

## CHAPTER V

### COUNTRIES RECEIVING ASSISTANCE

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

#### CEYLON

The main problem currently affecting development in Ceylon is the shortage of foreign exchange resulting from the balance of payments deficit and the fact that about 40 per cent of foreign exchange earnings have to be devoted to food imports. Policies for development, which reflect the importance of this constraint, are based on import substitution, particularly of foodstuffs, and rationing of foreign exchange by direct state involvement as well as by nationalisation of the banks. State agencies are also participating in attempts to vary the output of the plantation crops sector of the economy and to identify changes in world markets relevant to plantation producers.

Advance information on the Ceylon Development Plan, covering 1972 to 1976, indicates a continuation of the present strategy. One objective will be to produce 90 per cent of the country's rice needs by the use of high yielding varieties coupled with increased fertiliser application. A further feature of agricultural policy will be to diversify crops away from the uneconomic rubber and tea plantations. It is anticipated that tourism will become of great importance and to accommodate the expected tourist boom Banderaneike International Airport will be improved to accept jumbo jets.

Provisional estimates suggest that in 1970 the G.N.P. grew by 4.1 per cent at constant prices which was lower than the rate of growth in 1969. Of the various sectors, construction performed best with a growth in real output of 15.1 per cent while the manufacturing sector grew by 6.6 per cent. In agriculture the growth of real output was only 3.6 per cent. The current account deficit of the balance of payments was reduced in 1970 despite unfavourable price trends for the main exports, tea and rubber. In the immediate past Ceylon has become increasingly dependent on foreign aid both to fill the resources gap in the economy and to finance the balance of payments deficit.

In 1970, there was a substantial increase in grant aid from other Commonwealth countries to Ceylon mainly due to a sharp increase in disbursements from Canada. The entire British grant of £956,000 was devoted to food aid as was a substantial part of the Canadian and Australian grant. Some part of the Canadian grant aid was expended on agricultural development projects with a small portion going to transport and general development. Loans to Ceylon, in both gross and net terms, continued to rise in 1970, the

major donor being Britain. The Ceylon economy continues to be burdened with a large balance of payments deficit, although this was reduced in 1970 largely as a result of improved export performance. At the same time, imports were restricted, enabling Ceylon to finance a larger proportion of imports from her own resources. Nevertheless, all of Britain's non-project loan of £3.2 million was used to finance current imports, as were the Indian loan of almost £2 million and the Canadian loan of £1.1 million. Canada provided a further £35,000 project aid for electricity generation and distribution.

£ thousand

Supplying country	Grants		Loans				Technical assistance expenditure	
			Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970
Britain	1,000	956	3,155	3,211	2,821	2,941	387	376
Canada	77	2,310	961	1,145	954	1,137	119	85
Australia	356	384	-	-	-	-	102	92
New Zealand	29	49	-	-	-	-	14	19
India	-	-	1,451	1,998	990	1,487	35	16
Pakistan	-	-	-	-	-	-	1	-
Singapore	-	-	-	-	-	-	4	1
Total	1,462	3,699	5,567	6,344	4,765	5,565	662	589

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	45	240	40	254	127	455	119	345	203	1,321	306	1,783
Canada	10	65	2	20	27	172	17	116	31	306	26	171
Australia	4	30	4	24	44	298	38	183	27	200	26	221
New Zealand	-	-	-	-	4	17	9	46	14	135	10	110
India	11	22	1	12	59	(100)	17	(34)	37	429	38	406
Pakistan	-	-	-	-	2	24	-	-	4	32	(1)	(8)
Singapore	-	-	-	-	16	57	9	26	-	-	1	6
Malaysia	-	-	-	-	-	-	1	1	-	-	-	-
Total	70	357	47	310	278	(1,123)	210	(751)	316	2,423	(408)	(2,705)

Year	£ thousand				Number and man-months financed					
	Grants	Loans		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	1,684	2,887	..	310	41	..	185	..	183	..
1967	1,843	5,957	..	578	(52)	330	235	869	(250)	(1,682)
1968	1,371	4,456	3,230	555	50	300	232	(854)	295	2,220
1969	1,462	5,567	4,765	662	70	357	278	(1,123)	316	2,423
1970	3,699	6,344	5,565	589	47	310	210	(751)	(408)	(2,705)

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

There was a pronounced decline in the value of technical assistance expenditure provided by other Commonwealth governments to Ceylon in 1970 for, though there were more students financed than in the previous year, both advisers and other experts and trainees were fewer than in 1969. The decline in experts was in non-educational personnel who fell by more than half, the greatest reductions being in the fields of power, transport and communications, public administration and trade, banking and insurance. The number of educational personnel increased, there being 3 more teachers provided of whom 2 were in university and higher education. The decline in the number

of trainees was most marked in power, transport and communications, public administration and industry, mining and handicraft. The upward trend in students financed continued and medical sciences and engineering were the most frequent choices for study followed by social sciences, agriculture and economics.

## INDIA

The aim of the Fourth Five Year Plan (1969-74) is to raise per capita incomes while ensuring an equitable distribution of the benefits of development. On the basis of sectoral production targets, an overall annual growth rate of 5.5 per cent is forecast throughout the plan period with annual industrial growth rates of 8 per cent to 10 per cent. With regard to the financing of the plan, emphasis is placed on mobilising internal resources so that dependence on foreign aid may be reduced significantly. High rates of export growth and savings along with reasonable price stability are pre-requisites for the success of the plan. However, the net inflow of resources from abroad required to supplement domestic savings during the Fourth Plan period remains uncertain and inadequate. In relation to the size of the financing involved in the public sector of this Plan, net foreign aid comprises 8 per cent of the total.

In an attempt to preserve the designated targets the Plan has been reviewed to take into account the emerging problems of high rates of inflation and unemployment coupled with inadequate investment spending. New measures announced in March 1971 include a crash programme to expand employment, particularly in rural areas, through increased investment in irrigation and the provision of basic amenities such as running water and link roads. More investment is to be directed towards the extension of the successful new techniques in agriculture to new crops and areas and to the expansion of rural electrification. The extra finance required for this programme is to be raised by taxation to avoid the inflationary effects of budget deficit. It is estimated that external aid, other than food aid, will finance 13.5 per cent of government's capital disbursements in 1972.

In 1970 the rate of growth of national income was 5.5 per cent. This was primarily due to improvements in agricultural production since industrial output grew only at the lower rate of 5 per cent, well short of the plan target.

Gross financial aid from other Commonwealth countries to India showed a substantial rise in 1970. The increase in grants was mainly due to higher Canadian grants compared to the previous year. The entire British grant of £1.7 million was devoted to food aid, as was £1 million of Australian grants and £18 million of Canadian grants. Canada also provided for electricity generation, transport and other general development projects. The loan component of Canadian and British aid rose considerably in 1970, and as a proportion to total gross loans received, debt repayments declined substantially. Both British and Canadian loans were required principally to finance current imports but £7.5 million of the British loan was used for budgetary support and £2.5 million project aid from Canada was devoted to developments in communications, mining, electricity generation and industrial services.

£ thousand

Supplying country	Grants		Loans				Technical assistance expenditure	
			Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970
Britain	2,725	1,697	30,361	42,216	8,644	26,594	871	867
Canada	16,991	20,860	11,843	23,103	11,837	23,096	236	265
Australia	1,914	1,320	-	-	-	-	149	202
New Zealand	140	200	-	-	-	-	19	32
Total	21,770	24,077	42,204	65,319	20,481	49,690	1,275	1,366

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	61	461	57	289	267	821	215	598	428	2,840	732	3,441
Canada	10	34	3	5	84	546	57	373	58	606	62	283
Australia	3	11	7	27	87	575	157	687	18	142	15	135
New Zealand	2	12	1	12	13	53	22	77	-	-	5	54
Singapore	-	-	-	-	1	1	-	-	-	-	-	-
Total	76	518	68	333	452	1,996	451	1,735	504	3,588	814	3,913

Year	£ thousand				Number and man-months financed					
	Grants	Loans		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	34,181	43,468	..	1,217	102	..	562	..	479	..
1967	26,506	45,410	..	1,136	98	556	548	2,428	505	3,363
1968	21,754	54,167	32,613	1,150	67	431	474	1,888	517	3,381
1969	21,770	42,204	20,481	1,275	76	518	452	1,996	504	3,588
1970	24,077	65,319	49,690	1,366	68	333	451	1,735	814	3,913

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

There was a moderate increase in technical assistance expenditures by other Commonwealth countries for India due in the main to a considerable increase in the number of students financed even though the average time for which each student was financed fell substantially. The modest decline in the numbers of advisers and other experts was more marked in terms of the man-months financed which fell by about one-third, a pattern particularly noticeable in the totals for the teachers supplied. There was a drop of 6 to 14 in the university and higher education field, which still receives most teachers, while the number for technical and vocational training fell by 5 to 1 only. However, educational personnel still represented two-thirds of the experts category as there was an increase to 14 in the number of educational advisers supplied. The non-educational personnel who were also slightly fewer than in 1969, were divided between agriculture, health services, industry, mining and handicraft and power, transport and communications. The number of trainees financed did not differ significantly from 1969 though they were concentrated rather more heavily on agriculture and industry, mining and handicraft than in the previous year. Smaller concentrations occurred in education, health services and power, transport and communications. The

number of students increased substantially due to an increase in the number receiving assistance from Britain. Though students were financed in every field, the greatest numbers were in engineering, medical sciences, education, industrial sciences, social sciences, and agriculture.

