

## CHAPTER V

### COUNTRIES RECEIVING ASSISTANCE

The previous chapter dealt with the flow of intra-Commonwealth aid on a regional basis and by programme. This chapter deals briefly with the assistance received by most of the individual Commonwealth countries and gives a short summary of development objectives and policies for each. The statistical table in each country study is based on information given by the supplying country, supplemented in some instances by data from the receiving country.

#### ASIA

##### CEYLON

£ thousand

Supplying country	Grants			Loans				Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.			
Britain	-	-	-	4,270	3,740	3,740	3,250	3,250	222	290	290
Canada	1,525	830	968	1,372	613	716	319	373	102	110	129
Australia	287	314	367	-	-	-	-	-	76	67	78
New Zealand	31	38	36	-	-	-	-	-	9	10	10
India	-	-	-	315	-	-	-336	-393	169	36	42
Pakistan	-	-	-	-	-	-	-	-	..	(2)	(2)
Singapore	-	-	-	-	-	-	-	-	..	3	4
<u>Total</u>	1,843	1,182	1,371	5,957	4,353	4,456	3,233	3,230	578	518	555

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	31	166	28	165	105	314	94	340	147	911	184	1,179
Canada	9	62	12	105	28	158	29	147	36	289	35	305
Australia	4	16	3	13	37	204	45	234	26	174	23	189
New Zealand	-	-	-	-	3	18	4	30	11	69	8	79
India	8	86	7	17	47	..	53	(85)	27	..	37	410
Pakistan	(-)	-	-	-	(2)	..	-	-	(-)	..	7	54
Other countries	-	-	-	-	13	..	7	18	3	..	1	4
<u>Total</u>	(52)	330	50	300	235	869	232	(854)	(250)	(1,682)	295	2,220

In the 1967-68 Development Programme highest priority was given to programmes of import substitution. In the agricultural sector, which is the largest sector in the economy, Government policy has been to reduce dependence on few primary export crops like tea, and to expand domestic production of food such as paddy, milk, and fish. This is designed to enable Ceylon to become self-sufficient in food, to provide a more stable base for the domestic economy and to save foreign exchange by reducing the dependence on food imports. At the same time, activities in the agricultural export sector are also being organised with the objective of strengthening and diversifying the agricultural export base through replanting and rehabilitation schemes for the plantation crops and through the development of suitable new crops which have an export potential. Intensification and development of traditional minor

export crops, such as pepper and cinnamon, was envisaged also in the development programme.

In the industrial sector, the principal feature in the programme of industrialisation both in the public and private sector has been the emphasis on import substitution of basic commodities. The government is also allocating money for improving transport, communications and power, tourism and social services such as education and housing.

In the successful implementation of the development programme external assistance is expected to play a major role and will finance a large part of capital expenditure in the public sector.

Gross financial aid from other Commonwealth countries to Ceylon totalled £5.5 million in 1968 (at pre-devaluation rates of exchange) compared with £8 million in 1967. However, net financial aid, calculated by deducting amortization and interest payments on loans, was about £4.4 million in 1968. There was an appreciable reduction in the amount provided in the form of grants, most of which were non-project and used for financing current imports. The greater part of the £200,000 made available as project grants was for the transport sector but some went to the agriculture, forestry and fishing sector. Loan disbursements to Ceylon were also reduced in 1968, the gross figure amounting to £4.3 million at pre-devaluation rates. Net loans were only £3.2 million as £1.1 million were paid to Britain, Canada and India to service earlier loans. Like the grants, most loans were for financing current imports but some were for electricity generation and distribution and transport and communications.

Technical assistance expenditure fell only marginally in 1968; expenditure on students and trainees (some £308,000) accounted for the largest part of the total while that on experts was £163,000. The total of experts and the number of man-hours provided (50 and 300 respectively) showed little change; of the total, 29 were advisers and 11 operational personnel mainly in the fields of power, transport and communications, public administration, agriculture, health and economic planning. The educational personnel worked mainly in primary and secondary and university and higher education, and in administration. The number of trainees also remained virtually unchanged in 1968. They were mainly in power, transport and communications, public administration, health, industry, mining and handicraft, agriculture and social services. On the other hand, the number of students offered scholarships increased by 45 to reach 295 in 1968; they were mainly studying medical sciences (69), engineering (53), agriculture (42), economics (28), education (27) and social services (25).

## INDIA

During the Third Plan period national income at 1960-61 prices rose by 20 per cent or 5 per cent per annum. On the basis of production targets for various sectors, the economy is expected to achieve an average annual increase of about 5.5 per cent in total production during the Fourth Five Year Plan period (1969-74). It is expected that the agricultural sector will grow at an average rate of 5 per cent per annum and the industrial sector will show an 8 to 10 per cent growth rate. In view of the large pool of unemployment the "entire approach to development has had a deliberate employment bias" and efforts will also be made to deal with the increasing problem of the educated unemployed.

£ thousand

Supplying country	Grants			Loans				Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.			
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.			
Britain	-	-	-	36,738	39,370	39,370	18,292	18,292	713	698	698
Canada	25,300	17,056	19,899	8,672	12,684	14,797	12,276	14,321	323	276	322
Australia	1,090	1,547	1,805	-	-	-	-	-	84	95	111
New Zealand	116	54	50	-	-	-	-	-	16	20	19
<u>Total</u>	26,506	18,657	21,754	45,410	52,054	54,167	30,568	32,613	1,136	1,089	1,150

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	70	449	63	404	288	871	272	783	415	2,526	449	2,690
Canada	18	67	2	14	178	1,098	145	920	68	638	50	511
Australia	9	28	1	1	76	415	47	149	15	123	15	144
New Zealand	1	12	1	12	6	44	10	36	7	76	3	36
<u>Total</u>	98	556	67	431	548	2,428	474	1,888	505	3,363	517	3,381

The Fourth Plan gives priority to the development of the rural areas and nearly 40 per cent of the total public sector outlay has been allocated to schemes designed to benefit these areas. Direct and indirect outlays on agricultural production are estimated to take about 32 per cent of the total outlay in the public sector as compared with the allocation of 26.6 per cent and 28.1 per cent under the Second and Third Five Year Plans respectively. The main central sector schemes in agriculture relate to land development, development of research in central institutes and co-ordinated research schemes in which centre and state institutions co-operate. Other important aspects of central sector expenditure are the building up of buffer stocks together with storage facilities required for maintaining stability and expenditure in connection with the rehabilitation of displaced persons.

In addition, large expenditures in the central sector are also envisaged in national infrastructure, i.e. in power, transport and communications, financial institutions, higher education and research, and to building up the industrial structure necessary for continued economic growth such as in the metallurgical and engineering industry, in oil and chemicals, in atomic energy and in fertilizers.

In the States, public sector outlays are concentrated heavily on provision of economic infrastructure and social services with the largest expenditure on power followed by irrigation and flood control. Other major heads of expenditure are education, roads, water supply, health and soil conservation.

The accent of the plan is on self reliance aimed at ceasing imports of foodgrains within two years and making the fullest use of indigenous industrial capacities. It is also hoped to reduce dependence on foreign aid by

mobilising domestic resources and as the Head of the Planning Commission has said "dependence on foreign aid should be gradually reduced so that at the end of the Fourth Plan period net aid is half of the current level". In the meantime, foreign exchange constraints in the fulfillment of Plan objectives are considered crucial. It has been urged that foreign assistance policies of the donors need modification so as to bring them in line with the particular needs and problems of aid receiving countries. In the Indian Economic Survey for 1967-68 it is stated that "a basic characteristic of India's balance of payments which has become evident in the last few years is the fact that of the total import bill, approximately \$1.2 to \$1.3 billion represent imports which cannot be financed by foreign aid in the form it is made available. These include imports of raw materials, such as raw jute, cashew nuts, hides and skins, etc., which are primarily required for export production; imports of certain non-ferrous metals which have to be purchased only in other developing countries; a substantial part of the import requirements of small scale industries which cannot be covered by aid under existing procedures governing aid; and imports of foodgrains as well as freight payments on certain food imports financed by foreign aid. On the other hand, free foreign exchange earnings net of debt service payments have remained stagnant at around \$900 million. There has thus emerged a "cash gap" in India's balance of payments which can be financed either by debt relief or by cash assistance which alone can be used for the purchase of goods from countries other than the aid-giving countries or of goods from the aid - giving countries which are at present not eligible for financing by foreign aid. It is in this context that India has been making efforts to obtain debt relief .....

Gross financial aid from other Commonwealth countries fell slightly to £71 million in 1968 (at pre-devaluation rates of exchange); compared with 1967, however, the share of grants in the total was sharply reduced as that of loans increased. Net financial aid, calculated by deducting amortization and interest payments, was £49 million in 1968, as nearly £22 million was paid to donors to service earlier loans. Most of the grants were non-project and were mainly used for financing current imports although Canada provided about £1 million for general development. About £2 million was provided as project grants and were mainly for electricity generation and distribution, manufacturing and other industries and some were for agriculture, forestry and fishing. There was a substantial increase in loan disbursements to £52 million (at pre-devaluation rates) in 1968. Receipts from Britain rose by about £2.5 million and from Canada by £4.5 million. Payments to Britain to service earlier loans were equivalent to a little less than half of total loan disbursements received from that country so that the net figure for loans was only £30.5 million. Most loans were non-project mainly for financing current imports. Canada also provided £1.8 million for general development. As in the case of grants, the project loans were mainly for electricity generation and distribution and other energy and manufacturing and quarrying industries.

There was a slight decline for the second year in succession in the expenditure on technical assistance provided to India by other Commonwealth countries. Expenditure on students and trainees in 1968 amounted to £699,000 and that on experts to £182,000.

The number of advisers and other experts fell by 31 in 1968 when they totalled 67 and provided 431 man-months of service. The advisers assisted in a number of fields but were mainly in health (5), economic planning (4), agriculture (3) and power, transport and communications (3). Of the 45 educational personnel, 14 taught in primary and secondary education and 13 in university and higher education. 474 traineeships, covering 1,888

man-months were provided in 1968, the number being about 70 less than in the previous year. Most of these trainees went on courses in power, transport and communications (134), industry, mining and handicraft (75), health (61), agriculture (46), education (40) and public administration (31). The number of students increased slightly as more were studying medical science (133) and engineering (126) in 1968. The number in the fields of natural sciences (58), education (60), agriculture (50) and social sciences (37) showed little change on the 1967 levels.

## INDUS BASIN DEVELOPMENT FUND

In 1960 a special international fund was established for the Indus Basin Development Scheme, which benefits both India and Pakistan through ensuring a uniform supply of water for a network of canals. The scheme also involves the construction of canals, bridges, weirs and wells and the laying of drainage pipes. Commonwealth countries provided some £6.5 million (at pre-devaluation rates) towards the cost of the project during 1968, which was about £1 million more than in 1967. Britain's share in the total was £4.2 million while Canada and Australia provided about £1 million each and New Zealand around £180,000.

The Tarbela Development Fund, in which Pakistan, Britain, Canada, the United States, France, Italy and the World Bank will participate, was signed in May 1968. The development which forms a significant part of the development of the Indus Basin, involves the construction of the world's largest earth-fill dam. When completed, the entire Indus Basin programme will provide hydroelectric power and irrigation water for 50 million people and 33 million acres of land in West Pakistan now largely useless for agricultural purposes. Apart from the special pledges from the donor countries, Pakistan will provide rupees to meet local costs and the Indus Basin Development Fund will make a large contribution.

## MALAYSIA

The First Malaysia Plan, covering 1966 to 1970, has four primary objectives: to promote the integration of the peoples and states of Malaysia, to provide steady increases in levels of income and consumption, to generate more employment opportunities, and to stimulate new kinds of economic activity, both agricultural and industrial, so as to reduce the dependence on rubber and tin and to provide substitutes from domestic production for imports. The Plan gives considerable emphasis to education and training, to rural development and the diversification of economic activities, to family planning and to applied agricultural and industrial research. The Government expects to finance about two-fifths of the public sector development expenditure from external grants and loans. The mid-term review of the First Malaysia Development Plan was undertaken in 1968. Progress during the first three years of the Plan was substantial and steady economic growth was maintained despite sharp falls in the prices of major export commodities. In accordance with the principles underlying the Plan, emphasis was given to projects designed to increase productivity and investment in primary and secondary industries. For the period 1966-68 projects in support of agriculture and industrial development accounted for one-third of public development expenditure and projects in these fields showed satisfactory progress. On the other hand, a number of projects in the transportation sector and education were behind schedule although satisfactory progress was achieved in respect of medical and health facilities.

