied to Tonga by other Commonwealth countries has fluctuated widely from year to year and, apart from 1967, has been wholly in grant form. There has, however, been an upward movement in the value of the technical assistance provided but no clear trends are discernible for advisers, trainees and students.

£	thousand

	Gra	nto		Loa	ins		Technical	assistance
Supplying country	Gra	nts	Gross		N	et	expen	diture
	1970	1971	<b>197</b> 0	1971	1970	1971	<b>197</b> 0	1971
Britain Canada Australia New Zealand	394 - - -	106 - - -	-	- - -	-11 - - -	-11 - - -	96 2 59 6	91 3 74 10
Total	394	106	-	-	-11	-11	163	178

Number and man-months financed in year

Supplying country	Advis	ers and	other exp	erts		Trai	nees			Stud	ents	
	197	70	197	1	197	70	197	71	197	70	197	71
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	33	291	27	302	9	38	7	46	11	54	11	56
Canada	-	-	-	-"	- 1	-	-	-	1	4	2	16
Australia	1	12	· 1	12	6	36	5	35	21	225	11	119
New Zealand	-	-	-	-	-	-	4	20	10	111	11	127
Total	34	303	28	314	15	74	16	101	43	394	35	318

			£ th	ousand			Number and man-months financed							
		Loan	s	Investi	nents	Technical		sers and r experts	Tr	ainees	St	Students		
Year	Grants	Gross	Net	Gross	Net	assistance			Number	Man-months	Number	Man-months		
1967	42	141		· _		66	29	305	21	130	27	224		
1968	272	-	-11	-	-	116	36	311	32	257	24	165		
1969	147	-	-11	-	-	87	36	<b>3</b> 40	32	286	17	139		
1970	394	-	-11	-	-	163	34	303	15	74	43	394		
1971	106	-	-11	-	-	178	28	314	16	101	35	318		

## WESTERN SAMOA

The First Five-year Development Programme (1966-70) laid the basic foundation of an institutional and policy framework for progress towards systematic and sustained economic and social planning for the future. However, it did not operate as a comprehensive and complete Plan achieving set targets through fundamental projects and programmes. The 1966 hurricane affected foreign trade seriously and impeded the implementation of standard projects and even by the end of the Plan period exports had not regained the pre-hurricane level. On the other hand, the most striking achievement in the agricultural sector was the rehabilitation of copra industry. Some progress was made in industrial development by the establishment and expansion of fourteen industries while tourism expanded rapidly.

Supplying country	Gra	<b>nt</b> a		Loa	ins	Technical assistance		
	Gra	1119	Gro	999	N	et	expen	diture
	1970	1971	1970	1971	1970	1971	1 <b>97</b> 0	1971
Britain	· _	-		-	-	-	8	7
Canada			-	-	-	-	-	-
Australia		57	-	-	-	-	119	43
New Zealand	117	54	70	-	70	-	49	69
Total	117	111	70	-	70	1	176	119

£ thousand

#### Number and man-months financed in year

Supplying country	Advis	ers and	other exp	erts		Trai	nees			Stud	ents	
	197	1970		'1	197	0	197	'1	197	70	191	71
	Number	Man- months	Number	Man- months	Numb <b>er</b>	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	5	43	4	15	1	3	2	13	-	-	-	-
Canada	-	-	-	-	-	-	- '	-	-	-		-
Australia	3	35	4	27	9	68	6	33	7	79	1	12
New Zealand	-		(1)	(10)	36	325	61	5 <b>9</b> 8	81	934	51	603
Total	8	78	9	52	46	396	69	644	88	1,013	52	615

			£ th	ousand			Number and man-months financed								
		Loan	s	Investi	ments	Technical		sers and	Tr	ainees	St	Students			
Year	Grants	Gross			assistance	other experts Number Man-months M		Number Man-months		Number Man-months					
1967	-	-		-		39	12	103	(108)	(868)	(105)	(1,260)			
1968	23	-	-	-	-	148	2	16	57	570	95	942			
1969	61	<b>7</b> 0	70	-	-	105	10	91	82	818	50	536			
1970	117	<b>7</b> 0	70	-	-	176	8	78	46	396	88	1,013			
1971	111	-	-	-	-	119	9	52	69	644	52	615			

The setting of targets in the Second Five-year Development Plan (1971-75) was hampered by absence of data both for the very large subsistence sector and the monetised sector. However, recent analysis suggests that per capita real income declined from WS\$145 in 1958 to WS\$110 in 1968 and, in view of this, the primary objective of the Plan is to increase the national income as far as possible through diversification of the economy particularly in the rural sector and increasing agricultural productivity. Total expenditure in the period 1971-75 is estimated at WS\$48.4 million compared to WS\$28.6 million in 1966-70. Of this, Plan expenditure is envisaged to amount to about WS\$15.8 million with 56 per cent being spent on infrastructure, 21 per cent on agriculture and 12 per cent on social services. In order to finance the Plan, it is estimated that nearly 20 per cent of the total resources will have to come from abroad.