## MALAYSIA

Malaysia's second Five Year Plan, covering 1971 to 1975, has the twin objectives of eradicating poverty among all races and restructuring Malaysian society. An annual growth of 6.5 per cent in G.N.P. is planned, to be achieved by balanced development in the various sectors. As unemployment has become a major problem the Government intends to intervene where necessary in industry and commerce with the aims of job creation and of increasing incomes of the economically disadvantaged. The aim is to raise per capita real income from \$1,022 in 1970 to \$1,300 by 1975, an increase of over a quarter. The manufacturing sector has a major role to play in the implementation of the plan and it is proposed that output should grow at the rate of 12.5 per cent per annum. In order to generate such a growth rate private investment in this sector must rise sharply during the plan period. Around half of the overall development expenditures envisaged will be undertaken by the Government. In 1971, Government development expenditures are to be concentrated on agricultural and rural developments, and on communications.

Preliminary estimates for 1970, the last year of the first Five Year Plan, indicate a growth rate of 6.3 per cent of G.N.P. at current prices which indicates an annual average growth rate of 6.5 per cent over the planned period, an outcome in excess of the revised target. Price stability has been maintained throughout, but employment opportunities have not kept pace with an annual increase of 3 per cent in the labour force. A combination in 1970 of increased imports and stagnating exports produced a current account surplus much smaller than in 1969, an outcome which along with reduced Government borrowing from abroad led to a reduced surplus on the overall balance of payments.

During 1970 gross financial aid to Malaysia from other Commonwealth members recovered from the low level of 1969 to over £6 million but, at the same time, repayments of interest and principal on earlier borrowings were relatively higher. Grant aid from Britain declined to one-third of the 1969 figure and was used almost entirely for budgetary support. This fall was, however, more than offset by the substantial rise in Australian grants to £864,000. Canadian grants were utilised in industrial and agricultural development projects. Loans to Malaysia rose markedly as disbursements by Britain doubled to £3.7 million, used to finance projects in a number of fields of which the more important were transport, community projects, electricity generation and education. The agricultural sector benefitted from the Canadian loan. Sizeable new C.D.C. investments were made in Malaysia during 1970, largely in agricultural and community development programmes, but heavy repayments of interest and principal on previous loans led to a net outflow.

Technical assistance expenditure in 1970 by other Commonwealth countries for Malaysia was slightly higher than the level in 1969 since the continuing decrease in the number of experts and other advisers was offset by

an increase in trainees while the total of students did not differ significantly. The proportion of operational personnel was slightly lower at two-thirds than it had been in 1969, and non-educational personnel, including advisers, still formed four-fifths of total experts. There were fewer of these experts in all fields but the decline was most marked in public administration, power, transport and communications, agriculture and health services. The decline in educational personnel was relatively greatest for primary and secondary teachers and university teachers while technical and vocational teachers and educational administrators, both significant in 1969, remained at much the same level in 1970. After the fall in the previous year the number of trainees financed increased in 1970. Traineeships were sponsored in every field but small concentrations occurred in power, transport and communications and public administration, while industry, mining and handicraft, health services and education also figured prominently. Students financed were also spread over the whole range of subjects with the natural sciences, agriculture and medical sciences attracting most while education, engineering and humanities were also well represented.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	166	56	1,554	3,677	675	2,966	964	1,371	-679	-1,284	1,318	1,434
Canada	123	102	-	290	-	289	-	-	-	-	495	510
Australia	511	864	-	-	-	-	-	-	-	-	653	545
New Zealand	-	5	-	-	-	-	-	-	-	-	210	233
India	-	-	-	-	-	-	-	-	-	-	38	45
Pakistan	-	-	-	-	-	-	-	-	-	-	2	(1)
Singapore	-	-	-	-	-	-	-	-	-	-	9	2
Total	800	1,027	1,554	3,967	675	3,255	964	1,371	-679	-1,284	2,725	2,770

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	405	3,775	300	2,642	97	287	133	376	179	1,114	269	1,435
Canada	35	329	28	299	-	-	48	263	178	1,757	146	1,282
Australia	52	377	48	318	82	634	53	298	475	4,912	450	4,440
New Zealand	12	133	20	210	27	189	65	501	193	1,970	147	1,618
India	3	18	6	(62)	122	195	73	(146)	53	573	63	684
Pakistan	-	-	(1)	(12)	2	16	(2)	(16)	-	-	-	-
Singapore	-	-	-	-	-	-	-	-	23	208	12	119
Total	507	4,632	(403)	(3,543)	330	(1,321)	(374)	(1,600)	1,101	10,534	1,087	9,578

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	3,910	-	-	1,171	..	2,828	817	..	330	..	1,120	..
1967	3,774	-	-	718	..	3,295	(663)	6,298	378	(2,172)	1,273	(13,230)
1968	4,172	1,937	1,045	2,286	-623	3,474	589	5,668	526	(2,387)	1,160	10,476
1969	800	1,554	675	964	-679	2,725	507	4,632	330	(1,321)	1,101	10,534
1970	1,027	3,967	3,255	1,371	-1,284	2,770	(403)	(3,543)	(374)	(1,600)	1,087	9,578

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

## PAKISTAN

The Fourth Five-Year Plan, while planning for an annual growth rate in G.N.P. of 6 per cent, recognises that the maximum possible growth rate must be foregone to achieve the objectives of greater social justice and increasing self-reliance. The strategy of earlier plans will be continued, namely investment of a significant proportion of additional income, export orientation of growth to ensure additional foreign exchange earnings, and priority given in allocating resources to agriculture, basic industry, manpower development and family planning.

The aim of the Annual Plan for 1970-71, the first year within the current Five-Year Plan, was to correct the imbalances in the economic situation and it was intended to implement the strategy of a more equitable income distribution along with the goal of income growth. In the event, the growth of G.D.P., according to preliminary estimates, was only 1.4 per cent in 1970, somewhat lower than in the preceding year, and income growth was well below the forecasted 3 per cent growth in population.

Pakistan's approach towards foreign economic assistance is based on self-reliance and seeks to ensure that foreign aid is a supplement and not a substitute for the country's own efforts. This has been evident during the various Plans. In the First Plan period foreign aid financed nearly 50 per cent of total development expenditure, in the Second Plan period under 35 per cent, about 22 per cent in the Third Plan, and it is hoped that by 1974-75, the last year of the Fourth Plan period, the proportion will be down to 15 per cent. Nevertheless, with the existing requirements of foreign assistance and the adverse aid climate, the debt servicing liability of Pakistan is increasing at a fast rate and the proportion of foreign exchange earnings absorbed by amortization and interest payments reached 19 per cent in 1969-70.

The flow of Commonwealth financial aid to Pakistan in gross terms expanded by almost half in 1970 to £29 million. On a net basis, the flow increased by £8.7 million to £25.9 million. All categories of aid showed an increase, mainly because the level of Canadian aid was twice as high as in 1969. The bulk of Canadian grants (£4.5 million) was non-project aid, out of which nearly £3 million went to food aid and the rest financed other current imports, while a smaller amount was expended on development projects, especially the generation and distribution of electricity. The entire British grant was food aid required to make up the short-fall in domestic production as was most of the Australian grant. Both Canada and Britain provided substantial loans, used primarily to finance current imports, although nearly £3 million of the Canadian disbursements were for communications.

The value of technical assistance provided by other Commonwealth countries to Pakistan increased in 1970 as more trainees and students were assisted. Advisers and other experts fell as compared with 1969, the fall being most pronounced for educational personnel who fell by 6 to 38 though this conceals an even greater decline in teachers, mostly in technical and vocational training, who declined by 9 to 33 as educational advisers and administrators rose by 3 to 5. There were also fewer non-educational personnel but their distribution was similar to the previous year with agriculture and power, transport and communications still the main recipient sectors. The number of trainees financed increased in 1970 with power, transport and communications still the major recipient sector though its

relative importance decreased while such sectors as industry, mining and handicraft, and public administration became relatively more important. The number of students financed also increased substantially in 1970 with the largest concentration of students in natural sciences, engineering, education and medicine.