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net	1967		1968	
	1967	1968		1967	1968		1968		1967	1968	1968	1967		1968
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.				Pre-D.	Post-D.	
Britain	3,171	2,821	2,821	-	63	63	-829	-829	718	2,286	-623	1,707	1,895	1,895
Canada	295	183	213	-	1,606	1,874	1,606	1,874	-	-	-	488	458	534
Australia	276	917	1,070	-	-	-	-	-	-	-	-	688	628	733
New Zealand	2	73	68	-	-	-	-	-	-	-	-	235	246	232
India	-	-	-	-	-	-	-	-	-	-	-	177	58	68
Pakistan	-	-	-	-	-	-	-	-	-	-	-	..	(2)	(2)
Singapore	-	-	-	-	-	-	-	-	-	-	-	..	9	10
<b>Total</b>	<b>3,744</b>	<b>3,994</b>	<b>4,172</b>	<b>-</b>	<b>1,669</b>	<b>1,937</b>	<b>777</b>	<b>1,045</b>	<b>718</b>	<b>2,286</b>	<b>-623</b>	<b>3,295</b>	<b>3,296</b>	<b>3,474</b>

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	555	5,309	485	4,810	97	369	98	264	199	1,267	221	1,134
Canada	61	459	45	382	76	494	42	359	223	3,031	211	1,839
Australia	21	261	41	292	124	846	127	802	507	5,460	532	5,392
New Zealand	23	244	13	124	42	313	79	637	310	3,200	129	1,384
India	3	25	5	60	39	..	171	..	34	..	42	455
Pakistan	(-)	-	-	-	-	-	4	10	-	-	4	24
Singapore	-	-	-	-	-	-	5	42	-	-	21	248
<b>Total</b>	<b>(663)</b>	<b>6,298</b>	<b>589</b>	<b>5,668</b>	<b>378</b>	<b>(2,172)</b>	<b>526</b>	<b>(2,387)</b>	<b>1,273</b>	<b>(13,230)</b>	<b>1,160</b>	<b>10,476</b>

In the remaining two years of the Plan period the aim is to achieve an annual growth rate of 5.5 per cent in terms of physical output and a rapid expansion of public investment is envisaged.

Gross financial aid from other Commonwealth countries to Malaysia rose by almost £3.5 million to nearly £8 million in 1968 (at pre-devaluation rates of exchange). Compared with the previous year, grants increased slightly while gross loans and investments rose markedly. Net financial aid was only £4 million in 1968 since large repayments were made to Britain as amortization and interest on past investments.

Most of the grant money was project aid and went mainly for education although some was used for agriculture, forestry and fishing. Loan disbursements in 1968 were made almost entirely by Canada while Britain, which disbursed only a small sum, received nearly £900,000 in debt payments on past loans. Apart from a small amount for the communications sector, the disbursements were not allocated to particular sectors. Although gross investment by the Commonwealth Development Corporation more than trebled in 1968, net investments were negative as Malaysia paid to Britain nearly £3 million as principal and interest on past investments. The money invested was largely in agriculture, forestry and fishing, energy and housing.

Malaysia continues to receive considerable help from other Commonwealth countries in the form of technical assistance and expenditure on experts amounted to £2 million in 1968 while over £1 million was provided for students and trainees. The number of advisers and experts fell by about 75 in 1968 to 589; of this figure 445 were operational personnel and 40 advisers. Most of them were engaged in power, transport and communications (152), health (99), agriculture (104), public administration (69), and economic

planning (35). For the second year in succession the number assisting in the power, transport and communications and in the public administration sectors declined while, compared with 1967, there was little change for agriculture and health but the number engaged in economic planning was nearly three times as great. Nearly half the personnel in education were helping in primary and secondary education but a considerable number were provided for teacher training and technical and vocational training.

There was an increase of about 150 in the number of trainees financed in 1968. The rise in numbers was mainly reflected in those going on courses in industry, mining and handicrafts (118 in 1968 compared with 40 in the previous year). The other main subjects of the courses were public administration (70), power, transport and communications (50), education (45) and health (52); the numbers attending these courses showed little change on the 1967 levels but it is noteworthy that more went on courses in economic planning. The number of students financed fell by about 110 in 1968 with the bulk studying education (217), medical sciences (216), engineering (168) and natural sciences (157). The number of agricultural students continued to rise to reach 124.

## PAKISTAN

The Third Five Year Plan 1965-70 is set within the context of a long-term perspective plan covering twenty years which has as its objectives the quadrupling of the gross national product by 1984-85 (equivalent to doubling per capita income), the achievement of parity in income per head between East and West Pakistan, the provision of full employment by the middle of the period, and the elimination of dependence on external assistance. The Third Five Year Plan is focussed on agricultural development and 13 per cent of the total allocations of public expenditure are for this sector. The largest amount of money (26 per cent of the total) is for the water and power sector, which includes irrigation and improvements to the electricity supply and distribution. The provision of better roads and railways means that allocations to the transport and communications sector are also high as are those to industry. The Plan also calls for an increase in educational facilities, especially those relating to agriculture.

The Planning Commission has released a document containing the socio-economic objectives of the Fourth Plan for discussion and debate. According to this document, the objectives of the Fourth Five Year Plan (1970-75) would be to maintain the tempo of development in the country through optimum utilisation of the country's assets and human resources, reduce intra-regional and inter-regional disparity in per capita income, make the economy increasingly self-reliant in most essential fields and bring about a reasonable balance between economic growth and economic and social justice. The strategy of the Plan is to bring about a proper balance between agricultural and industrial growth.

Pakistan expects to attain self sufficiency in food production by the end of the Third Plan period i.e. 1970. Therefore, the strategy for agricultural sector for the next five year plan period is to diversify agriculture into such products as edible oils, sugar, vegetables, poultry, fish, meat and dairy products, for which domestic demand is expected to grow. So far the introduction of agricultural technology has been confined to the middle-sized and large farms and an attempt is to be made to extend modern technology to the small farms, particularly in East Pakistan. Institutional arrangements

£ thousand

Supplying country	Grants			Loans				Technical assistance expenditure			
				Gross		Net					
	1967	1968		1967	1968		1968		1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.		Pre-D.	Post-D.
Britain	-	-	-	11,247	8,601	8,601	4,624	4,624	699	939	939
Canada	8,448	2,084	2,430	2,934	7,962	9,288	7,673	8,951	231	188	219
Australia	551	508	593	-	-	-	-	-	234	194	227
New Zealand	-	-	-	-	-	-	-	-	7	12	12
Singapore	-	-	-	-	-	-	-	-	-	1	1
<u>Total</u>	8,999	2,592	3,023	14,181	16,563	17,889	12,297	13,575	1,171	1,334	1,398

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
	Britain	73	669	83	603	91	329	81	370	438	2,801	520
Canada	4	41	3	15	99	700	77	665	106	893	81	706
Australia	9	51	10	48	52	318	37	168	60	586	68	706
New Zealand	-	-	-	-	3	10	8	48	5	48	7	46
Singapore	-	-	-	-	-	-	2	8	-	-	-	-
<u>Total</u>	86	761	96	666	235	1,357	205	1,259	609	4,328	676	4,859

are to be devised in the Fourth Plan whereby the necessary agricultural inputs, machinery, credit, marketing, and other facilities are provided to the small farmer.

In the industrial sector, greater attention will be paid towards the utilisation of installed capacity and modernisation and balancing of existing plants than to the creation of new capacity. Greater allocation of finance will be made for developing the capital goods, agro-based and export industries and exploitation of minerals.

The Fourth Plan will also attach a very high priority to the development of human resources and a considerable amount will be invested in providing primary, technical and vocational education. In the field of employment, efforts will be made to absorb the entire addition in the labour force during the Plan period and to reduce the backlog of unemployment and to improve the skill and efficiency of labour.

In the document "Socio and Economic Objectives of the Fourth Five Year Plan (1970-75)" it is stated that "Unfortunately, since 1965, the international climate for foreign assistance has deteriorated, the availability of credits has become uncertain, the overall terms of credit have become harder and many loans are being offered increasingly on political rather than economic and humanitarian considerations" and "recent developments make it imperative for the country to reduce its dependence on foreign assistance, as quickly as possible, despite its growing economic capacity to absorb larger resources from abroad".

The flow of Commonwealth financial aid to Pakistan fell by about £4 million to £19 million in 1968 (at pre-devaluation rates of exchange) due mainly to a heavy reduction in grant disbursements which were little more than a



quarter of the 1967 figure. On the other hand, loans and technical assistance expenditure rose slightly. Net financial aid, calculated by deducting amortization and interest payments on earlier loans, was under £15 million. Most of the grant disbursements were for non-project aid and were mainly used for financing current imports. The project grants went for electricity generation and distribution, housing, and manufacturing industry. There was a substantial increase in loan disbursements from Canada but those from Britain fell appreciably and debt payments to that country on past loans were large and equal to nearly half the gross disbursements of loan finance received from Britain in 1968. Most loans were for financing current imports, for manufacturing industry, transport, and electricity generation and distribution.

There was a slight increase in the expenditure on technical assistance provided to Pakistan by other Commonwealth countries. Although more advisers and experts were supplied than in 1967, the number of man-months declined. Of the non-educational personnel, about half were employed in the agriculture and power, transport and communications sectors. The number of educational personnel, at 54, was about the same as in 1967 and three-fifths of these experts were employed in primary and secondary education and a further fifth in university and higher education.

The number of trainees financed by other Commonwealth countries declined slightly in 1968 when, as in the preceding year, the greatest number were on courses in power, transport and communications. The number on courses in health (25), and in industry, mining and handicrafts (23), was much smaller than in 1967. There was an appreciable increase in total students and the number in most of the main disciplines rose; in 1968 the greatest number of students were studying natural sciences (166) and engineering (140).

## SINGAPORE

The Second Development Plan 1966-70 seeks to transform what had been a largely entrepot trading economy into one based primarily on a modern industrial sector; an objective made more necessary by the British military rundown. The Plan also aims to expand employment opportunities and to provide a satisfactory level of services in education, health and housing. In May 1968 it was announced that Britain would make available to Singapore £50 million of Special Aid over five years, consisting of a quarter in grant form and the remainder as soft loans; up to 30 per cent of this aid may be committed to agreed purposes and projects in 1968-69.

The total financial aid provided by other Commonwealth countries fell substantially in 1968 due mainly to a substantial reduction in grant disbursements by Britain, which had provided almost £1½ million of special aid in this form in 1967. Investments were also lower than in 1967 but loan disbursements increased. Gross loans totalled £284,000 in 1968 (at pre-devaluation rates) but, as debt payments to Britain were large, net loans amounted to only £95,000. Most of the grants in 1968 went to the transport sector and to manufacturing and other industries as did the loan disbursements. All the money invested by C.D.C. in that year went to the industrial sector.

There was a further increase in expenditure on technical assistance for Singapore by other Commonwealth countries in 1968 when the outlay for students and trainees, at £429,000, accounted for nearly three-fifths of the total. The total number of experts increased very slightly but the number of

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net				
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Britain	1,487	169	169	-	284	284	95	95	280	211	211	137	267	267
Canada	84	38	44	-	-	-	-	-	-	-	-	170	176	205
Australia	-	-	-	-	-	-	-	-	-	-	-	226	221	258
New Zealand	3	13	12	-	-	-	-	-	-	-	-	53	71	67
India	-	-	-	-	-	-	-	-	-	-	-	6	6	7
<u>Total</u>	1,574	220	225	-	284	284	95	95	280	211	211	612	741	804

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	45	433	48	353	12	22	23	149	137	942	147	946
Canada	17	152	14	125	28	250	26	187	94	866	90	917
Australia	12	35	8	36	50	290	78	694	114	1,258	126	1,384
New Zealand	8	57	8	77	25	233	18	130	36	365	37	282
India	-	-	7	(1)	2	..	5	..	8	..	13	134
Pakistan	-	-	-	-	-	-	-	-	(5)	..	1	2
<u>Total</u>	82	677	85	(592)	117	(797)	150	(1,168)	394	(3,530)	414	3,665

man-months supplied declined appreciably. Out of the total of 47 non-educational advisers and operational personnel in 1968, which compares with a figure of 54 in 1967, the majority were employed in social services, power, transport and communications and public administration. The educational personnel were mainly in teacher training and university and higher education with some in technical and vocational training. The increase in the number of trainees financed was reflected in most subjects but most particularly in education, where the number was 54 compared with 34 in 1967. The number of students financed by other Commonwealth countries also increased and for the second year in succession the emphasis was largely on engineering subjects; in fact, out of the 414 students in 1968, 216 were studying engineering. The next most important subject was medicine with 81 students followed by education 39 and agriculture 20.