Western Samoa normally receives most of its financial assistance in the form of grants from New Zealand. In 1971 there was a slight decline in grant disbursements to Western Samoa but more than half of this came from Australia in the form of project aid for communications. The rest from New Zealand was budgetary support. No loans were received in 1971.

There was a sharp fall in the value of technical assistance provided by other Commonwealth countries to Western Samoa largely due to the reduction in the number of students financed. The number of advisers and other experts remained virtually unchanged and of the 1971 figure five were teachers, 2 educational administrators and 2 non-educational advisers. The number of trainees financed by other Commonwealth countries increased sharply and went mostly on courses in power, transport and communications (20), education (20), health (13) and industry and mining (6). The main subjects of study for the students were natural sciences (17), economics (6) and medical sciences (6).

The financial assistance provided to Western Samoa showed a marked rise until 1971 when it was checked but the value of the technical assistance supplied has varied from year to year. The number of advisers and other experts serving in Western Samoa, which is small, has shown little change since 1969 while the number of trainees and students financed is now appreciably lower than in 1967.

### OTHER COMMONWEALTH COUNTRIES IN OCEANIA

In all the dependent territories in Oceania which are still in early stages of development and which have large subsistence sectors, the main emphasis has been on the development of natural resources, particularly agriculture, which in most cases means copra. Development plans emphasise the need for the transformation of the economy and reducing the reliance on external resources. Transport and communications occupy a prominent place in development expenditure, particularly as the basic infrastructure is very limited in all the territories and in most cases population is scattered over a series of islands. Urban development, including roads and services, is the other major area for expenditure. All territories have ambitious development plans but development in these islands is subject to natural disasters; in the case of New Hebrides, for example, a major setback to the development plan has been received as a result of cyclones which hit some areas causing considerable damage to a number of villages and plantations.

Receiving Country	1			Loans				Inves	tments	Technical assistance		
	Gr	ants	Gr	055	N	et	Gro	055	N	et		diture
	1970	1971	1970	1971	1970	1971	1970	1971	1 <b>9</b> 70	1971	1970	1971
Solomon Is.	2,075	1,715	119	19	119	19	28	105	28	105	1,121	964
New Hebrides	929	1,062	-	-	-	-	-	- 1	-		283	282
G. & Ellice Is.	297	376	-	-	-	-	-	-	-	-	573	620
Papua New Guinea	60,012	52,465	2,613	5,637	2,613	5,637	-	-	-	-	5	6

Number and man-months financed in year

Receiving Country	Advi	Advisers and other experts				Trai	inees		Students				
	19	70	19	71	19	70	19	71	19	70	19	971	
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	
Solomon Is.	339	3,688	358	3,896	17	73	17	89	20	109	23	157	
New Hebrides	93	1,031	110	1,091	7	55	5	41	10	59	9	46	
G. & Ellice Is.	138	1,253	144	1,427	21	138	26	165	14	69	16	83	
Papua New Guinea		••	6	38		••	-	-			8	51	

Whereas grant disbursements to New Hebrides and the Gilbert and Ellice Islands recorded a substantial increase, there was an appreciable fall in the amounts received by the Solomon Islands and Papua-New Guinea. Apart from the substantial amounts for budgetary support, the Gilbert and Ellice Islands and New Hebrides received, as did the Solomon Islands, project grants for transport, agriculture and social infrastructure. Whereas loans received by Solomon Islands declined considerably these loans, all from Britain, were for multiprojects), those to Papua-New Guinea, all from Australia, nearly doubled and were mainly used for development of the Arawa township. Substantial new investments in agriculture were made in the Solomon Islands.

The value of the technical assistance provided by other Commonwealth countries to Solomon Islands fell, remained unchanged for the New Hebrides and increased moderately for the Gilbert and Ellice Islands. The number of advisers to all countries increased with a sharp rise in educational personnel (mainly teachers but also a fair number of educational administrators) in Solomon Islands (71), Gilbert and Ellice Islands (45) and New Hebrides (40). The 6 advisers to Papua-New Guinea were university teachers. The non-educational advisers (7 in Solomon Islands, 4 in Gilbert and Ellice Islands and 3 in New Hebrides) were mainly in the field of economic planning and public administration, while operational personnel (280 in Solomon Islands, 95 in Gilbert and Ellice Islands and 67 in New Hebrides) were engaged mainly in public administration, power, transport and communications, agriculture and health. The number of trainees financed by other Commonwealth countries increased for the Cilbert and Ellice Islands, remained unchanged for Solomon Islands and fell for New Hebrides but there was a small increase in the overall total. Most trainees went on courses in education and public administration. The number of students financed by other Commonwealth countries showed no significant change and nearly all the students studied education.