£ thousand

Supplying country	Grants		Loans				Technical assistance expenditure	
	1969	1970	Gross		Net		1969	1970
			1969	1970	1969	1970		
Britain	-	479	10,313	9,332	7,409	6,134	835	807
Canada	3,513	2,736	5,620	13,750	5,553	13,680	196	231
Australia	646	680	-	-	-	-	175	194
New Zealand	-	147	-	-	-	-	7	11
Singapore	-	-	-	-	-	-	1	-
Total	4,159	6,042	15,933	23,082	12,962	19,814	1,214	1,303

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	63	418	54	374	93	286	77	245	527	3,878	618	3,991
Canada	2	15	1	9	40	256	63	314	75	824	83	557
Australia	5	35	6	51	29	141	41	204	60	561	62	491
New Zealand	-	-	-	-	1	1	2	6	8	68	9	105
Singapore	-	-	-	-	1	9	6	18	-	-	-	-
Total	70	468	61	434	164	693	189	787	670	5,331	772	5,144

Year	£ thousand				Number and man-months financed					
	Grants	Loans		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	7,388	11,647	..	1,291	107	..	237	..	524	..
1967	8,999	12,181	..	1,171	86	761	235	1,357	609	4,328
1968	3,023	17,889	13,575	1,398	96	666	205	1,259	676	4,859
1969	4,159	15,933	12,962	1,214	70	468	164	693	670	5,331
1970	6,042	23,082	19,814	1,303	61	434	189	787	772	5,144

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

## SINGAPORE

In 1970 growth of G.D.P. was maintained with an increase of some 15% over the level of 1969 of which more than one-third was the result of an expansion in manufacturing output. Since a widening trade deficit is the result of purchases of capital equipment subsequent to capital inflows concern is allayed by the increase in foreign reserves. Reductions in British military spending in 1970 proved small though the impact of further reductions will be greater.

Development policies emphasise the building of an indigenous base of scientific knowledge and technical skills and the attraction of foreign capital, especially international companies. Industry is moving away from import substitution to the field of world wide exports. Tourism is being encouraged with a view to the foreign exchange earned by the industry.

In the 1971/72 development estimates the largest disbursements are loans to statutory authorities which account for over one-half of the total and defence and internal security which accounts for approximately one-sixth. Transport and communications, land development and education are the other major sectors for development expenditures. It is anticipated that around 10% of development expenditure will be financed by external loans and grants.

The flow of all types of financial assistance to Singapore increased in 1970. Grants and loans from Britain rose appreciably to finance sizeable developments in manufacturing industries, community projects and education. Community developments alone absorbed £1.7 million of external assistance, reflecting the Singapore Government's proposal to improve welfare, prison

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	1,130	1,493	3,054	4,944	2,690	4,757	1,053	1,153	931	1,077	255	286
Canada	-	2	-	-	-	-	-	-	-	-	220	217
Australia	-	-	-	-	-	-	-	-	-	-	284	271
New Zealand	-	-	-	-	-	-	-	-	-	-	63	76
India	-	-	-	-	-	-	-	-	-	-	10	12
Pakistan	-	-	-	-	-	-	-	-	-	-	3	-
<b>Total</b>	<b>1,130</b>	<b>1,495</b>	<b>3,054</b>	<b>4,944</b>	<b>2,690</b>	<b>4,757</b>	<b>1,053</b>	<b>1,153</b>	<b>931</b>	<b>1,077</b>	<b>835</b>	<b>862</b>

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	60	482	62	441	28	78	35	107	149	959	173	1,258
Canada	10	84	7	48	31	205	36	320	88	856	88	693
Australia	11	82	28	73	102	775	80	481	128	1,362	147	1,243
New Zealand	8	50	2	24	5	19	27	171	53	542	43	435
India	-	-	2	24	14	23	5	(10)	21	214	27	306
Pakistan	-	-	-	-	-	-	-	-	-	-	-	-
Malaysia	-	-	-	-	-	-	1	2	-	-	-	-
<b>Total</b>	<b>89</b>	<b>698</b>	<b>101</b>	<b>610</b>	<b>180</b>	<b>1,100</b>	<b>194</b>	<b>(1,091)</b>	<b>439</b>	<b>3,933</b>	<b>478</b>	<b>3,935</b>

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	77	-	-	22	..	424	30	..	101	..	338	..
1967	1,574	-	-	280	..	612	82	677	117	(797)	394	(3,530)
1968	225	284	95	211	211	804	85	(592)	150	(1,168)	414	3,665
1969	1,130	3,054	2,690	1,053	931	835	89	698	180	1,100	439	3,933
1970	1,495	4,944	4,757	1,153	1,077	862	101	610	184	(1,091)	478	3,935

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

and fire services. Slightly more capital was invested by C.D.C. in 1970, all of it in manufacturing industries - the leading growth centre which, in 1970, accounted for more than one-third of the growth of G.D.P. Interest and principal repayments were relatively lower than in 1969 so the net inflow of financial assistance in 1970 was around £7.3 million, some £2.6 million more than in the previous year.

There was a small increase in 1970 in the expenditure by other Commonwealth countries on technical assistance for Singapore. However, educational personnel recorded a decline within the experts category with 8 fewer teachers than in 1969 reducing the total to 50, of whom 24 were in the university and higher education level, which received only 2 less than in 1969, while the numbers dropped by 6 to 5 in the teacher training field. The number of experts and other advisers was swollen in 1970 by the extraordinary provision of 23 operational personnel in health services who were the largest single group of non-educational personnel, but who stayed on average only two months in the country. The numbers in power, transport and communications and public administration were at much the same level as in 1969 though in 1970 there were 4 experts provided in industry, mining and handicraft whereas there was none the previous year. There was little change in the number of trainees financed as the drop in those taking courses in public administration (from 42 to 17) and in trade, banking and insurance (from 17 to 10) was off-set by those taking courses in power, transport and communications who increased from 15 in 1969 to 46 in 1970, and in industry (a rise of 8, from 14 to 22). The number of students financed by other Commonwealth countries again rose in 1970 with the emphasis continuing to rest on engineering students, while other major fields of study were medical sciences and education. There was also a significant number financed in the category of secondary education.

### BOTSWANA

The goals of the Botswana National Development Plan (1970/75) are to secure the fastest possible rate of economic growth compatible with an equitable distribution of income between rural and urban areas and to maximize the number of new job opportunities. A growth rate of G.D.P. of about 15 per cent per annum in real terms is expected both from improvement in the quantity and quality of beef production, the country's predominant industry, and from the project known as the Shashi Complex, a development involving several copper and diamond mines, salt and soda ash deposits, associated industrial complexes, one or more dams, a major power station, roads and four mining townships. The plan incorporates as an important element a target population growth rate of 2½ per cent per annum for the decade 1970-80 to be achieved by the dissemination of family planning advice and by encouragement of a better understanding of the issues involved.

The main factor determining the allocation of public capital expenditure is the need to provide a basic infrastructure for the mining developments which will consequently absorb over 40% of such expenditure, but emphasis is also being placed on education and training. Though an effort will be launched to mobilise local savings, the Government is looking to a considerable inflow of private capital and development aid to achieve the Plan's targets. It is a fundamental aim of the Plan to relieve Botswana of the need for budgetary grants in aid from abroad within three years.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	4,184	1,856	143	362	-1	217	-	-	-168	-155	548	577
Canada	-	-	-	-	-	-	-	-	-	-	6	12
Australia	-	-	-	-	-	-	-	-	-	-	6	18
New Zealand	-	-	-	-	-	-	-	-	-	-	-	1
Singapore	-	-	-	-	-	-	-	-	-	-	2	1
Total	4,184	1,856	143	362	-1	217	-	-	-168	-155	562	609

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	324	2,882	323	2,703	8	26	18	60	16	50	21	122
Canada	-	-	1	2	5	19	8	32	1	9	-	-
Australia	-	-	1	12	4	16	8	45	-	-	-	-
New Zealand	-	-	-	-	-	-	-	-	-	-	-	-
Singapore	-	-	-	-	6	23	1	12	-	-	-	-
Total	324	2,882	325	2,717	23	84	35	149	17	59	21	122

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	3,654	653	..	47	..	375	271	..	36	..	20	..
1967	4,395	443	..	326	..	435	258	2,490	31	104	6	18
1968	5,239	138	-6	-	-186	444	272	2,564	19	57	10	64
1969	4,184	143	-1	-	-168	562	324	2,882	23	84	17	59
1970	1,856	362	217	-	-155	609	325	2,717	35	149	21	122

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

The flow of official funds, on a gross basis, from Britain to Botswana declined significantly in 1970 to slightly more than half the 1969 figure. Although debt servicing commitments were lower than in 1969, the net flow was only £1.9 million. A substantial portion of the British grant was again used for budgetary support, although this portion is declining as the Botswana government reaches towards its goal of budgetary self-sufficiency by the end of the current plan period (1975). Gross loans from Britain increased considerably and were almost equally divided between project and non-project aid. The bulk of the project aid was devoted to developments in four fields - public administration, health services, community projects and transport. No new C.D.C. investments were made in 1970 and there was again a substantial, though reduced, reverse flow on earlier investments.

Expenditure on technical assistance by other Commonwealth countries rose further in 1970. Almost all this was provided by Britain which supplied 323 experts for varying lengths of time; 51 of these were experts in education mainly engaged in primary and secondary schools while

the remaining 272 personnel were experts or advisers mainly in the fields of public administration, power and transport, agriculture and health services. The majority of personnel were provided to Botswana under OSAS arrangements. The number of trainees increased to 35.