AFRICA

BOTSWANA

During the course of 1968 Botswana announced a new National Development Plan (1968-1973) which gives five year projections for revenue and expenditure and specifies projects to be started in the first two years of the plan period. It is envisaged that a far more comprehensive Plan will be published at the end of 1969 covering the period 1970 to 1975. One major project, which is included in the current Plan and could have a dramatic impact on the economy is the Shashi Complex. It involves the development of several copper and diamond mines, salt and soda ash deposits, associated industrial complexes, one or more dams, a major power station, roads and

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net				
	1967	1968		1967	1968		1968		1967	1968	1968	1968		
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.				Pre-D.	Post-D.	
Britain	4,395	5,239	5,239	443	138	138	-6	-6	326	-	-186	398	419	419
Canada	-	-	-	-	-	-	-	-	-	-	-	33	14	16
Australia	-	-	-	-	-	-	-	-	-	-	-	4	6	7
Singapore	-	-	-	-	-	-	-	-	-	-	-	-	1	2
<u>Total</u>	4,395	5,239	5,239	443	138	138	-6	-6	326	-	-186	435	440	444

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	252	2,434	270	2,548	19	57	9	22	5	18	10	64
Canada	6	56	2	16	6	21	3	15	-	-	-	-
Australia	-	-	-	-	6	26	4	14	1	-	-	-
Singapore	-	-	-	-	-	-	3	6	-	-	-	-
<u>Total</u>	258	2,490	272	2,564	31	104	19	57	6	18	10	64

four mining townships. Detailed feasibility studies and related negotiations are now in hand. The Plan as a whole expects a growth rate of 6 per cent per annum, but if mining development occurs more rapidly than the present estimates, the rate of growth may reach 10 per cent by 1972 in which case plan projections for trained manpower will require upward revision. For the first time the Plan aims at financial self-sufficiency in the near future with the need for budgetary grants-in-aid being progressively removed during the decade 1970/80. But this requires initially, over the next few years, an injection of large amounts of foreign capital to develop the mining sector.

In 1968 the flow of official finance from other Commonwealth countries, all from Britain, was, at pre-devaluation rates of exchange, appreciably higher than in the preceding year since the fall in loan disbursements and the absence of new investment by the C.D.C. was more than offset by a rise of nearly £1 million in grants. Most of the grant money was required for budgetary support but small amounts were used in the fields of education, agriculture, transport, community projects, health, communications and electricity generation and distribution. The low level of loan disbursements resulted in payments by Botswana to service earlier loans exceeding receipts of "new" loan money in 1968. Similarly there were comparatively large interest and capital payments on investments.

Expenditure on technical assistance by Commonwealth countries was about the same as in 1967 and about three-quarters of the total was for experts. The increase in experts in 1968 as compared with the previous year was largely reflected in greater numbers concerned with agriculture but even so the number in this field (60) was still much lower than the total of those helping in public administration (109). About half of the educational personnel, i.e. 13, were engaged in primary and secondary education while 6 were educational administrators. The number of trainees financed by other Commonwealth

countries was sharply reduced in 1968 as fewer went on courses in public administration. The total for students, again chiefly in agriculture and social sciences, remained small.

## EAST AFRICA

£ thousand

Supplying country	Grants			Loans				Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.		Pre-D.	Post-D.
Britain	61	7	7	1,899	639	639	-675	-675	2,204	2,355	2,355
<u>Total</u>	61	7	7	1,899	639	639	-675	-675	2,204	2,355	2,355

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,216	13,615	1,594	16,252	97	606	82	553	40	410	47	354
Canada	12	117	-	-	-	-	-	-	1	3	-	-
Australia	-	-	-	-	-	-	2	7	-	-	-	-
<u>Total</u>	1,228	13,732	1,594	16,252	97	606	84	560	41	413	47	354

Some of the assistance provided by Commonwealth countries is to East Africa in general and cannot be apportioned to individual countries. In 1968 financial aid fell heavily as drawings on loans by Britain were small compared with earlier years. Furthermore debt servicing payments on earlier loans were substantial in 1968 and, in fact, outweighed the receipts of "new" money. All the small amount of money made available as grants was used for the educational sector while all the loan money went to the transport sector.

Technical assistance expenditure by Britain, which was almost wholly for experts, was somewhat higher than in 1967. Most of these experts were operational personnel and the total for all experts, which had declined in 1967, increased substantially in the following year when nearly 800 were assisting in the power, transport and communications sector and 154 in the public administration sector. About 390 out of the 477 educational personnel were in university and higher education. The total of trainees financed went down last year when the bulk were on courses in power, transport and communications (61), while for students the main subjects were engineering (18), economics (10) and medical sciences (7).

## THE GAMBIA

The main emphasis of the current Development Plan (1967-68 to 1970-71) is on increasing output of groundnuts and also rice and livestock and on encouraging the co-operative movement. Recent official statements have made it clear that the Gambia is well aware of the problems facing a mono-crop economy and have emphasised the need for diversifying the country's exports while avoiding risky ventures and expensive prestige projects. The Government is currently engaged in preparing a new Development Plan which will come into operation after June 1971. Among the projects to be included in the new plan are the expansion and modernisation of the Port of Bathurst, major

£ thousand

Supplying country	Grants			Loans				Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.		Pre-D.	Post-D.
Britain	475	11	11	27	1,007	1,007	1,004	1,004	296	162	162
Canada	-	2	3	-	-	-	-	-	10	14	17
Australia	-	-	-	-	-	-	-	-	3	11	13
New Zealand	-	-	-	-	-	-	-	-	4	3	3
<u>Total</u>	475	13	14	27	1,007	1,007	1,004	1,004	313	190	195

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	87	824	80	739	18	48	23	112	64	436	55	344
Canada	-	-	2	8	4	39	3	8	7	70	7	60
Australia	-	-	-	-	1	10	5	34	2	22	6	67
New Zealand	-	-	-	-	-	-	-	-	3	36	4	36
<u>Total</u>	87	824	82	747	23	97	31	154	76	564	72	507

improvements to Yundum airport and reconstruction of several roads. The whole development effort is heavily dependent on external aid, mainly from Britain, though the Gambia has continued to balance its own recurrent account. Intra-Commonwealth financial assistance increased in 1968 when considerably more was disbursed as loans; grants, which in the past have been largely for budgetary support, became very small. Most of the loan disbursements were used for transport although some went for community projects, electricity generation and distribution and multi-projects.

Technical assistance expenditure by other Commonwealth countries fell back sharply last year as the number of experts made available declined and, on average, they spent fewer man-months on their assignments. Most experts were operational personnel in the fields of power, transport and communications (29), public administration (17), agriculture (12) and health (7). Compared with 1967, fewer were engaged in public administration and agriculture but twice as many, some 14, assisted in education. The number of trainees financed recovered in 1968 and this was reflected in most subjects but the total of students, which had risen very sharply in 1967, declined very slightly.

## GHANA

The Two-Year Development Plan covering mid-1968 to mid-1970 is designed, as a forerunner of a more comprehensive development plan, to move the economy from the stabilisation phase of the past few years to a development phase. It aims to achieve economic growth by a better utilisation of idle capacity, imports and investment resources, to generate employment, particularly in the rural sector, to curb inflationary pressures and to contain the balance of payment deficits to a point where they can be reasonably covered

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net				
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Britain	-	-	-	30	5,083	5,083	4,639	4,639	-	600	579	464	646	646
Canada	740	703	820	-	-	-	-	-	-	-	-	627	747	872
Australia	-	3	3	-	-	-	-	-	-	-	-	47	41	48
New Zealand	-	-	-	-	-	-	-	-	-	-	-	5	3	3
India	-	-	-	-	-	-	-	-	-	-	-	1	5	7
Pakistan	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)
<b>Total</b>	740	706	823	30	5,083	5,083	4,639	4,639	-	600	579	1,144	1,443	1,577

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	391	3,606	457	4,636	113	436	158	675	138	993	203	1,146
Canada	133	1,091	86	890	29	208	22	168	109	938	114	1,091
Australia	1	12	1	5	21	106	22	154	23	213	22	190
New Zealand	-	-	-	-	-	8	7	43	-	-	-	-
India	-	-	-	-	2	..	11	..	1	..	5	33
Pakistan	-	-	-	-	-	-	3	10	-	-	-	-
<b>Total</b>	525	4,709	544	5,531	173	(837)	223	(1,068)	271	(2,152)	344	2,460

by foreign capital inflows. Aid disbursements are expected to increase and considerable rescheduling of debt has been achieved thereby cutting the annual debt servicing by half. As the external debt continues to grow and the debt servicing is still a very heavy burden it is considered essential that the terms on which aid is obtained and debt rescheduling is effected should be very generous. Moreover, until more suitable projects are ready and the basic improvement in the balance of payments has progressed further, it will continue to be necessary to rely on substantial balance of payment support.

The flow of official intra-Commonwealth financial aid to Ghana, which had declined in the previous year, rose very sharply in 1968 when very heavy drawings were made on loans from Britain. After allowing for amortization and interest payments on past loans and investments, the net financial flow amounted to some £5.9 million. Most of the grants, which fell only marginally, were used for financing current imports. A small amount (some £42,000) was in the form of project grants and went mainly for education and electricity generation and distribution. Almost all the £5 million drawn against loans were also used to finance current imports while the investments were made in the energy sector.

The value of technical assistance supplied by Commonwealth countries rose further in 1968 when about £1 million was provided by way of services by experts and over £350,000 as finance for students and trainees. The number of experts increased again and, on average, they spent more man-months than in 1967 assisting Ghana. Out of the total of 544 nearly 450 experts were in the educational field and over half were concerned with primary and secondary education; however the total number of educational personnel was a little lower than in 1967. Of the remainder of the experts the majority were

engaged in power, transport and communications and agriculture.

The number of Ghanaian trainees and students financed by Commonwealth countries showed a marked increase in 1968. This rise was chiefly apparent in the greater number studying education or on educational courses. After the sharp expansion in 1967, the number studying engineering declined in the following year and fewer trainees went on courses connected with public administration.

## KENYA

Progress under the 1966-70 Plan has been very satisfactory and if the development estimates for the year 1969-70 are realized the total expenditure during the Plan period will amount to over £K 100 million, compared with the target of £K 92 million. After allowing for rising costs, it would appear that the Plan targets have been, on the whole, fully achieved. Improvement in road facilities will aid most sectors of the economy, particularly such industries as sugar, while the large amount spent on the social services should lead to improvement in the living conditions. The considerable expenditure on education will in the long run have beneficial effects on the economy. Agricultural and industrial development also received high priorities under the Plan and would, of course, have a direct influence on the strength and flexibility of the economy. The country's development effort, however, continues to need substantial amounts of foreign assistance and loans for both the economic and social sectors.

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Britain	176	320	320	3,627	5,321	5,321	2,609	2,609	1,965	1,248	11	3,814	4,075	4,075
Canada	89	20	23	-	-	-	-	-	-	-	-	334	470	548
Australia	-	-	-	-	-	-	-	-	-	-	-	64	51	60
New Zealand	-	-	-	-	-	-	-	-	-	-	-	30	40	38
India	-	-	-	-	-	-	-	-	-	-	-	10	26	30
Pakistan	-	-	-	-	-	-	-	-	-	-	-	(1)	(2)	(2)
<b>Total</b>	265	340	343	3,627	5,321	5,321	2,609	2,609	1,965	1,248	11	(4,253)	(4,664)	(4,753)

### Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,913	15,847	1,763	17,945	107	413	107	426	166	1,139	173	975
Canada	61	615	86	666	28	164	25	157	36	324	31	298
Australia	3	36	3	31	24	179	26	154	4	45	7	58
New Zealand	8	66	6	67	4	34	7	55	17	121	9	85
India	-	-	-	-	5	..	8	..	34	..	35	390
Pakistan	-	-	-	-	-	-	3	8	(2)	..	2	24
<b>Total</b>	1,985	16,564	1,858	18,709	168	(795)	176	(813)	(259)	(1,934)	257	1,830

The amount of gross financial aid provided to Kenya by other Commonwealth countries, virtually all from Britain, increased by about £1 million to reach some £6.9 million in 1968. However, net financial aid was under £3 million as considerable debt servicing payments were made on earlier loans and investments. Grant disbursements, which recovered slightly in 1968, were used principally for agriculture, forestry and fishing and for education. In addition, there was a large increase in loan disbursements and about two-thirds were project loans mainly for agriculture, forestry and fishing, transport, communications, health and community projects. Although gross investments by the Commonwealth Development Corporation fell appreciably, they still amounted to almost £1½ million but, as a result of large repayments of principal and interest payments to Britain on past investments, net investment was only £11,000. The new investment in 1968 was in the social infrastructure and the energy sector although some money was invested in agriculture, forestry and fishing and multi-projects.

Technical assistance expenditure by Commonwealth countries, which had risen by over £1½ million in 1967, showed a further increase in 1968 when some £4.1 million out of the total of £4.6 million (at pre-devaluation rates) was for the services of experts. While the total number of experts financed declined as compared with 1967, the number of man-months provided by these personnel was far higher. Nearly 1,100 teachers, mostly at the primary and secondary level, were financed in 1968, a slightly higher figure than for 1967. Consequently, the fall was wholly in non-educational experts and this was reflected in all the main fields of work. In the case of power, transport and communications (where there was a fall of about 30) and health (a fall of 52), this was the second successive reduction. Public administration and agriculture remained the two sectors receiving the most expert assistance employing 216 and 185 respectively in 1968. There was a slight increase in the number of trainees financed but little change for students. The subjects of the courses attended by the trainees were widespread but the largest number went to those concerned with public administration, power, transport and communications, and health. Medicine was the subject studied by most students while a considerable number were studying engineering, agriculture and social sciences.

## LESOTHO

The main emphasis in development continues to be on improved agricultural techniques and on expansion and improvement of the roads, airfields, water and electricity supplies. The Government has now embarked on technical feasibility studies for the Ox-Bow project which is central to Lesotho's development hopes and it envisages the construction of a number of dams and three hydro-electric power stations. These studies are essential preliminaries to the actual financing of the projects and are expected to be completed in about two years time.

Lesotho continues to receive considerable financial assistance from Britain mainly in the form of grants. In 1968 nearly £4 million was provided in this way and about two-thirds was for budgetary support. The project grants were used for agriculture, transport, health, education, manufacturing industry and community projects.

Expenditure on technical assistance provided by Commonwealth countries, which had declined in 1967, showed a partial recovery in 1968 when most of the money was again spent on advisers and experts. The total of experts increased and they spent, on average, more time in Lesotho. The number of educational personnel was higher than in 1967 as were the numbers



£ thousand

Supplying country	Grants			Loans				Technical assistance expenditure			
				Gross		Net					
	1967	1968		1967	1968		1968		1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.		Pre-D.	Post-D.
Britain	3,538	3,914	3,914	278	119	119	78	78	214	288	288
Canada	-	-	-	-	-	-	-	-	48	47	55
Australia	-	-	-	-	-	-	-	-	5	5	6
<u>Total</u>	3,538	3,914	3,914	278	119	119	78	78	267	340	349

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
	Britain	126	1,022	133	1,152	33	156	26	131	70	386	53
Canada	7	68	7	53	14	69	7	27	12	128	11	100
Australia	-	-	-	-	7	49	3	17	1	3	1	10
<u>Total</u>	133	1,090	140	1,205	54	274	36	175	83	517	65	453

for public administration (53) and agriculture (11) but fewer served in the health sector. For the second year in succession the number of trainees financed declined and the 1968 total was little more than half the 1966 figure; the latest reduction was chiefly reflected in the number attending courses in education and social sciences. The number of students financed also fell in 1968 largely because fewer were studying agriculture and education.

### MALAWI

In a memorandum, the Malawi Government states that "on the dissolution of the Federation of Rhodesia and Nyasaland, the Malawi Government was faced with a situation whereby its own internal revenues amounted to less than £8 million, while expenditures were in excess of £16 million. This gap between revenue and expenditure was filled through the generous assistance of the British Government. It was, however, and still is, the policy of the Malawi Government to eliminate this Budgetary deficit as rapidly as possible. In 1969, it is estimated that internal revenue will have more than doubled, to approximately £16½ million, while Budgetary Aid from Britain will have fallen to £2.8 million.

Malawi is an agricultural country and the emphasis of all development programmes has been on the encouragement of the agricultural sector of the economy. As a result of these efforts, domestic exports are expected to rise from a figure of £11.5 million in 1964 to £17.5 million in 1969 - an increase of approximately 54 per cent over five years. In order to assist in the development of exports, emphasis is also being placed upon improving the transportation system.

As a consequence of previous neglect, there was also in 1964 a quite inadequate number of Malawians possessing professional qualifications, and an equally great shortage of Malawians in possession of sub-professional qualifications. It was essential that this shortage in trained manpower should be remedied and the third area of concentration has, therefore, been the expansion of the secondary school programme; the construction of institutions able to provide diploma level training and the founding of a University to provide for professional training.

In view of the Budgetary deficit which still continues, it is not possible to divert ordinary recurrent revenues to the purpose of financing the Development Programme. This Programme, therefore, depends upon the sums which can be borrowed locally and upon the success of the Government in obtaining loans or grants from external sources. This, in its turn, makes more complicated the planning of a Development Programme. Annual expenditure on Development Account has increased from £M 2.7 million in 1964 to £M 7.0 million in 1968, and is expected to amount to approximately £M 10.0 million in 1969. In addition, a further amount of some £M 20.0 million has been committed in external development resources for utilization in the next few years. These figures are indicative of the continuing confidence of external sources of development finance in Malawi.

The total inflow to Malawi of external development resources (i.e. soft term loans, grants, personnel, equipment and supplies, and scholarships) has increased steadily from an estimated £M 10.6 million worth in 1966, to an estimated £M 11.1 million worth in 1967 and an estimated £M 11.5 million worth in 1968. In the latter years, Malawi received 67 per cent of all her external development resources from the Commonwealth, but of this amount, the United Kingdom alone provided just over 98 per cent, that is about 66 per cent of the global figure.

The principal restraints on the absorption of external development resources are:

- "(i) hard terms, which preclude Malawi from accepting loans, the repayment of which on the terms offered would be beyond the resources available at present or in the future;
- (ii) the requirement that Malawi should meet a high percentage of counterpart costs from local resources, which are not available;
- (iii) the restriction of external development resources to projects which appeal to the donor or lender, but which do not accord either with sociological conditions in Malawi, or with Malawi's own development priorities. This tends to force Malawi into borrowing on harder terms in order to finance projects which Malawi considers to be of crucial importance to the overall development of the country;
- (iv) requirements that a high percentage of external development resources should be spent on products of the donor or lender country, or be tied to offshore as opposed to local costs;

- (v) Malawi's need for many development projects to be "self-contained", including provision from external sources of administrative staff, housing, transport and other overheads, because of the shortage of domestic resources of skill and money;
- (vi) shortages in local cash resources for servicing experts and technicians over and above established posts".

In addition to the factors given above. Malawi also lists other factors which inhibit its development programming. These are:

- "(i) There is a tendency for external development resources to be made available primarily for projects which result in the creation of visible, physical assets. However, some of the most effective development projects contain a high recurrent cost element (e.g. agricultural extension). It is important that each project should be balanced, and contain all of the required inputs, both capital and recurrent;
- (ii) Those supplying development resources have a natural desire to ensure that their investments are channelled into projects which produce immediate and tangible economic results. However, in a country such as Malawi, almost totally dependent upon external resources to finance its development programme, this results in unbalanced development. Social and administrative services and other infrastructure elements, which are equally essential, tend to be neglected. It would, therefore, be helpful if external development resources could be made available on a more flexible basis so that they can be used freely to meet any aspects of a balanced development programme;
- (iii) Uncertainty about future levels of external development resources. The speed with which Malawi can implement her development programme depends, to a large extent, on the level of external development resources that are available to her. It would, therefore, facilitate rational planning if those who provide development resources could give forward indications of the future amounts of external development resources which they are prepared to make available to Malawi;
- (iv) There appears to be a tendency for some bilateral suppliers of development resources to concentrate those resources in a few "selected" countries. The policy of concentrating development resources in a few countries clearly facilitates the administration of the supply of those development resources. However, if the present trend, to concentrate upon those countries whose economies are on the verge

of take-off, continues, then other countries whose need, in terms of low income level, is great and whose record, in terms of a high level of performance, is good will tend to be neglected. The situation would be improved, if those countries desiring to concentrate their efforts on a few developing countries, or in particular areas, could co-ordinate their plans so as to achieve between them a reasonable overall spread".

The gross total of financial assistance provided to Malawi by other Commonwealth countries declined by over £1 million in 1968 as the increase in loan disbursements was not sufficient to offset the fall in those as grants. With repayments of capital and interest payments amounting to nearly £900,000, the net flow amounted to some £5.3 million. The amount of grant money required for budgetary support was further reduced last year while the investment by the Commonwealth Development Corporation, which also declined for the second year in succession, went to the agricultural sector and for social infrastructure. Loan disbursements, which increased slightly, were spread over a wide range of sectors.

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Britain	4,165	3,131	3,131	2,751	2,814	2,814	2,387	2,387	310	202	-237	1,370	1,677	1,677
Canada	35	24	28	-	-	-	-	-	-	-	-	107	81	95
Australia	-	-	-	-	-	-	-	-	-	-	-	20	21	24
New Zealand	-	-	-	-	-	-	-	-	-	-	-	8	4	4
India	-	-	-	-	-	-	-	-	-	-	-	3	2	2
<b>Total</b>	<b>4,200</b>	<b>3,155</b>	<b>3,159</b>	<b>2,751</b>	<b>2,814</b>	<b>2,814</b>	<b>2,387</b>	<b>2,387</b>	<b>310</b>	<b>202</b>	<b>-237</b>	<b>1,508</b>	<b>1,785</b>	<b>1,802</b>

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,056	11,002	1,092	10,838	70	247	64	296	92	502	125	728
Canada	26	251	13	131	6	53	3	26	22	208	22	230
Australia	1	12	1	2	14	118	10	89	5	15	4	33
New Zealand	3	10	1	12	3	11	1	12	2	24	1	12
India	-	-	-	-	-	-	-	-	12	..	10	112
Pakistan	-	-	-	-	-	-	-	-	(3)	..	-	-
Other countries	11	..	8	59	-	-	-	-	6	..	1	12
<b>Total</b>	<b>1,097</b>	<b>(11,398)</b>	<b>1,115</b>	<b>11,042</b>	<b>93</b>	<b>429</b>	<b>78</b>	<b>423</b>	<b>(142)</b>	<b>(849)</b>	<b>163</b>	<b>1,127</b>

Expenditure on technical assistance provided to Malawi by Commonwealth countries continued to rise in 1968 and most of it went as payments for expert services. Most of the experts were operational personnel who numbered 851 out of a total for all experts and advisers of just over 1,100. The non-educational personnel were mainly employed in power, transport and communications (267), public administration (240), agriculture (154), health (69), economic planning (29), and social services (19). Compared with 1967,

these figures show appreciable increases for the power, transport and communications, and the agricultural sectors but a significant reduction for public administration. In addition to the experts mentioned above, there were some 230 persons assisting in the educational field in 1968, of whom 76 were in administration, 67 teaching at the university and higher education level, 59 in primary and secondary education and 22 giving technical and vocational training. The number of trainees financed declined further as fewer attended courses in public administration and education. On the other hand, the upward trend in the number of students financed continued as more were studying medicine and engineering.