Canadian technical assistance expenditure doubled in 1970 to finance 8 trainees and 12 volunteers, most of whom were employed in primary and secondary education. Canada has agreed in principle to lend substantial sums for expenditure on infrastructure for the Shashi mining project in the 1970-75 plan and CIDA have sent a team of consultants to study the Kasane area and assess its tourist potential.

### EAST AFRICA

Some of the assistance provided by Commonwealth countries is to East Africa in general, much of it through the Common Services Organisation, and cannot be apportioned to individual countries. In 1969 repayments of

£ thousand

Supplying country	Grants		Loans				Technical assistance expenditure	
			Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970
Britain	5	-	-	195	-1,391	-1,443	2,390	2,340
Canada	-	-	-	1,022	-	1,022	-	186
Australia	-	-	-	-	-	-	-	3
Total	5	-	-	1,217	-1,391	-421	2,390	2,529

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,430	12,242	1,040	10,356	75	577	68	438	49	367	54	383
Canada	13	107	26	196	12	22	11	77	2	6	-	-
Australia	-	-	-	-	-	-	9	63	-	-	-	-
Total	1,443	12,349	1,066	10,552	87	599	88	578	51	373	54	383

Year	<u>£ thousand</u>				<u>Number and man-months financed</u>					
	Grants	Loans		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	450	1,576	..	3,329	1,268	..	127	..	17	..
1967	61	1,899	..	2,204	1,228	13,732	97	606	41	413
1968	7	639	-675	2,355	1,594	16,252	84	560	47	354
1969	5	-	-1,391	2,390	1,443	12,349	87	599	51	373
1970	-	1,217	-421	2,529	1,066	10,552	88	578	54	383

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

capital and interest payments on earlier British loans meant there was a net outflow of almost £1.4 million. In 1970 payments to Britain remained high but this was offset by a general development loan of just over £1 million from Canada so the net outflow was about £420,000.

Technical assistance expenditure showed an increase compared with 1969, the British contribution being mainly to meet the cost of experts, with a small amount for students and trainees while that of Canada was for experts and trainees. Of the British experts, some 108 were in the educational field principally in primary education; this compares with 370 in 1969. The bulk (909) of the remaining experts were engaged in power, transport and communications. The majority of trainees went on courses in power, transport and communications while most of the students were studying engineering.

### THE GAMBIA

Agriculture is the mainstay of The Gambia, in particular the production and sale of the groundnut crop accounts for some 95 per cent of exports and over a third of G.D.P. In an attempt to diversify the economy, new techniques of rice cultivation are being introduced which are contributing to the present rise in rice production. In addition arrangements are being made to export cattle, lime juice and oil while there are immediate prospects for developing the fishing industry. The expanding tourist industry is regarded as important for future revenue, and will be assisted by the development of Bathurst port and Yandum airport. The government hopes to encourage foreign investors. An important aim is to balance the recurrent budget without outside assistance.

Financial assistance to The Gambia from other Commonwealth countries declined again in 1970. No grant aid was received and British loans, in gross terms, fell from £780,000 in 1969 to £230,000 in 1970. Repayments of interest and principal on earlier loans were higher and resulted in the net loans being only one-quarter of the 1969 figure. Most of the disbursements of loan money was devoted to projects mainly concerned with transport, electricity generation, and agriculture.

Technical assistance expenditure by other Commonwealth countries fell back in 1970 to the 1968 level. Most of this assistance again came from Britain which appears to have financed a greater number of personnel than in 1969 but for shorter periods. A total of 80 experts were supplied by Britain, 23 of whom were educational experts or advisers, the remainder being composed of experts in public administration, power, transport and communications, agriculture, health and social services. The total of trainees, of which 26 were financed by Britain mainly under S.C.A.A.P. arrangements, increased slightly but the number of students financed rose considerably although on average, the length of courses was reduced; 50 per cent of the students supported followed course in education.

£ thousand

Supplying country	Grants		Loans				Technical assistance expenditure	
			Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970
Britain	Cr.133	-	780	230	761	183	267	167
Canada	1	-	-	-	-	-	19	16
Australia	-	-	-	-	-	-	12	15
New Zealand	-	-	-	-	-	-	2	2
India	-	-	-	-	-	-	-	1
Total	Cr.132	-	780	230	761	183	300	201

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	78	727	80	688	23	99	26	118	58	372	72	372
Canada	-	-	1	7	3	6	4	12	5	54	(5)	(23)
Australia	-	-	-	-	4	26	4	28	7	79	8	83
New Zealand	-	-	-	-	-	-	-	-	3	36	2	24
Cyprus	-	-	-	-	1	3	-	-	-	-	-	-
India	-	-	-	-	1	2	-	-	-	-	-	-
Total	78	727	81	695	32	136	34	158	73	541	87	502

Year	£ thousand			Number and man-months financed						
	Grants	Loans		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	706			147	105	..	44	..	42	..
1967	475	27	..	313	87	824	23	97	76	564
1968	14	1,007	1,004	195	82	747	31	154	72	507
1969	cr.132	780	761	300	78	727	32	136	73	541
1970		230	183	201	81	695	34	158	87	502

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

## GHANA

In the Ghana One Year Development Plan (1970/71) the Government's primary medium term objective is designated as the acceleration of the rate of growth of the economy to at least 5 per cent per annum. Pervasive problems are identified as stagnation of agricultural production, persistently rising prices and a low savings rate which contribute to a growth rate inadequate to increase per capita incomes substantially. Major constraints on development are shortages of foreign exchange and skilled labour. The earlier half of 1970 saw an increasing trade surplus, all of which was still required to service Ghana's overseas debt though this debt was rescheduled in 1970 in agreement with creditors.

In the allocation of capital expenditure the needs of the rural areas have been given highest priority with particular emphasis on cocoa production, the major export earner, and on the encouragement of domestic production of imported agricultural foodstuffs such as rice and sugar. The development

strategy entails improvements to commercial marketing arrangements and production support programmes, including the encouragement of modern agricultural techniques and the expansion of agricultural credits. Immediate infrastructure expenditures will be concentrated on rural and feeder roads, but preparations are in hand for a rural electrification programme and improvements are planned in the telecommunications network. A policy is to be followed of stimulating industrial development on the basis of private enterprise, with private foreign capital welcome in all but a few sectors. A long term development plan is to be launched in 1971 which will aim for an annual growth rate in the economy of at least 6 per cent, a goal dependent on the progress of the balance of payments situation.

The flow of official Commonwealth aid to Ghana rose in 1970 to about £6 million gross, i.e. £5.7 million net after allowing for repayments on earlier loans and investments. Of this, £1 million was Canadian grant disbursements, mainly for food aid, though £47,000 was devoted to project aid in the fields of electricity generation, education, and agriculture. Further Canadian commitments include additional grants for electricity and health projects. The entire British loan was non-project aid used to finance current

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
	1969	1970	Gross		Net		Gross		Net		1969	1970
			1969	1970	1969	1970	1969	1970	1969	1970		
Britain	-	-	4,824	4,400	4,458	4,034	-	155	-69	100	909	932
Canada	769	1,044	-	525	-	525	-	-	-	-	926	990
Australia	-	-	-	-	-	-	-	-	-	-	47	57
New Zealand	-	-	-	-	-	-	-	-	-	-	-	1
India	-	-	-	-	-	-	-	-	-	-	9	13
Pakistan	-	-	-	-	-	-	-	-	-	-	-	(6)
Total	769	1,044	4,824	4,925	4,458	4,559	-	155	-69	100	1,891	1,999

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	487	4,862	466	4,643	165	580	161	611	245	1,427	290	1,709
Canada	113	902	84	830	34	160	40	260	124	1,253	110	1,094
Australia	-	-	-	-	15	46	10	35	20	175	24	242
New Zealand	-	-	-	-	3	16	1	3	-	-	-	-
India	-	-	-	-	16	30	15	(30)	3	30	4	29
Pakistan	-	-	-	-	-	-	-	-	-	-	(6)	(72)
Total	600	5,764	550	5,473	233	832	227	(939)	392	2,885	(434)	(3,146)

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	811	100	..	-	-	1,010	317	..	184	..	201	..
1967	740	30	..	-	-	1,144	525	4,709	173	(837)	271	(2,152)
1968	823	5,083	4,639	600	579	1,577	544	5,531	223	(1,068)	344	2,460
1969	769	4,824	4,458	-	-69	1,891	600	5,764	233	832	392	2,885
1970	1,044	4,925	4,559	155	100	1,999	550	5,473	227	(939)	(434)	(3,146)

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

imports, and the loan from Canada was for electricity generation and distribution. There was a substantial increase in C.D.C. investments devoted to the development of manufacturing industries.