## MAURITIUS

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net	1967	1968		
	1967	1968		1967	1968		1968		1967	1968		1968	1967	1968
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.			Pre-D.			Post-D.
Britain	798	2,166	2,166	570	1,535	1,535	1,211	1,211	225	-	-50	208	228	228
Canada	-	-	-	-	-	-	-	-	-	-	-	37	27	32
Australia	-	-	-	-	-	-	-	-	-	-	-	7	5	6
New Zealand	-	-	-	-	-	-	-	-	-	-	-	-	5	5
India	-	-	-	-	-	-	-	-	-	-	-	8	21	25
Pakistan	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)
<b>Total</b>	<b>798</b>	<b>2,166</b>	<b>2,166</b>	<b>570</b>	<b>1,535</b>	<b>1,535</b>	<b>1,211</b>	<b>1,211</b>	<b>225</b>	<b>-</b>	<b>-50</b>	<b>(260)</b>	<b>(287)</b>	<b>(297)</b>

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	92	856	81	714	38	144	26	158	50	336	47	302
Canada	3	32	2	16	5	32	-	-	20	202	19	181
Australia	-	-	-	-	4	20	2	13	6	65	6	57
New Zealand	-	-	-	-	-	-	-	-	4	..	6	65
India	-	-	2	24	4	..	6	..	19	..	36	375
Pakistan	-	-	-	-	-	-	-	-	-	-	2	24
<b>Total</b>	<b>95</b>	<b>888</b>	<b>85</b>	<b>754</b>	<b>51</b>	<b>(200)</b>	<b>34</b>	<b>(181)</b>	<b>99</b>	<b>(868)</b>	<b>116</b>	<b>1,004</b>

The main objectives of the 1966-70 Public Sector Development Programme are to promote additional employment opportunities for the island's growing labour force and to improve the infrastructure and social services to meet the needs of the directly productive sectors and to keep pace with the growth in population. The programme lays great emphasis on diversification, particularly on developing tourism. It is also planned to quadruple the 1967-68 acreage of tea by 1970 and several tea factories have been established. The establishment of viable secondary industries is encouraged by way of development certificates providing tariff protection and tax moratoria for five to eight years and it is estimated that 20 per cent of the Government's capital spending in the period 1966-70 will be on loans to the Industrial Development Bank to finance new enterprises.

As a result of higher disbursements of grants and loans by Britain, the gross flow of financial aid to Mauritius more than doubled in 1968 to reach some £3.7 million. Grants, which increased from £800,000 in 1967 to £2.2 million, were mainly for budgetary support while the small amount of project

aid was chiefly for health and community projects. Gross loans increased substantially to reach £1.5 million but, after deducting servicing payments on earlier loans, the net figure was £1.2 million. Project loans accounted for the major part of the total and went for agriculture, forestry and fishing and for the manufacturing industry.

There was a small increase in technical assistance expenditure in 1968. The total number of advisers and other experts was lower than in 1967 with fewer employed in all sectors, with the exception of health. Thus the bulk continued to be in public administration, education and power, transport and communications.

After the sharp rise in 1967, the number of trainees financed fell back to the 1966 level, since apart from health courses, fewer went on courses in all the main fields. On the other hand, an increase in the number studying engineering and education led to a further rise for students.

## NIGERIA

Several major projects of the First National Development Plan (1962-68), such as the Kainji Dam, the Eko Bridge at Lagos and several Trunk 'A' roads have been completed or are nearing completion in spite of the disorders. Also, considerable groundwork was done during this period for the recently announced four-year (1969-70 to 1972-73) programme of reconstruction and development. The Government intends to implement the Programme when the civil war ends or when it is confined to such a small area that it no longer constitutes a military or economic threat. The Programme envisages a 5 per cent growth rate and investment amounting to 15 per cent of the gross domestic product. The total investment is estimated at £N 1,163 million and will require much increased aid flows. The details of the sectoral allocation are still being discussed although it is officially accepted that the Federal Government will spend at least £N 200 million on repairing war damage and reconstruction of roads, railways, education and production facilities.

The amount of financial aid provided by other Commonwealth countries to Nigeria increased by over £900,000 in 1968 as both grants and loans showed a slight increase while investments fell. But, as amortization and interest payments amounted to £3.4 million, the net flow was only £2 million (at pre-devaluation rates of exchange). Most of the increased grants went for education although some went for agriculture, forestry and fishing and a small amount of non-project aid was used for financing current imports. The greater part of the loan disbursements were project aid for communications and electricity generation and distribution but a very small amount of non-project assistance was for financing current imports. All the investment by the C.D.C. was in the agricultural sector.

Expenditure on technical assistance to Nigeria by other Commonwealth countries, which had risen substantially in 1967, fell back slightly last year when over half was used to pay for expert services. The total number of advisers and other experts, at some 1,550, was 740 fewer than in 1967 since a fall of over 520 brought the number serving in education down to 723. The number assisting in power, transport and communications and in public administration declined for the second year in succession but these two sectors still accounted for 359 and 129 experts in 1968. The number of trainees financed fell further in 1968 but the total of students increased slightly. The main fields in which traineeships were provided were public administration

£ thousand

Supplying country	Grants			Loans						Investments			Technical assistance expenditure		
				Gross			Net			Gross	Net				
	1967	1968		1967	1968		1968		1967		1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.		Pre-D.				Post-D.	Pre-D.
Britain	987	973	973	2,745	3,582	3,582	737	737	279	31	-538	1,811	1,571	1,571	
Canada	179	265	309	340	508	592	508	592	-	-	-	432	508	592	
Australia	-	87	102	-	-	-	-	-	-	-	-	59	32	37	
New Zealand	-	-	-	-	-	-	-	-	-	-	-	9	11	11	
India	-	-	-	-	-	-	-	-	-	-	-	14	8	9	
Pakistan	-	-	-	-	-	-	-	-	-	-	-	(1)	(2)	(2)	
<b>Total</b>	<b>1,166</b>	<b>1,325</b>	<b>1,384</b>	<b>3,085</b>	<b>4,090</b>	<b>4,174</b>	<b>1,245</b>	<b>1,329</b>	<b>279</b>	<b>31</b>	<b>-538</b>	<b>(2,326)</b>	<b>(2,132)</b>	<b>(2,222)</b>	

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	2,205	17,609	1,459	9,784	267	1,129	223	1,048	377	2,682	377	2,370
Canada	78	643	86	627	66	368	57	297	55	595	63	414
Australia	2	20	-	-	34	195	18	142	12	127	13	94
New Zealand	1	3	-	-	2	13	1	12	13	140	14	152
India	-	-	1	12	21	..	23	..	18	..	24	244
Pakistan	-	-	-	-	-	-	2	13	(8)	..	1	12
Other countries	-	-	-	-	-	-	-	-	1	3	1	12
<b>Total</b>	<b>2,286</b>	<b>18,275</b>	<b>1,546</b>	<b>10,423</b>	<b>390</b>	<b>(1,730)</b>	<b>324</b>	<b>(1,549)</b>	<b>(484)</b>	<b>(3,749)</b>	<b>493</b>	<b>3,298</b>

(110), health (36), industry, mining and handicraft (39), and power, transport and communications (32). However, compared with 1967, there was a fall in all these with the exception of industrial courses, which rose by 10. More students were studying medicine and engineering but there was a continuation in the downward trend in the number studying education.

## SIERRA LEONE

An Economic Planning Unit, recruited mainly from the United Nations Development Programme staff together with a number of qualified Sierra Leoneans, is being organised with a view to preparing a new Development Plan. The Ten-Year Plan (1962-63 to 1971-72) had emphasised the need for diversification and for improvements in transportation, communications, water supplies and power. In general the current policies have been to give the highest priority to agricultural development and road projects, to budget only for those industrial projects for which the viability has been properly established and to reduce the domestic financial resource gap. The limited size of the national market, the lack of trained manpower and of modern marketing techniques and other constraints in the social services are recognised as hampering the efforts to diversify the economy.

Financial aid to Sierra Leone from other Commonwealth countries fell in 1968 when grants were very small and there were no investment disbursements by C.D.C. Because of the substantial capital repayments and interest payments on earlier loans and investments, Sierra Leone paid out more than it received as new aid. The small amount of grant aid went to the education sector while more than half the loan disbursements were non-project and the remainder were for transport, electricity generation and distribution,

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net	1967		1968	
	1967	1968		1967	1968		1967	1968	1968					
		Pre-D.	Post-D.		Pre-D.	Post-D.				Pre-D.	Post-D.			
Britain	26	-	-	547	383	383	-211	-211	155	-	-187	332	371	371
Canada	4	3	4	-	-	-	-	-	-	-	-	60	33	39
Australia	-	-	-	-	-	-	-	-	-	-	-	16	21	24
New Zealand	-	-	-	-	-	-	-	-	-	-	-	..	4	4
India	-	-	-	-	-	-	-	-	-	-	-	2	2	2
<u>Total</u>	30	3	4	547	383	383	-211	-211	155	-	-187	410	431	440

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	324	2,523	257	2,470	59	242	49	213	117	644	141	816
Canada	9	88	4	30	6	34	3	12	26	222	16	166
Australia	-	-	-	-	5	35	9	69	9	84	10	99
New Zealand	-	-	-	-	3	12	2	24	5	51	4	37
India	-	-	3	1	6	..	7	..	-	-	1	12
<u>Total</u>	313	2,611	264	2,501	79	(329)	70	(329)	157	1,001	172	1,130

health, and community projects.

On the other hand, there was a slight increase in technical assistance expenditure for Sierra Leone by Commonwealth countries due to the financing of increased numbers of students. The total of advisers and other experts, which had nearly doubled in 1967, declined appreciably in 1968 as fewer were required for the educational sector. The main fields in which advisers and operational personnel were provided were power, transport and communications (56), public administration (18) and agriculture (12). While the numbers in public administration and agriculture were little different from the 1967 figures, there was a reduction of 14 in those assisting in the power, transport and communications sector. There was a further fall in the number of trainees financed whereas there was again an increase for students. In the case of trainees, the reduction was most apparent for courses in public administration and social services while the increase for students was reflected in higher numbers studying engineering, medicine and education.

### SWAZILAND

The main outlines of the post-Independence Development Plan, which envisages the spending of R 18 million in the three financial years from April 6, 1969 to the end of March 1972, were announced during the budget speech for 1969-70. The main objective is to raise the standard of living as quickly as possible taking into account the fact that the population is increasing by about 3 per cent per annum and that the population is likely to double over the next 30 years. The Finance Minister emphasised the need " to



improve and expand education and training facilities so as to enable the Swazi people to play their rightful role in trade and industry", and to raise "the productivity of the rural areas so as to provide for the people who can not be absorbed into the industrial sector". High priority is also to be given to communications, urban housing, health facilities and the development of administrative services. Britain, the largest donor, has offered Rs. 1.8 million for 1969-70 and indicated the availability of Rs. 2 million for each of the next two years. Projects which Britain regarded as suitable were those in the fields of agriculture, training and education. There remains a large part of the Development Plan to be financed from other sources.

All the financial aid provided by Commonwealth countries was supplied by Britain in 1968 when disbursements as grants and investments declined but more was drawn on loans. After allowing for debt servicing payments, the net flow to Swaziland was only £1.8 million. About two-thirds of the grant aid was of the non-project kind and went mainly for budgetary support but small amounts were allocated to housing and agriculture. Around half of the loans were non-project and the remainder were for agriculture, transport, multi-projects and housing. The whole of the investment by C.D.C. went into the agricultural sector.

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Britain	2,517	2,231	2,231	248	501	501	272	272	1,273	625	-664	387	325	325
Canada	-	-	-	-	-	-	-	-	-	-	-	12	10	12
Australia	-	-	-	-	-	-	-	-	-	-	-	2	1	1
India	-	-	-	-	-	-	-	-	-	-	-	-	1	1
<b>Total</b>	<b>2,517</b>	<b>2,231</b>	<b>2,231</b>	<b>248</b>	<b>501</b>	<b>501</b>	<b>272</b>	<b>272</b>	<b>1,273</b>	<b>625</b>	<b>-664</b>	<b>401</b>	<b>337</b>	<b>339</b>

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	183	1,889	216	1,953	18	54	18	121	45	294	49	229
Canada	-	-	-	-	16	112	14	106	1	2	-	-
Australia	-	-	-	-	2	7	2	7	-	-	-	-
India	-	-	-	-	-	-	-	-	-	-	5	60
<b>Total</b>	<b>183</b>	<b>1,889</b>	<b>216</b>	<b>1,953</b>	<b>36</b>	<b>173</b>	<b>34</b>	<b>234</b>	<b>46</b>	<b>296</b>	<b>54</b>	<b>289</b>

Expenditure on technical assistance provided by Commonwealth countries dropped back almost to the 1966 level. The number of experts, over three-fifths of whom were non-educational operational personnel, increased further in 1968 as many more were assisting in primary and secondary education, in agriculture and in the power, transport and communications sector. There was a continuation of the upward trend in the

number of students financed as more were studying medicine, economics and engineering. On the other hand, the number of trainees financed showed a little change compared with 1967 as the small increases in those going on courses in education and health was offset by the decline in those on courses in public administration, agriculture and trade.

## TANZANIA

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Britain	22	Cr.8	Cr.8	335	-	-	-470	-470	3	66	-555	864	1,774	1,774
Canada	236	92	107	264	393	458	393	458	-	-	-	409	509	593
Australia	-	-	-	-	-	-	-	-	-	-	-	33	36	42
New Zealand	-	-	-	-	-	-	-	-	-	-	-	11	12	11
India	-	-	-	-	-	-	-	-	-	-	-	21	15	17
Pakistan	-	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)
<b>Total</b>	<b>258</b>	<b>84</b>	<b>99</b>	<b>599</b>	<b>393</b>	<b>458</b>	<b>-77</b>	<b>-12</b>	<b>3</b>	<b>66</b>	<b>-555</b>	<b>1,338</b>	<b>2,347</b>	<b>2,438</b>

### Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	847	9,159	735	6,426	53	181	27	226	206	1,481	133	880
Canada	84	696	96	800	86	642	64	460	17	176	15	119
Australia	1	12	-	-	35	247	24	176	15	149	13	113
New Zealand	1	12	1	6	1	8	-	-	18	181	14	149
India	3	36	1	12	17	..	5	..	21	..	23	256
Pakistan	-	-	-	-	-	-	5	45	-	-	-	-
<b>Total</b>	<b>936</b>	<b>9,915</b>	<b>833</b>	<b>7,244</b>	<b>192</b>	<b>(1,101)</b>	<b>125</b>	<b>(915)</b>	<b>277</b>	<b>(2,189)</b>	<b>198</b>	<b>1,517</b>

The First Five Year Plan, while aiming at an expansion of agricultural output, proposed an even faster rate of growth in the industrial and commercial sectors. It had also a heavy bias towards infrastructure projects. During the course of the implementation of the Plan, much more emphasis was placed than envisaged earlier on the development of the communications between Tanzania and Zambia, while there were some shifts away from the settlement programme and from the expansion of sisal. Progress regarding the manpower targets was generally satisfactory but the lack of trained and skilled personnel remained a critical factor in the general execution of the Plan. It seems that rather less than the planned amount of external funds were available while the domestic savings target was substantially exceeded. The Second Plan covering five years from July 1969 is expected to provide for a significant increase in investment. Agriculture and tourism will receive particular emphasis and high priority will continue to be given to the road development, particularly to the expansion of feeder roads, as well as to improvement in communications with Zambia. The long-term (1980) economic objective is an approximate doubling of the income per head.

Financial assistance to Tanzania from Commonwealth countries fell sharply in 1968 for the second year in succession and, when allowance is made for capital repayments and interest payments on earlier loans and investments, it paid out nearly £550,000 more than it received. About two-thirds of the grants, which came wholly from Canada, were used for transport and the remainder went for budgetary support while the loan disbursements were for communications and community projects and the small amount of investment by C.D.C. was in agriculture and multi-projects.

On the other hand, the amount of technical assistance provided by Commonwealth countries to Tanzania more than recovered from the heavy reduction in 1967. However, the total number of experts declined by over 100 and this reduction was common to all sectors. The number of teachers and educational administrators was 354 in 1968 (a fall of 12 on the 1967 figure) while 197 were in agriculture (a fall of 18), 107 in power, transport and communications (down 35), 51 in public administration (down 8) and 43 in health (down 12).

There were also large falls in the number of both trainees and students financed. For trainees, this decline was most apparent in the number attending courses in public administration, industry, trade and social services while for students the reduction was chiefly reflected in the number studying education, engineering and the social sciences.

## UGANDA

The Second Five Year Plan (1966-71) is the first phase of an ambitious fifteen-year programme which is aimed at doubling the monetary income per head by 1981. The Plan looks for substantial increases in agricultural output as well as for diversification within and outside the agricultural sector. Considerable resources have also been allocated for roads, power, postal and rail services. While efforts were concentrated in the first two years on the preparation and elaboration of development projects, now the emphasis is shifting more to implementation and to project execution. The main factors which have acted as constraints on development are connected with administration, local finance and delays in negotiating the terms of aid with donor countries. The tendency of the development programme to drop behind the Plan targets is reflected in the Government's development expenditure during the first three years of the Plan. Preliminary estimates show that actual expenditure is expected to amount to about £U 36.7 million compared with the target £U 49.5 million during the three years. Also, a large proportion of the external finance offered has not been taken up. Only £U 9.8 million have been disbursed out of a total of £U 35.4 million committed and £U 41.9 million offered as development loans from abroad. The development expenditure estimates for 1969-70, however, show that at least part of the shortfall is likely to be made up in that year. A difficulty has been that some of the assistance offered, especially that from Communist countries, is in non-convertible currencies and projects suitable for this type of financing have been difficult to find. However, the aid offered in convertible currencies, most of which came from Commonwealth countries, has been committed to projects in the current Five-Year Plan.

The amount of gross financial aid provided by other Commonwealth countries to Uganda in 1968 was only £1.5 million (at pre-devaluation rates of exchange) and far lower than in the previous year when substantial sums were drawn against loans. In fact, taking into account debt servicing, Uganda paid out more than it received. The grant money from Canada was

used for general development and for agriculture while the loans were mostly for agriculture, transport, education, community projects and budgetary support and the investments were in industry, multi-projects and agriculture.

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
														Pre-D.
Britain	-	-	-	3,380	990	990	-185	-185	180	495	37	1,481	2,386	2,386
Canada	14	21	25	-	-	-	-	-	-	-	-	250	287	336
Australia	-	-	-	-	-	-	-	-	-	-	-	29	38	43
New Zealand	-	-	-	-	-	-	-	-	-	-	-	12	14	14
India	-	-	-	-	-	-	-	-	-	-	-	18	11	12
Pakistan	-	-	-	-	-	-	-	-	-	-	-	..	(1)	(1)
<b>Total</b>	14	21	25	3,380	990	990	-185	-185	180	495	37	1,790	2,737	2,792

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,764	15,492	1,329	13,496	129	557	122	598	233	1,494	236	1,402
Canada	50	439	47	470	36	280	37	165	38	375	35	328
Australia	6	28	5	32	13	98	13	76	13	108	7	65
New Zealand	1	6	1	12	1	11	1	10	12	111	9	106
India	3	18	-	-	10	..	16	..	56	..	43	490
Pakistan	-	-	-	-	-	-	2	4	-	-	-	-
Other countries	-	-	-	-	-	-	-	-	2	3	-	-
<b>Total</b>	1,824	15,983	1,382	14,010	189	(956)	191	(879)	354	(2,618)	330	2,391

Technical assistance expenditure by Commonwealth countries for Uganda, which had fallen heavily in 1967, showed some recovery in the following year when most of it was for the provision of experts. Although the total number of experts fell sharply, the amount of man-months they provided did not fall correspondingly as they spent, on average, longer on assignment. Of the experts, educational personnel formed the largest group totalling 760 and they were mainly in primary and secondary education (671) and technical and vocational training (52). Nevertheless, compared with 1967, there was a reduction of about 330 for this group. There were also a large number of operational personnel (606) but only 16 advisers. The main fields in which they operated were agriculture (127), health (120), power, transport and communications (145), public administration (59), economic planning (29) and social services (22). Apart from social services, the numbers in all these fields were lower than in 1967, the greatest reduction being recorded for power (down 38) and agriculture (down 22). The number of trainees financed by Commonwealth countries was about the same as in 1967 but there was a moderate decrease for students. The trainees went mainly on courses in public administration, education and industry although in each case the figures were lower than in 1967, but more went on courses in agriculture and health. The reduction for students was chiefly reflected in the number studying education.

# ZAMBIA

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		1967	1968	1968				
	1967	1968		1967	1968		1967				1968	1968	1967	1968
		Pre-D.	Post-D.		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.				Post-D.
Britain	9,997	714	714	840	17	17	-376	-376	350	1,048	703	3,574	4,306	4,306
Canada	19	60	70	-	-	-	-	-	-	-	-	137	154	180
Australia	-	-	-	-	-	-	-	-	-	-	-	21	48	56
New Zealand	2	-	-	-	-	-	-	-	-	-	-	10	14	13
India	-	-	-	-	-	-	-	-	-	-	-	14	9	10
<u>Total</u>	10,018	774	784	840	17	17	-376	-376	350	1,048	703	3,756	4,531	4,565

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	3,628	36,796	3,821	33,414	76	250	60	244	90	427	121	466
Canada	32	251	28	253	25	186	24	151	16	177	15	170
Australia	3	18	4	48	11	71	14	99	5	36	8	62
New Zealand	-	-	-	-	-	-	2	23	12	142	11	130
India	1	..	1	..	11	..	7	..	22	..	18	194
<u>Total</u>	3,664	(37,066)	3,854	33,715	123	(522)	107	(528)	145	(960)	173	1,022

The First National Development Plan aims at a real growth rate in the gross domestic product of more than 11 per cent per annum, with a considerably higher growth rate in sectors other than copper mining. It seems that, on average, real growth has been keeping pace with guidelines laid down in the Plan though the rise in prices has been somewhat in excess of that envisaged in the Plan. But, the considerable amount of contingency planning which became necessary since the launching of the Plan has led, in a number of instances, to delays in implementing planned projects. In view of the inflationary pressures the Government has decided that only those projects which are already in the pipeline will be continued and that emphasis in 1969 and 1970 will be on consolidation and preparation for the second Development Plan to be launched in 1971. Studies of various aspects of the economy are now being commissioned. Among these are surveys of the energy and transportation sectors and studies of hardwoods and selected river basins, the results of which will be used in the formulation of the Second Plan. Consultants have also prepared studies on the economies of five provinces and those of the remaining three are at present in various stages of progress.

In 1967, the total of gross financial assistance supplied to Zambia by other Commonwealth countries, virtually all of which comes from Britain, was exceptionally high. In 1968, when grant disbursements were small, the gross flow was only £1.8 million and, after allowing for repayments of capital and interest payments, the net flow was £1.1 million. Most of the grant disbursements in that year were for education while the whole of the investment by the C.D.C. was in the industrial sector.

A further large increase was recorded in 1968 in the value of technical assistance provided by other Commonwealth countries with the bulk being expended on expert services. In total, the number of experts increased by some 190 but the number of man-months of service they provided declined substantially compared with 1967. Of these experts, operational personnel accounted for 2,634 while advisers were only 29 in number. They were mainly in power, transport and communications (781), public administration (541), health (363), agriculture (250), economic planning (58) and social services (45). In comparison with 1967 substantial increases were recorded for public administration (up 224), power, transport and communications (up 131) and health (up 97) but the number of experts in agriculture declined by 94. Nearly 1,200 educational personnel were made available in 1968, almost 200 more than in the preceding year. The number of trainees financed fell in 1968 largely because the reduction in those attending public administration courses was not offset by the increase in those on power, transport and communications courses. However, the number of students financed showed a further substantial increase last year when more were studying engineering, medicine and education.

## EUROPE

### CYPRUS

£ thousand

Supplying country	Grants			Loans				Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.		Pre-D.	Post-D.
Britain	-	-	-	-	-	-	-238	-238	96	134	134
Canada	-	-	-	-	-	-	-	-	6	4	5
<u>Total</u>	-	-	-	-	-	-	-238	-238	102	138	139

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

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	41	319	53	374	64	182	26	87	54	247	90	479
Canada	-	-	-	-	4	10	2	23	5	34	3	23
India	-	-	-	-	-	-	-	-	-	-	1	1
<u>Total</u>	41	319	53	374	68	192	28	110	59	281	94	503

The Second Five Year Development Plan (1967-71) envisages a rise in G.D.P. of 7 per cent per year over the Plan period and this rate of growth is expected to raise the average per capita income to £335 in 1971 compared with £258 at the end of 1966. Trade occupies a strategic position in the economy and the fundamental objective of development policy is, therefore, to increase exports, reduce dependence on imports through import substitution, and expand the domestic sector of the economy. To achieve these objectives, the Second Development Plan has placed special emphasis on the development of four main sectors, namely agriculture, mining, manufacturing and tourism. At the same time, development of social and economic infrastructure is also stressed and this is expected to supplement the four main growth sectors besides providing new "growth-points" for other activities in the economy. There is also a need for improving the quality and the utilization of under-employed manpower resources in the economy and the provision of trained experts and operational personnel under technical assistance programmes is expected to play an important part in increasing the technical know-how and in introducing modern techniques in the agricultural and industrial sectors. Over the Plan period total investment is expected to increase by over £200 million of which the private sector is called upon to provide £136 million. Most of the development expenditure is expected to be met out of domestic resources and, so far, it has been possible to reduce the country's dependence on foreign financial assistance. It is forecast that only 9 per cent of the total sum involved will have to be met by foreign borrowings whereas in the First Five Year Plan period foreign credits amounting to 23 per cent of the total were required.