Technical assistance expenditure in Ghana rose somewhat in 1970, the main donors being Canada and Britain, with Australia and India continuing to make a contribution by financing trainees and students, mainly following courses in agriculture, medicine, power and telecommunications. Educational experts provided by Britain and Canada numbered 457 and of these 192 were employed in primary and secondary schools, slightly fewer than in 1969. The majority of the educational experts were supplied under BESS arrangements. Non-educational advisers and experts supplied by the two main donors totalled 93. The bulk were operational personnel, employed in all sectors of the economy, with concentrations in agriculture and in power, transport and communications.

The number of trainees financed by Commonwealth countries was a little lower than in 1969 but there was an appreciable increase in students. Britain financed a total of 290 students, the most popular fields of study being education (94), agriculture (40), medicine (32), social sciences (28) and economics (25). The majority of the students financed by Canada also followed courses in these five subjects.

## KENYA

The first Kenya Development Plan covering 1964 to 1970 has been assessed as on the whole successful whether judged by progress towards specific goals or by the achievement of the target growth rate of 6.3 per cent in constant (1964) prices. This represented an increase in the average per capita product of over 3 per cent in the period. While agriculture, manufacturing and construction did not reach the planned growth targets the service sector exceeded expectations, particularly the transport sector and general Government services. During the years 1966 to 1970 (inclusive) just under half of the Government's development account revenue was financed by grants (5 per cent) and loans (43 per cent) from abroad.

The second Kenya Development Plan (1970/1974) envisages an annual growth of G.D.P. of 6.7 per cent in real terms in order to raise per capita income from £55 in 1967 to over £64 in 1974, since the annual population increase is estimated to be more than 3 per cent. It is expected that the external contribution to the financing of the Government's development expenditure throughout the plan will be roughly one-half of the minimum financing requirement under this heading though only 13 per cent of total estimated Government expenditure in this period. The following comments on foreign aid are made in the plan:

"External financing is usually limited to the foreign exchange component of an investment project leaving it to the recipient country to cover the local cost share. Equally important is the refusal by most donors to support recurrent costs which often represent a heavy burden on the recipient country. In many cases recurrent expenditure, for instance on education, health or road maintenance may contribute more to development than many types of investment expenditure

favoured by donors. The distinction between "development expenditure" and recurrent expenditure, if the latter is taken to mean "non-development expenditure" can therefore be very misleading".

A key strategy of the plan is to direct an increasing share of the total resources available to rural areas since agriculture is expected to contribute most to the growth of G.D.P. and employment over the plan period. Measures will be aimed at reversing the widening gap between the relatively low earnings of agricultural workers and the earnings of those employed in non-agricultural activities, a gap closely associated with the problem of high urban unemployment. Rapid industrialisation aims at doubling manufacturing output in eight years while it is planned that tourism should double its contribution to the economy by 1974.

In 1970 the growth of G.D.P. at constant (1964) prices was 6.3 per cent. The value of marketed agricultural output was 12 per cent higher than in 1969 due mainly to strong world prices for coffee and tea and to favourable weather conditions. A dramatic increase in tourist earnings occurred due to the increase of 25 per cent in visitor days spent in Kenya. Manufacturing

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	759	100	4,798	6,108	1,931	2,076	2,465	1,620	1,061	-91	2,733	3,271
Canada	15	77	20	42	20	42	-	-	-	-	694	732
Australia	-	-	-	-	-	-	-	-	-	-	41	47
New Zealand	-	-	-	-	-	-	-	-	-	-	26	10
India	8	-	-	-	-	-	-	-	-	-	55	20
Total	782	177	4,818	6,150	1,951	3,118	2,465	1,620	1,061	-91	3,549	4,080

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,795	17,660	1,661	15,443	90	336	85	369	171	1,084	199	1,051
Canada	74	698	68	628	36	184	30	196	40	291	28	272
Australia	4	34	2	21	10	53	19	77	5	44	5	56
New Zealand	5	47	-	-	-	-	3	33	9	89	1	12
India	1	12	2	(20)	8	21	6	(12)	32	377	37	421
Pakistan	-	-	-	-	-	-	-	-	2	24	-	-
Total	1,879	18,451	1,733	(16,112)	144	594	143	(687)	259	1,909	270	1,812

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	1,661	6,325	..	1,635	..	2,985	2,063	..	205	..	238	..
1967	265	3,627	..	1,965	..	(4,253)	1,985	16,564	168	(795)	(259)	(1,934)
1968	343	5,321	2,609	1,248	11	(4,753)	1,858	18,709	176	(813)	257	1,830
1969	782	4,818	1,951	2,465	1,061	3,549	1,879	18,451	144	594	259	1,909
1970	177	6,150	3,118	1,620	-91	4,080	1,733	(16,112)	143	(687)	270	1,812

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

output achieved a growth over the year of some 8 per cent. An inflow of foreign aid and investment financed the deficit in the overall balance of trade and, though foreign exchange reserves grew in 1970, it was as a result of substantial capital inflows.

The total gross financial assistance provided to Kenya by other Commonwealth countries showed little change in 1970 as the increase in loan disbursements almost offset the reduction in grants and new investments. However, as repayments of principal and interest payments to Britain increased further, the net figure, at £3.2 million, was £590,000 less than in 1969. The loan money provided in 1970 was used mostly for agriculture and health but appreciable amounts were provided for transport, education and community projects while the new investment was mainly in electricity generation and housing.

There was a recovery in technical assistance expenditure by Commonwealth countries in 1970 to a figure of slightly over £4 million. The number of experts and other advisers declined largely as a result of a reduction in the number of OSAS personnel serving in Kenya. The bulk of the experts continued to be in the educational field and particularly in primary and secondary schools (almost 840) and while nearly 140 were employed at university level. The non-educational personnel worked mainly in power, public administration, health and agriculture. The number of trainees showed little change on the 1969 level and went mostly on courses in public administration, health and social services. The total of students increased appreciably and many were studying medicine. In 1969 the main subjects for students and trainees were power, transport and communications, engineering and agriculture.

## LESOTHO

Lesotho has published its First Five Year Plan which, though primarily a public investment programme to prepare the ground for future plans, treats as a priority the creation of sound employment opportunities within Lesotho. On the basis of sectoral projections, a minimum annual rate of growth of G.D.P. of 5 per cent is expected. Other major development targets include increasing agricultural productivity through greater yields and the production of more profitable crops, promoting non-agricultural activities such as small scale manufacturing and tourism, and expanding appropriate educational and vocational training facilities while ending the dependence of the Government's recurrent budget on external aid. An important project to be authorised is the Malibatso River dam, previously known as the Oxbow Scheme, which is expected to become a significant domestic source of Government revenue.

More than half of the Government's capital expenditure in the plan period (excluding the Malibatso River project) is to be used to improve the country's economic and social infrastructure and about one quarter is allocated to agriculture. Foreign aid will be required as the major source of finance for these developments and with this in mind the plan emphasizes the need for well prepared, sound development projects which aid donors can reasonably be expected to support.

£ thousand

Supplying country	Grants		Loans				Technical assistance expenditure	
			Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970
Britain	3,337	348	91	56	50	16	289	249
Canada	-	12	-	-	-	-	71	93
Australia	-	-	-	-	-	-	5	9
Total	3,337	360	91	56	50	16	365	351

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	123	1,059	132	1,229	24	82	7	7	51	322	39	267
Canada	7	56	7	59	15	58	19	78	5	41	4	32
Australia	-	-	-	-	5	23	3	16	2	23	4	46
Total	130	1,115	139	1,288	44	163	29	101	58	386	47	345

Year	£ thousand				Number and man-months financed					
	Grants	Loans		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	3,434	56	..	428	147	..	65	..	67	..
1967	3,538	278	..	267	133	1,090	54	274	83	517
1968	3,914	119	78	349	140	1,205	36	175	65	453
1969	3,337	91	50	365	130	1,115	44	163	58	386
1970	360	56	16	351	139	1,288	29	101	47	345

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

Britain was the main Commonwealth donor of financial aid to Lesotho in 1970 although Canada also provided a small sum in the field of general development. The bulk of British aid was used for budgetary support although small portions were used to finance projects in education and tele-communications. The flow of official funds was drastically reduced to approximately 10 per cent of the 1969 figure. Furthermore the net benefit from loans was substantially reduced by repayment obligations on earlier borrowings. In total, the net flow amounted to only £376,000 in 1970 as compared to nearly £3.4 million in the previous year. This reduction was not the result of any change of policy on the part of the governments concerned but rather reflects the fact that British aid is often made over a period of years and tied to particular projects. In particular, the reduction in aid was primarily due to the refund of over-issues in 1969 following a revised customs agreement with South Africa which led to a reduced need for budgetary aid.

Technical assistance expenditure by other Commonwealth countries for Lesotho was a little lower, the drop in expenditure by the United Kingdom being largely offset by a rise in that by Canada. The total of advisers and experts was higher than in 1969. One third were educational experts

employed mainly in university or other higher education. The majority of non-educational personnel were experts in public administration. The number of students and trainees attending courses financed by other Commonwealth countries declined but of those who did, the majority studied law or education.