Cyprus has not received any financial assistance from other Commonwealth countries in the past two years and, in fact, paid £238,000 to Britain in 1968 as service payments on earlier loans. Expenditure on technical assistance by Commonwealth countries showed a further increase in 1968. The number of experts and advisers rose by 12, about the same increase as in 1967, as more help was given in education. An appreciable increase, the second in succession, was recorded in the number of students financed, largely because more were studying engineering and education. On the other hand, the number of trainees financed fell very sharply, the greatest reductions being in public administration, and power, transport and communications.

## MALTA

The Second Five Year Development Plan (1964-69) terminated in 1969 and the third Five Year Development Plan is expected to be published soon. The long-term development aim is to create an alternative economic structure to meet the challenge set by the withdrawal of British defence establishments. The strategy is to diversify the economy by building up the manufacturing industry, tourism and agriculture sectors. The first two Plans have contributed towards the realization of this aim by comparatively heavy public outlays on infrastructure and by providing stimulants to individual initiative in terms of fiscal and financial inducements to attract private capital into development projects. The central challenge of the next Plan is to achieve a rate of economic growth high enough to absorb the new entrants into the labour market and the labour force rendered redundant in services' establishments, to reduce unemployment, and, the need to emigrate. It was not possible to make any contribution from ordinary revenues towards financing the capital budget during the Second Plan period and the finance for development has had to be found mainly from external sources.

In 1968 Britain provided Malta with about £6.7 million as grants and

£ thousand

Supplying country	Grants			Loans				Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.		Pre-D.	Post-D.
Britain	4,573	4,954	4,954	1,004	1,750	1,750	1,422	1,422	43	64	64
Canada	-	-	-	-	-	-	-	-	12	8	9
Australia	-	-	-	-	-	-	-	-	2	-	-
<u>Total</u>	4,573	4,954	4,954	1,004	1,750	1,750	1,422	1,422	57	72	73

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	32	312	41	361	44	99	39	112	47	229	51	325
Canada	-	-	-	-	6	24	4	10	6	72	6	54
Australia	-	-	-	-	2	7	1	1	-	-	-	-
<u>Total</u>	32	312	41	361	52	130	44	123	53	301	57	379

loans, about £1.1 million more than in the previous year, but Malta paid to Britain some £330,000 as servicing of earlier loans. About two-thirds of the grants were project aid and were mainly for education, community projects, manufacturing and other industries, transport and agriculture. The main sectors, for which the loan money was drawn, were manufacturing and other industries, community projects, agriculture, forestry and fishing and transport. Small amounts were also allocated for housing and electricity generation and distribution.

There was an increase in technical assistance expenditure by Commonwealth supplying countries in 1968. The number of experts, virtually all teachers, increased by 9 while there was also a small rise in the number of students as more were studying education. On the other hand, the number of trainees financed declined mainly because fewer attended courses in health subjects.

## AMERICA

### GUYANA

The Development Programme for 1966-72 indicated a growth rate target of 5 to 6 per cent per annum and it appears that so far this is being largely achieved. The policies laid down in the Plan put great emphasis on diversification of output, development of managerial talent and other skills, opening up new land, improvement of infrastructure and creation of jobs for the fast growing population and labour force. Recently the emphasis has been



to an increasing extent on the directly productive sectors. Agriculture, including land development and modernization of the rice industry, primary industries like forestry and secondary industries based on agricultural materials are given high priorities, while considerable funds continue to be allocated for the infrastructure projects. Feasibility studies have been completed on a major project for a dam on the Mazaruni river for hydroelectricity. This would provide power for aluminium smelters and open up a large area for settlement.

Guyana's development programme has been financed to a very large extent by external funds. But it has been stated by the Government that the absorption of financial assistance faces certain problems arising from the high rates of interest on some loans with their implications for the debt burden, shortage of counterpart funds and tying of aid to goods and services of the donor countries and/or to specific projects. Guyana also suffers from a shortage of trained and skilled personnel. This, along with the deficiencies in the administrative machinery and shortage of local funds constitute some of the major constraints on the size and nature of the development effort.

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net	1967	1968		
	1967	1968		1967	1968		1968		1967	1968		1968	1967	1968
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.			Pre-D.			Post-D.
Britain	659	957	957	758	452	452	-684	-684	80	689	523	172	205	205
Canada	306	292	340	251	397	463	397	463	-	-	-	129	119	140
Australia	-	-	-	-	-	-	-	-	-	-	-	3	5	6
New Zealand	-	-	-	-	-	-	-	-	-	-	-	2	-	-
India	-	-	-	-	-	-	-	-	-	-	-	-	1	1
<u>Total</u>	965	1,249	1,297	1,009	849	915	-287	-221	80	689	523	306	330	352

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	79	730	60	518	20	233	80	337	38	233	39	284
Canada	43	338	16	116	51	273	31	164	27	284	32	327
Australia	-	-	-	-	1	10	-	-	2	12	4	31
New Zealand	-	-	-	-	2	12	-	-	-	-	-	-
India	-	-	-	-	-	-	-	-	-	-	7	78
<u>Total</u>	122	1,068	76	634	74	528	111	501	67	529	82	720

The gross flow of financial assistance to Guyana increased by around £730,000 in 1968 when the rise for grants and investments more than offset the decline for loans. However, the gross figure of nearly £2.8 million (at pre-devaluation rates of exchange) was nearly halved when allowance is made for capital repayments and interest payments on earlier loans and investments. Most of the grant disbursements last year were project aid, principally for education, while the non-project assistance was used for financing current imports. About two-thirds of the total loan disbursements were for financing

current imports while the project loans were for agriculture, forestry and fishing. The investments by C.D.C. were mainly in the energy and social infrastructure sectors.

The value of technical assistance supplied by Commonwealth countries showed a small increase in 1968. The total number of experts was markedly reduced and, of the total, 17 assisted in the educational field, 15 in health, 17 in power, transport and communications and 13 in economic planning. The number of trainees financed increased appreciably, the main subjects of courses in 1968 being public administration (47), power, transport and communications (24), social services (14) and education (8). There was also a rise for students financed as appreciable numbers were studying education (24), economics (15), engineering (11) and natural sciences (10).

## BRITISH HONDURAS

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net				
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Britain	1,529	1,651	1,651	215	213	213	143	143	4	-	-16	143	148	148
Canada	26	71	82	-	-	-	-	-	-	-	-	55	53	61
<b>Total</b>	<b>1,555</b>	<b>1,722</b>	<b>1,733</b>	<b>215</b>	<b>213</b>	<b>213</b>	<b>143</b>	<b>143</b>	<b>4</b>	<b>-</b>	<b>-16</b>	<b>198</b>	<b>201</b>	<b>209</b>

### Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	51	491	62	574	18	72	17	62	31	154	34	208
Canada	5	47	4	41	26	126	23	103	28	243	28	256
<b>Total</b>	<b>56</b>	<b>538</b>	<b>66</b>	<b>615</b>	<b>44</b>	<b>198</b>	<b>40</b>	<b>165</b>	<b>59</b>	<b>397</b>	<b>62</b>	<b>464</b>

The objectives of the Seven Year Development Plan 1964-70 are to increase the national income, to expand employment opportunities, to balance the recurrent budget and provide a surplus for capital formation, and to raise the level of exports. Expansion in the agriculture sector is the basic theme underlying most of the development effort. It is also intended to improve transportation, communication and other economic and social facilities. Most of the capital projects are financed by the Development and Welfare Funds from Britain.

The amount of financial assistance made available by Commonwealth countries to British Honduras increased slightly in 1968 as the figure for

grants rose. Most of the grant disbursements were for multi-projects, transport, education and agriculture, forestry and fishing while the loans were used principally for transport with small amounts allocated to agriculture.

Technical assistance expenditure remained about the same as in 1967. The number of experts showed an appreciable increase. Only a small number were assisting in the educational field but 21 were working in the health sector and 16 in public administration. The numbers of trainees financed by other Commonwealth countries was only slightly less at 40 and of these 21 were on courses in public administration, 5 in agriculture and 4 in industry, mining and handicrafts. There was a small rise in the total of students financed and, of this, education was the main subject accounting for 28.

## JAMAICA

The First Development Plan which covered the period 1963-68 aimed at systematically utilising the country's resources so as to promote economic viability and social and cultural development and integration. Over half the expenditure was earmarked for social and community services and about two-fifths for the economic services. Recently an increasing emphasis has been placed on special employment creating programmes, while considerable sums have been spent on developing the tourist industry. Jamaica needs substantial amounts of foreign funds on soft and concessional terms and follows a cautious policy regarding commercial loans and investment. It is the intention of the Government to relate the foreign debt servicing to the foreign exchange earnings in a proportion of 2.6 per cent.

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross	Net	1967	1968	1967	1968	
	1967	1968		1968		1967	1968						1968	Pre-D.
		Pre-D.	Post-D.	Pre-D.	Post-D.	Pre-D.	Post-D.							
Britain	26	-	-	-	-	-	-183	-183	1,114	3,320	1,911	333	260	260
Canada	45	159	186	332	633	738	633	738	-	-	-	194	236	275
Australia	-	-	-	-	-	-	-	-	-	-	-	2	1	1
<b>Total</b>	<b>71</b>	<b>159</b>	<b>186</b>	<b>332</b>	<b>633</b>	<b>738</b>	<b>450</b>	<b>555</b>	<b>1,114</b>	<b>3,320</b>	<b>1,911</b>	<b>529</b>	<b>497</b>	<b>536</b>

Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	107	983	105	879	38	112	53	181	84	440	82	505
Canada	23	127	40	377	51	364	42	328	55	553	55	501
Australia	-	-	-	-	-	-	-	-	2	22	2	19
New Zealand	-	-	-	-	-	-	-	-	1	12	-	-
<b>Total</b>	<b>130</b>	<b>1,110</b>	<b>145</b>	<b>1,256</b>	<b>89</b>	<b>476</b>	<b>95</b>	<b>509</b>	<b>142</b>	<b>1,027</b>	<b>139</b>	<b>1,025</b>

The total gross financial flow, i.e. grants, loans and investments, from Britain and Canada, at £4.1 million (at pre-devaluation rates of exchange), in 1968 was over two and a half times the previous year's figure. However, as Jamaica made substantial payments on earlier loans and investments, the net flow was only £2.5 million. All the grant money provided in 1968 was used for financing current imports while the loans went for transport and communications, education and housing. Investments by C.D.C. went chiefly to the energy sector and social infrastructure but some also went to industry and transport.

Technical assistance expenditure by the supplying countries fell slightly last year. The total of advisers and other experts increased when 30 were engaged in the power, transport and communications sector, 20 in health, 15 in public administration, 12 in agriculture and 12 in economic planning. There were also 36 personnel assisting in the educational field. Compared with 1967, the increase was mainly reflected in the number of teachers but there were also more experts in public administration. The main fields for the higher number of trainees financed were public administration (31), power, transport and communications (25), industry, mining and handicraft (15), and social services (10). On the other hand, the number of students financed showed little change; of the 1968 total, the main fields were education (47), economics (14), engineering (13), medical sciences (9), and agriculture (7).

## TRINIDAD AND TOBAGO

£ thousand

Supplying country	Grants			Loans				Investments			Technical assistance expenditure			
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Britain	-	-	-	292	275	275	211	211	291	280	-435	156	164	164
Canada	-	50	59	529	277	323	277	323	-	-	-	241	209	244
Australia	-	-	-	-	-	-	-	-	-	-	-	2	2	3
New Zealand	-	-	-	-	-	-	-	-	-	-	-	4	4	4
India	-	-	-	-	-	-	-	-	-	-	-	3	1	1
<b>Total</b>	-	50	59	821	552	598	488	534	291	280	-435	406	380	416

### Number and Man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	27	221	19	139	21	69	15	73	81	431	63	452
Canada	55	483	43	339	26	157	25	134	41	460	46	342
Australia	-	-	-	-	-	-	-	-	2	22	3	24
New Zealand	1	12	1	12	-	-	1	3	-	-	-	-
India	-	-	-	-	2	..	-	-	1	..	7	74
<b>Total</b>	83	716	63	490	49	(228)	41	210	125	(921)	119	892

For the period 1964-68 public sector development expenditure is estimated at \$TT 305.6 million as compared with the Second Five-Year Plan target of \$320.6 million. While the Plan targets came fairly near realisation in industry, telephones and agriculture, the main shortfalls were in highways, education, housing, ports and harbours. The main reasons for the failure to achieve some targets were delays in negotiating project financing from external sources, delays in project formulation, delays in administrative procedures, especially those concerned with tendering, and shortage of trained manpower.