## MALAWI

In 1970 overall G.D.P. rose in real terms by 3.7% and real per capita income experienced a small rise. The main sources of this economic growth were a rapid expansion in output in the manufacturing sector and a sustained increase in the value of agricultural production for export. A widening trade gap in the last three years due in part to a rise in imports necessary for development would have led to a reduction in foreign reserves but for substantial aid inflows.

The greater part of the funds for development expenditure are financed from external aid and priority in the use of Malawi's own local reserves is accorded to providing the local contribution to this aid. It is now predicted that it will be possible to phase out grants-in-aid for the recurrent budget before the end of the 1973/74 financial year, several years earlier than expected. With regard to foreign aid, the following comments are made in the Economic Report for 1971:

"The Pearson Report's recommendations that the richer countries should undertake to make available 1% of their G.D.P. to developing countries by 1975 has been generally accepted in principle, but few have been prepared to make a firm commitment that 70% of this will be in the form of official aid. The distinction is important since much of what is generally included in "aid" is no more than private foreign investment on full commercial terms and strictly speaking should no more be regarded as "aid" than for example American investment in the British motor industry."

The Government operates a three year rolling public sector investment programme, but in addition a plan is to be produced in 1971 stating the Government's long range development policies, targets and forecasts. Malawi's economy being primarily dependent on agriculture, the prospects for future growth rest mainly on more efficient agricultural production though Government policy is directed also towards the encouragement of manufacturing industry by private investors. In 1971/72 Government development expenditures are largest for agriculture and transportation which together account for just under half of the total.

The gross total of financial assistance provided to Malawi, all of which came from Britain, increased substantially in 1970 as a result of higher disbursements from loans. Allowing for amortization and interest payments on earlier loans and investments, the net flow, £4.9 million, was almost £550,000 more than in 1969. As in 1969, repayments on earlier C.D.C. borrowings were very high and there was again a substantial reverse flow in investments. As in previous years, grant-in-aid was required as budgetary support, and although the Malawi Government is making efforts to reduce reliance on external sources on finance for this purpose, a further £1.3 million budgetary aid has been promised by Britain for 1971 and 1972. British loans in 1970 were used for a number of purposes and the project aid went to a wide range of fields, the most important being community projects,

agriculture, communications and housing. There was a considerable decline in C.D.C. investment in Malawi in 1970 with all the £120,000 being devoted to agricultural development projects.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	2,729	2,624	2,455	3,280	2,025	2,801	234	120	-388	-508	1,734	1,685
Canada	1	-	-	-	-	-	-	-	-	-	58	36
Australia	-	-	-	-	-	-	-	-	-	-	26	47
New Zealand	-	-	-	-	-	-	-	-	-	-	5	4
India	-	-	-	-	-	-	-	-	-	-	2	2
Other countries	-	-	-	-	-	-	-	-	-	-	-	(4)
Total	2,730	2,624	2,455	3,280	2,025	2,801	234	120	-388	-508	1,825	1,778

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,091	10,930	1,060	10,817	73	352	76	305	140	1,022	167	1,195
Canada	8	92	4	36	1	5	-	-	17	161	9	88
Australia	1	11	4	42	4	25	11	84	5	46	6	67
New Zealand	1	6	-	-	-	-	1	4	1	12	1	12
India	-	-	3	24	-	-	-	-	8	72	7	80
Other countries	-	-	-	-	-	-	6	6	-	-	(2)	(24)
Total	1,101	10,939	1,071	10,919	78	382	94	399	171	1,313	(192)	(1,466)

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	4,508	2,254	..	908	..	1,437	878	..	107	..	89	..
1967	4,200	2,751	..	310	..	1,508	1,097	(11,398)	93	429	(142)	(849)
1968	3,159	2,814	2,387	202	-237	1,802	1,115	11,042	78	423	163	1,127
1969	2,730	2,455	2,025	234	-388	1,825	1,101	10,939	78	382	171	1,313
1970	2,624	3,280	2,801	120	-508	1,778	1,071	10,919	94	399	(192)	(1,466)

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

By the end of the current financial year a consortium housing loan financed jointly by the Malawi Government, the British Government, C.D.C. and a commercial banking consortium will have been fully committed. During the three-year plan period 1971-1974, British loans will be used for agricultural investments, posts and telecommunications, railways and fisheries.

Commonwealth technical assistance expenditure on Malawi dropped slightly in 1970. Although there were increases in the numbers of trainees and students financed by Commonwealth countries, fewer experts were provided. The majority of experts were operational personnel engaged mainly in four fields - power, transport and communications, public administration, agriculture and health services. The total of educational experts was a little lower than in 1969; of the total about 90 were employed at primary and secondary schools levels and 95 were employed at university level. A small increase was recorded in the number of trainees and students financed. The four major fields of study for students were engineering, education, medicine and social sciences.

## MAURITIUS

The economy of Mauritius is heavily dependent on sugar and its by-products which account for 90 per cent of the value of all crops grown and about 93 per cent of visible exports. It is proposed in the Development Strategy (1971-80) not to replace sugar but rather to supplement it mainly by attracting new manufacturing industries. Due to heavy unemployment the main goal is job creation and with this in mind export processing zones, enjoying substantial government inducements, are being instigated and tax free holiday incentives are being offered to boost the tourist industry. In an attempt to diversify agriculture, tea and tobacco crops are being encouraged as is the domestic production of imported foodstuffs. Two goals of special importance are land consolidation, necessary for agricultural diversification, and improving housing throughout the island. It is intended to raise domestic savings as a proportion of G.D.P. from the present near zero level to average 7½ per cent over the next ten years. About 45 per cent of the Government's capital budget in 1972 is to be raised by overseas borrowing. A new Development Plan (1971-75) is to be published in 1971.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	1,110	698	353	801	15	461	233	-	184	-38	211	194
Canada	-	-	-	-	-	-	-	-	-	-	26	27
Australia	-	-	-	-	-	-	-	-	-	-	8	15
New Zealand	-	-	-	-	-	-	-	-	-	-	-	1
India	-	-	-	-	-	-	-	-	-	-	48	20
Pakistan	-	-	-	-	-	-	-	-	-	-	-	(7)
<b>Total</b>	<b>1,110</b>	<b>698</b>	<b>353</b>	<b>801</b>	<b>15</b>	<b>461</b>	<b>233</b>	<b>-</b>	<b>184</b>	<b>-38</b>	<b>293</b>	<b>(264)</b>

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	65	570	59	482	31	144	32	129	54	396	97	524
Canada	1	12	1	8	4	10	1	12	12	98	8	56
Australia	-	-	-	-	2	6	4	17	5	50	6	58
New Zealand	-	-	-	-	-	-	-	-	-	-	7	84
India	2	12	14	(53)	5	10	7	(14)	44	489	53	555
Pakistan	-	-	-	-	-	-	-	-	4	32	(10)	(75)
<b>Total</b>	<b>68</b>	<b>594</b>	<b>74</b>	<b>(543)</b>	<b>42</b>	<b>(170)</b>	<b>44</b>	<b>(172)</b>	<b>119</b>	<b>1,065</b>	<b>(181)</b>	<b>(1,352)</b>

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	196	1,050	..	100	..	173	97	..	33	..	70	..
1967	798	570	..	225	..	(260)	95	888	51	(200)	99	(868)
1968	2,166	1,535	1,211	-	-50	(297)	85	754	34	(181)	116	1,004
1969	1,110	353	15	233	184	293	68	594	42	(170)	119	1,065
1970	698	801	461	-	-38	(264)	74	(543)	44	(172)	(181)	(1,352)

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

In 1971 there was a Balance of Payments surplus as there has been since independence in 1968. Prices remained almost stable throughout the year though severe unemployment is still a problem.

As the increase in loan disbursements was insufficient to offset the reduction in grants, the gross flow of financial aid to Mauritius declined further in 1970 and, after repayments of principal and interest payments on earlier loans and investments, the net flow was only £1.1 million as against £1.3 million in 1969. In 1970 most of the British grants were food aid, but some was expended on education and power projects. The bulk of loan finance was utilised in transport development, and health and community projects. There was no new C.D.C. investment in Mauritius in 1970, but the repayment commitment was very slightly lower.

Total technical assistance expenditure for Mauritius decreased slightly in 1970, although the total number of experts and advisers increased. Of the total, 20 were educational experts employed mainly at University level. The number of trainees financed by Commonwealth countries was almost unchanged but many more students were financed with a large number pursuing courses in health services and medicine. This pattern is likely to continue throughout the plan period as improved health services is one of the priorities of the development plan.

## NIGERIA

The Second National Development Plan (1970-74) forecasts progressively accelerating growth rates of output, income and employment. The largest share of public sector capital expenditure is devoted to transport which receives almost a quarter, mainly for road and rail reconstruction, while education receives 14 per cent and agriculture only slightly less, to be used for irrigation schemes, the establishment of a National Agricultural Bank and appropriate research. The planning of industrial projects will be closely integrated with the development of projects for modernising agricultural production and, as a matter of public policy, the iron and steel complex, the petro-chemical industries, fertilizer production industries and petroleum production industries (especially for local distribution) will be reserved for effective direct public sector control. Other large and medium scale industries are to be run as mixed ventures with government and local private participation at a minimum level of 35 per cent; these include plantation production, food and forest product industries and the building materials and construction industries.