The Third Five Year Plan covering the period 1969-73 projects a 4.2 per cent rate of growth in real gross domestic product. The total public sector development expenditure is planned at \$TT 375 million, 70 per cent of which will be for economic purposes and 30 per cent for social. In the "productive" sectors agriculture, fisheries and forestry, petroleum, industry and tourism will absorb 25 per cent of the total expenditure. Local sources are expected to provide 62 per cent of the total funds required, the rest coming from foreign loans and aid. The long-run strategy set out in the Plan is to develop by the early 1980's a more diversified economy, with considerably more economic decision-making being located internally, and with full employment. Diversification is to be achieved through a break-through in domestic agriculture, livestock and fishing production while raising the yields of the traditional export crops such as sugar, cocoa and citrus, through the development and exports of manufactures, and through expansion of the tourist industry.

The gross total of financial aid provided by Commonwealth countries fell appreciably in 1968 mainly because drawings against loans were reduced. As there were considerable payments to Britain in respect of earlier investments, the net flow of assistance amounted to little more than £100,000. Most of the loan money was used for transport and agriculture although manufacturing industry and housing also received small amounts. The new investment by C.D.C. in 1968 was in social infrastructure and industry.

Technical assistance expenditure by the supplying countries declined further in 1968 as a result of lower outlays by Canada. In total, the number of advisers and other experts, at 63, was 20 less than in 1967 as educational personnel fell by 8 to 35 while fewer assisted in the other main fields. The number of trainees financed was also less than in the previous year and in 1968 the main subjects of courses were public administration (16), social sciences (9), health (5) and power, transport and communications (4). There was a decline in the number of students financed, when the main subjects were education (31), social sciences (23), natural sciences (18), medical sciences (12), economics (10) and agriculture (6).

## EASTERN CARIBBEAN

All six countries, which together form the Associated States of the Eastern Caribbean, are heavily dependent on agriculture and the export income of a number of them comes predominantly from one crop. As a result, their development aims include the diversification of agriculture as well as an improvement in health facilities, water and electricity supplies, and educational standards to meet the needs of growing populations. As the islands also hope to increase their income from tourism, another aim is to improve the infrastructure, in particular roads, harbours and airports. All the countries are very dependent on financial and technical assistance from outside sources.

There were substantial increases in grant disbursements to Antigua and Dominica and a moderate increase in the case of St. Vincent, whereas grants to the other three islands, namely, Grenada, St. Lucia, and St. Kitts fell slightly last year. The greater part of the total in most cases, with the exception of Antigua and St. Lucia, was non-project aid and was used for budgetary support purposes. Project grants were mainly in the fields of education, transport, agriculture, health and community projects. Antigua also received £63,000 and £22,000 for energy resources and multi-projects respectively. Gross loans to all the six islands fell in 1968 especially in the case of Antigua where this fall was substantial. Net receipts from loans, however, were negative in all cases because of debt payments to Britain on past loans. These were especially marked for Grenada and Antigua, whose servicing payments amounted to £108,000 and £60,000 respectively. Dominica and Grenada received only nominal amounts of loan money and the £21,000 provided to Antigua was for the transport sector.

£ thousand

Receiving country	Grants			Loans						Investments			Technical assistance expenditure		
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968		
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.	
	Antigua	196	380	384	707	21	21	- 39	-39	-	40	2	143	126	140
Dominica	552	658	664	2	1	1	-	-	86	-	-36	73	61	63	
Grenada	671	614	614	6	2	2	-106	-106	63	-	-16	91	110	120	
St. Lucia	335	300	307	2	-	-	-4	-4	65	301	279	103	152	159	
St. Kitts	474	353	354	3	-	-	- 11	-11	-	-	-	56	79	82	
St. Vincent	713	741	743	-	-	-	-1	-1	164	-	-26	154	118	134	

Number and Man-months financed in year

Receiving country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Antigua	30	217	31	224	38	228	36	213	51	453	44	390
Dominica	16	149	15	125	25	108	23	105	27	207	24	175
Grenada	21	206	20	133	12	63	16	82	40	301	44	378
St. Lucia	35	252	27	209	20	98	21	84	34	159	35	299
St. Kitts	22	193	24	179	13	68	8	33	26	198	28	231
St. Vincent	29	227	33	245	33	196	35	170	45	363	46	343

Only two countries received gross investments in 1968 as opposed to four in the previous year. Antigua received £40,000 for the transport sector and St. Lucia, whose share increased substantially, got £301,000 of which £126,000 was for social infrastructure, £90,000 for multi-projects and £80,000 for energy resources. Debt payments by all countries to Britain on past investments were quite large.

Whereas technical assistance expenditure fell in some islands it increased slightly in others. In most cases it was more or less equally distributed between students and trainees and experts and there was a large amount under "other". The total number of advisers and experts remained

more or less the same as in 1967 for all islands except for St. Lucia where they fell and St. Vincent where the numbers increased slightly. Most experts were of the operational personnel type and there were slightly fewer of them in 1968 compared with 1967 for all islands, except St. Kitts. The number of advisers (non-educational) also fell, with the exception of Antigua and St. Kitts where the number remained the same and St. Vincent where they increased from 4 to 8 although man-months were fewer. Most advisers were in public administration and social sciences. St. Vincent also received 3 each in economic planning and agriculture. As to operational personnel they were in the fields of public administration, health, agriculture and power, transport and communications. Personnel in education who were mainly in primary and secondary education, teacher training and vocational training increased in numbers for all islands.

Both trainees and students fell slightly in the case of Antigua and Dominica, whereas their numbers in Grenada, St. Lucia and St. Vincent increased. In the case of St. Kitts there was a moderately large fall in the number of trainees but students increased slightly in number. Trainees were largely in public administration, industry, mining and handicraft, and social services and some in trade and banking. Antigua and St. Vincent also received 4 and 1 traineeships respectively in economic planning. The largest number of students was in education. Other main fields in which scholarships were provided were economics, natural sciences, social sciences, engineering and medicine and some in agriculture.

#### OTHER COMMONWEALTH COUNTRIES IN AMERICA

For all the Caribbean islands, apart from the Turks and Caicos Islands, tourism is the major sector in the development plans. All the countries also aim to improve educational standards, health and housing while several place emphasis on better roads and harbours. Intra-Commonwealth aid to these islands comes mainly from Britain.

In the case of Barbados, Cayman Island, Turks and Caicos and Virgin Islands, grant disbursements in 1968 increased substantially whereas in the case of Falkland Islands and Montserrat there were moderately large reductions. Montserrat, Turks and Caicos and Virgin Islands, however, continued to receive the largest sums. Project grants to all the eight islands were mainly for education, health and transport. Montserrat, Turks and Caicos and Virgin Islands also received appreciable sums for budgetary support purposes.

Canada provided substantial project loans amounting to £795,000 (at pre-devaluation rates of exchange) to Bahamas and £22,000 (at pre-devaluation rates of exchange) to Barbados. In the case of the latter they were for agriculture, forestry and fishing whereas loans to Bahamas have not been specified. Barbados also received a small amount of investment from Britain in the same field.

Technical assistance expenditure rose very slightly for all islands except for Barbados and Bermuda where it fell by small amounts. The greater part in all cases was for experts although Barbados and Montserrat received large amounts for students and trainees. Assistance came mainly from Britain; Canada, however, was the major contributor to Barbados. Whereas numbers of advisers and experts rose or were unchanged, man-months were less than in the previous year, with the exception of Virgin Islands. Most experts were of the operational personnel type and were mainly in power,

transport and communications, health, agriculture and public administration. There were also a large number of educational personnel, whose numbers increased slightly in most cases, who were in the fields of primary and secondary education, teacher training and technical and vocational training. Most personnel, totalling 37 in number, in primary and secondary education were in the Falkland Islands.

£ thousand

Receiving country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net	1967	1968		
	1967	1968		1967	1968		1968		1967	1968		1963	1967	1968
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.			Pre-D.			Post-D.
Bahamas	-	-	-	-	795	927	795	927	-	-	-	16	19	20
Barbados	30	80	80	-	22	25	22	25	-	4	4	175	166	181
Bermuda	-	-	-	-	-	-	-	-	-	-	-	23	13	13
Cayman Is.	26	100	100	277	-	-	-8	-8	-	-	-4	20	39	40
Falkland Is.	61	34	34	-	-	-	-	-	-	-	-	10	19	19
Montserrat	348	300	306	-	-	-	-	-	-	-	-	59	60	65
Turks & Caicos Is.	227	347	347	-	-	-	-2	-2	-	-	-	24	35	35
Virgin Is.	251	348	348	-	-	-	-	-	-	-	-	24	36	37

Number and Man-months financed in year

Receiving country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Bahamas	1	12	1	3	7	17	37	215	18	84	21	107
Barbados	61	590	61	487	50	306	19	78	81	503	99	701
Bermuda	-	-	-	-	3	6	-	-	3	29	3	22
Cayman Is.	13	140	20	125	2	9	2	14	6	47	7	56
Falkland Is.	68	673	72	612	-	-	-	-	2	9	3	26
Montserrat	19	179	19	133	8	54	12	71	18	154	20	176
Turks & Caicos Is.	18	174	24	167	-	-	-	-	6	55	5	45
Virgin Is.	13	137	21	161	3	12	2	9	12	69	14	99

The number of students and trainees in most cases remained more or less unchanged; the main exceptions being Bahamas where trainees increased sharply, Barbados where there was a substantial fall in trainees but a moderately large increase in the number of students, and Bermuda which received no traineeships in 1968. Most students were in education and some were in social sciences, economics and engineering. Trainees were mainly in public administration and some were also in industry, mining and handicraft power, transport and communications, trade and banking and social services.

## OCEANIA

### FIJI, SOLOMON ISLANDS AND NEW HEBRIDES

Apart from Papua and New Guinea, these three countries receive most of the intra-Commonwealth aid to Oceania, and the greater part is provided by Britain.



£ thousand

Receiving country	Grants			Loans				Investments			Technical assistance expenditure			
				Gross		Net		Gross		Net				
	1967	1968		1967	1968		1968		1967	1968	1968	1967	1968	
		Pre-D.	Post-D.		Pre-D.	Post-D.	Pre-D.	Post-D.					Pre-D.	Post-D.
Fiji	604	1,158	1,205	-	-	-	-166	-166	6	-	-10	423	1,155	1,199
Solomon Is.	1,390	1,707	1,707	-	23	23	23	23	1	14	14	428	756	758
New Hebrides	529	728	728	-	-	-	-	-	-	-	-	129	208	210

Number and Man-months financed in year

Receiving country	Advisers and other experts				Trainees				Students			
	1967		1968		1967		1968		1967		1968	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
	Fiji	458	4,794	446	4,854	35	201	44	322	92	650	96
Solomon Is.	294	3,159	315	3,319	14	90	11	77	21	156	18	89
New Hebrides	68	667	79	816	8	71	6	28	8	57	9	43

Grant disbursements to Fiji almost doubled in 1968. The greater part of the total was provided by Britain (almost £880,000) as project aid for transport, agriculture, forestry and fishing, and education. There was also a small amount for housing. The remainder comprised non-project grants by Australia for financing current imports. In 1968 Fiji paid £176,000 to Britain as servicing payments on past loans and investments. There was nearly a three-fold increase in technical assistance expenditure, which in 1968 exceeded £1.1 million (at pre-devaluation rates of exchange) with Britain contributing most of it (£800,000) and followed by Australia with £280,000; there was also a small amount from India. The greater part of the expenditure, amounting to £700,000, was on experts while that on students and trainees amounted to £82,000. Most of Australia's contribution to technical assistance was for equipment.

There was a slight fall in the number of advisers and experts compared with 1967 although man-months rose slightly. There were moderate increases in the number of advisers and educational personnel but these rises did not offset the large fall in operational personnel. Most experts and students and trainees (who increased in number slightly) were in the fields of public administration, power, transport and communications, agriculture, health and education. There were also some operational personnel and students in the field of economics and medicine. Most educational personnel were in primary and secondary education, technical and vocational training and administration.

Grant disbursements to the Solomon Islands and New Hebrides increased moderately in 1968. The greater part of the total in the case of both countries was non-project aid and used for budgetary support. Project grants were mainly for education, housing, health, multi-projects, transport and communications and agriculture, forestry and fishing. Loan and investment disbursements to the Solomon Islands were for agriculture, forestry and fishing.

Technical assistance expenditure showed a marked increase in both cases. Most of it was for experts and a comparatively small amount was for students and trainees. The fields of activity for the experts and the courses of study for trainees and students were similar to those for Fiji.