Of the public development expenditure around 80 per cent of the funds required for the Plan will be raised from domestic sources, especially oil revenues, with the remaining 20 per cent obtained by overseas borrowing. The Plan envisages lifting the growth rate to an average of 6.6 per cent of G.D.P. for the next four years, with a target figure of 9.5 per cent in 1974. Success with these policies will mean the doubling of real income per head by 1985.

In 1970 there was a general increase in economic activity as demand expanded rapidly. However, along with domestic production, prices and imports also rose. Visible exports rose in both volume and value, oil becoming more valuable than all other exports taken together. In the April,

1971 Budget Statement the three major problems identified were a deteriorating foreign exchange situation, critical unemployment and increasing inflationary pressures.

The amount of gross financial aid provided by other Commonwealth countries to Nigeria more than doubled in 1970 to about £11.2 million; grants increased by more than a third while gross loans nearly trebled and new C.D.C. investment rose sharply from the low level of 1969. Mainly, the increase in financial assistance was provided by Britain, about half of it for relief and rehabilitation subsequent to the cessation of hostilities, whereas most of the Canadian grant was devoted towards food aid. Australia also provided grants in 1970 amounting to £117,000, which was again entirely expended towards emergency and disaster relief. Canadian loans were devoted entirely to the field of communications. The repayments to Britain of the principal on past loans and investments, along with interest payments, amounted to about £4.8 million so that net financial flow to Nigeria was £6.3 million in 1970 but this compared with only £583,000 in 1969 when servicing payments on loans and investments exceeded disbursements for these two categories.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	1,877	2,847	1,809	5,657	-1,821	1,664	24	1,027	-785	201	1,897	1,499
Canada	742	637	574	888	-	570	-	-	-	-	805	997
Australia	-	117	-	-	-	-	-	-	-	-	39	66
New Zealand	-	-	-	-	-	-	-	-	-	-	9	10
India	-	-	-	-	-	-	-	-	-	-	70	31
Total	2,619	3,601	2,383	5,545	-1,251	2,544	24	1,027	-785	201	2,820	2,603

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,342	12,225	1,275	11,998	230	795	309	363	408	2,328	492	2,506
Canada	92	871	93	801	47	284	65	282	75	624	78	666
Australia	-	-	-	-	36	184	37	173	12	87	8	82
New Zealand	-	-	-	-	1	12	1	12	11	132	12	144
India	-	-	1	6	34	(65)	44	(65)	26	279	28	297
Other countries	-	-	-	-	1	3	-	-	-	-	-	-
Total	1,434	13,096	1,369	12,805	349	1,243	456	(1,718)	532	3,450	618	3,695

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	1,123	3,906	..	573	..	2,135	1,437	..	512	..	433	..
1967	1,166	3,085	..	279	..	(2,326)	2,286	18,275	390	(1,730)	(484)	(3,749)
1968	1,384	4,174	1,329	31	-538	(2,222)	1,546	10,423	324	(1,549)	493	3,298
1969	2,619	2,383	-1,251	24	-785	2,820	1,434	13,096	349	(1,343)	532	3,450
1970	3,601	6,545	2,544	1,027	201	2,603	1,369	12,805	456	(1,718)	618	3,695

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

Expenditure on technical assistance by other Commonwealth countries for Nigeria were sharply reduced in 1970 although much more was provided by Canada. The marked fall for Britain was due to an exceptional expenditure of some £430,000 in 1969 which was classified under research, pension and compensation payments and surveys. The number of advisers and other

experts fell slightly and the total of man-months spent in the country was reduced. Educational personnel who formed more than half of total experts supplied fell back from the 1969 level and were concentrated on university and higher education and on primary and secondary education. Non-educational experts remained almost constant though their distribution altered with a fall from 300 to just under 230 in the power, transport and communications sector, and small increases to just over 100 in health, to 65 in agriculture and to 76 in public administration. There was a sharp jump in the number of trainees financed in 1970 and their studies were concentrated on public administration, power, transport and communications, health services and community development. The total of students financed also increased, with education, social sciences, medical science and agriculture the main areas of study.

### SIERRA LEONE

The country's economy depends very largely on the export of minerals which contribute over 80 per cent of foreign exchange earnings. Yet over 75 per cent of the population rely on agriculture which accounts for only 35 per cent of G.D.P. Policies are being implemented to diversify agriculture, to avoid dependence on a few basic crops, but the main products remain cocoa, coffee, palm kernels, rice and piassava. It is the Government's aim that Sierra Leone will be self-sufficient in the production of rice in the very near future and it also looks for an expansion in output of export crops. Diamonds and iron ore are the most important minerals but bauxite and rutile are now being mined in substantial quantities.

The government's basic strategy for development is for investment in infrastructure facilities and during 1970 it obtained loans from Britain, West Germany and the World Bank for the construction of roads. With the assistance of a loan from the African Development Bank work is in progress on the extension of the water supply system. Many development projects have to be financed from recurrent revenue so in November 1970 the Government issued Development (Roads) Stock as a measure designed to ease the strain on its budgeting position. This development of roads is complementary to the policy of directing more emphasis to rural areas in the belief that growth in the agricultural sector is a pre-requisite to industrial development as higher rural incomes will stimulate demand for goods or services in other sectors. Steps are being taken to initiate economic co-operation with Liberia in specific areas of trade and social services.

In 1970, though agricultural exports rose, there was a sharp drop in export earnings due to a decline in diamond and mineral exports. The level of business activity in 1970 was not as high as had been anticipated.

Gross financial flows to Sierra Leone from other Commonwealth countries, mainly in the form of loans from Britain, remained very small in 1970 and, because of repayments of principal and interest payments which amounted to £782,000, more was again paid out than received. The greater part of loans received was directed to the transport sector but a fifth of the total was used to finance current imports.

Technical assistance expenditure for Sierra Leone was a little higher than in 1969. However, the number of experts financed fell slightly

and, as a result of each spending on average less time in the country, the total of man-months declined by a fifth. Educational personnel were more numerous than non-educational but fell in proportionate terms from 70 per cent in the 1969 to 65 per cent of the total in 1970. The great majority of education personnel were teachers of whom a larger number were involved in higher education and a smaller number in primary and secondary education with several in teacher training. Almost half of the non-educational personnel, who increased by 10 to 75 in 1970, were concentrated on the field of power, transport and communications with lesser concentration in the fields of public administration and health services. The number of trainees remained unchanged but the numbers in public administration increased by 3 to 25 to just under 45 per cent of the total. Lesser concentrations of trainees occurred in the fields of power, transport and communications, health services and education.

The number of students financed increased slightly and though a concentration occurs in the field of education, the remainder are spread fairly evenly between social sciences, economics, medical sciences and fine arts.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	-	-	544	515	-42	-70	-	-	-217	-197	408	417
Canada	-	-	-	-	-	-	-	-	-	-	14	15
Australia	-	-	-	-	-	-	-	-	-	-	13	23
New Zealand	-	-	-	-	-	-	-	-	-	-	2	2
India	-	-	-	-	-	-	-	-	-	-	5	2
Total	-	-	544	515	-42	-70	-	-	-217	-197	442	459

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	230	2,120	219	1,956	59	234	58	212	161	953	176	1,002
Canada	-	-	-	-	2	15	1	1	12	124	9	47
Australia	-	-	-	-	2	10	7	37	10	93	7	75
New Zealand	-	-	-	-	2	20	1	4	-	-	1	9
India	-	-	-	-	2	(3)	-	-	1	12	-	-
Total	230	2,120	219	1,956	67	(282)	67	254	184	1,182	193	1,133

Year	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
		1966	112	716	..		330	..	376	168	..	100
1967	30	547	..	155	..	410	313	2,611	79	(329)	157	1,001
1968	4	383	-211	-	-187	440	264	2,501	70	(329)	172	1,130
1969	-	544	-42	-	-217	442	230	2,120	67	(282)	184	1,182
1970	-	515	-70	-	-197	459	219	1,956	67	254	193	1,133

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

## SWAZILAND

In Swaziland around four-fifths of the population derive their livelihood from agriculture which is mainly subsistence though a transition is in progress to a monetized economy. The main objective of the Post Independence Development Plan (1969-1972) is to raise the standard of living as quickly as possible notwithstanding a rate of population increase estimated to be almost 3 per cent per annum. In the development strategy a dual emphasis is placed on education and training, and agriculture and its related industries. Infrastructure projects such as road building and improvement are financed by the public sector but private enterprise is expected to act as the spearhead of economic development in the industrial and commercial centres.

The estimates for the capital fund in the 1971-72 budget are almost twice as great as the previous year's figure, but this includes a substantial sum carried forward from the 1970-71 programme which arose owing to difficulties experienced in moving from the planning to the implementation stage. Due in the main to increased sales of iron ore and sugar and wood pulp, the major exports, there was a 10 per cent rise in exports which, though imports rose faster, preserved a balance of trade surplus.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	2,881	839	380	715	134	457	742	1,124	-728	-1,257	356	452
Canada	-	-	-	-	-	-	-	-	-	-	27	19
Australia	-	-	-	-	-	-	-	-	-	-	7	9
New Zealand	-	-	-	-	-	-	-	-	-	-	-	-
India	-	-	-	-	-	-	-	-	-	-	1	1
<b>Total</b>	<b>2,881</b>	<b>839</b>	<b>380</b>	<b>715</b>	<b>134</b>	<b>457</b>	<b>742</b>	<b>1,124</b>	<b>-728</b>	<b>-1,257</b>	<b>391</b>	<b>481</b>

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	208	2,025	231	2,082	23	85	24	92	38	271	38	215
Canada	-	-	-	-	25	101	18	101	-	-	-	-
Australia	-	-	-	-	4	12	4	16	-	-	2	11
New Zealand	-	-	-	-	-	-	-	-	-	-	-	-
India	-	-	-	-	-	-	-	-	5	60	4	48
<b>Total</b>	<b>208</b>	<b>2,025</b>	<b>231</b>	<b>2,082</b>	<b>52</b>	<b>198</b>	<b>46</b>	<b>209</b>	<b>43</b>	<b>331</b>	<b>44</b>	<b>274</b>

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	2,274	743	..	534	..	300	168	..	46	..	39	..
1967	2,517	248	..	1,273	..	401	183	1,889	36	173	46	296
1968	2,231	501	272	625	-664	339	216	1,953	34	234	54	289
1969	2,881	380	134	742	-728	391	208	2,025	52	198	43	331
1970	839	715	457	1,124	-1,257	481	231	2,082	46	209	44	274

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

Britain is the sole Commonwealth donor of financial assistance to Swaziland and in 1970, on a gross basis, this aid declined by almost a third to £2.7 million. This reduction was largely due to the refund of over issues made in 1969 following the revised Customs Agreement with South Africa, which has accelerated the elimination of budgetary aid, and to smaller grants-in-aid as a result. Gross investments by C.D.C. increased by a half in 1970 to £1.1 million. However, as the repayments of principal and payments of interest rose slightly compared with 1969 to £2.6 million the inflow and outflow more or less balanced. The largest part of the loan assistance was used to finance current imports.

Technical assistance expenditure for Swaziland by other Commonwealth countries again increased in 1970, about 40 per cent of the total being devoted to experts and 30 per cent to students and trainees. The number of experts increased by 10 per cent to around 230 though man-months supplied fell sharply. About 60 per cent of the experts were operational personnel concentrated in the fields of public administration, power, transport and communications, and agriculture with several in health services and economic planning. Most of the educational personnel were teachers who as in the previous year were concentrated mainly in primary and secondary education. A small number of educational administrators continue to be financed. There was a slight decline in trainees financed in 1970, mostly reflected in the social sciences, as public administration continued at the same level and remained the major area of studies while industry, mining and handicrafts experienced a moderate rise. Students financed were at the same level as in 1969 with concentration in the field of education and an even spread of the remainder between the social sciences, law, engineering, agriculture, economics and the medical sciences.

## TANZANIA

The objectives of the Second Five Year Plan (1969-74) include an economic transformation, social equality, self-reliance, African economic integration and the development of co-operative forms of economic activity. An annual growth rate of G.D.P. of 6.5 per cent per annum is to be achieved in harmony with the pursuit of the other objectives. In particular the prime criterion of economic success will be the provision of a healthy diet for all Tanzanians; and an underlying goal of the plan is the creation of an adequate and growing domestic market. The investment objective of the Second Plan is progressively to raise the ratio of gross capital formation to G.D.P. to an eventual 25 per cent.

The rural sector receives top priority in the plan both because it is the largest productive sector and because it is to this sector that co-operative development is best suited. It is recognised that in the long-term successful economic development requires an industrial base and to this end a subsequent plan will concentrate on the development of a capital goods industry. In the current plan the field of major expenditure is communications where priority has been given to the improvement of the Tanzanian/Zambian highway, the construction of the Kilimanjaro International Airport and the Tanzanian/Zambian railway. Net foreign exchange earnings are expected to benefit from the trebling of tourism over the plan period. Private overseas investment is utilised for joint ventures with the government.

In his budget speech covering 1971-72, the Minister of Finance noted that the high investment expenditure of the past two years had contributed to a reduction in Tanzania's foreign exchange reserves. As the rate of economic growth over the next decade would depend on the country's capacity to import investment goods, technology and associated skills, a substantial increase was required in the variety as well as the volume of export in order to enlarge foreign exchange earnings. In the budget, planned development expenditures are estimated at nearly T Sh 922 million for 1971-72, some 15 per cent higher than the provisional outturn for 1970-71.

Gross disbursements of financial assistance to Tanzania rose in 1970 by about 50 per cent to a level of some £450,000 supplied equally by grants and loans from Canada and by British C.D.C. investment. The Canadian loan assistance was concentrated on electricity generation and distribution though social infrastructure also received some funds. Most of the Canadian grant disbursements were for non-project development aid or for agricultural development. The greater part of C.D.C. investment was directed to manufacturing industry. As servicing payments to Britain for loans and investment far exceeded inflows, there was a net outflow of financial resources of about £1 million; this was, however, much lower than in 1969 when the net outflow was around £1½ million.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	38	-	-	-	-674	-582	43	238	-1,055	-605	1,681	1,792
Canada	16	50	..	162	174	162	-	-	-	-	603	929
Australia	-	-	-	-	-	-	-	-	-	-	42	35
New Zealand	-	-	-	-	-	-	-	-	-	-	6	2
India	-	-	-	-	-	-	-	-	-	-	45	17
Total	54	50	..	162	-500	-420	43	238	-1,055	-605	2,377	2,775

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	543	4,715	385	2,884	14	77	17	42	47	346	65	252
Canada	84	796	94	813	51	283	52	499	21	169	32	291
Australia	1	11	-	-	32	175	13	74	-	-	7	34
New Zealand	-	-	-	-	-	-	-	-	9	85	2	23
India	-	-	-	-	12	80	14	(28)	22	255	21	213
Total	628	5,522	479	3,697	109	615	96	(643)	99	855	127	813

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	994	1,449	..	196	..	2,278	1,247	..	241	..	251	..
1967	258	599	..	3	..	1,338	936	9,915	192	(1,101)	277	(2,189)
1968	99	458	-12	66	-555	2,438	833	7,244	125	(915)	198	1,517
1969	54	..	-500	43	-1,055	2,377	628	5,522	109	615	99	855
1970	50	162	-420	238	-605	2,775	479	3,697	96	(643)	127	813

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

After a small drop in the previous year, technical assistance expenditure provided by Commonwealth countries to Tanzania rose substantially in 1970. For the second successive year the number of experts and advisers fell by almost a quarter while man-months declined by a third, and this decline occurred entirely in the non-educational experts category and was particularly noticeable in agriculture and in power, transport and communications; in contrast educational personnel rose by 40 to 312. In fact in 1970 some two-thirds of the experts were educational personnel, mostly teachers in university and higher education and in primary and secondary education with a few in technical and vocational training and in teacher training. Non-educational experts were mostly operational personnel concentrated in the areas of agriculture and in power, transport and communications, though some were engaged in economic planning. There was some decline in the number of trainees financed with the major fields being industry, mining and handicraft, public administration and agriculture. On the other hand, the larger number of students compared with 1969 was evenly divided between education, engineering, social sciences and medical sciences.

#### UGANDA

In 1970 Uganda's G.D.P. grew in real terms by about 3.1 per cent due to the decline in coffee production. The output of the agriculture sector grew by only 1.2 per cent at constant (1966) prices, but this conceals a 10 per cent increase in the value of coffee sales as well as increases in the output of tea and sugar. In the manufacturing sector output at constant (1966) prices grew by 6 per cent. The current account of the balance of payments exhibited a substantial surplus but, due to a large outflow of private capital, there was a small deficit in the overall balance of payments.

The twin objectives of the Government are to maximise economic growth while rectifying as far as possible various economic imbalances. Encouragement will be given to grow more export crops and to export oriented industries, as it is recognised that progressively more exports are required to buy the imports necessary for development. It is Government policy to encourage private investment in a climate which is competitive.

The amount of gross financial aid provided by other Commonwealth countries to Uganda in 1970, at £2.6 million, represented an increase of more than a third over the 1969 level. Net financial assistance also increased from a small negative figure in 1969 to £749,000 in 1970. The great bulk of the financial assistance took the form of loans, mainly from Britain, but there was a marked fall in C.D.C. gross investments. Transport and education were the main recipient sectors, though agriculture, industry, and community projects also received loan funds.

Technical assistance expenditure by Commonwealth countries for Uganda fell further in 1970 as less was spent on experts. The decline in the number of experts occurred entirely in the category of educational personnel which fell to around 925, the major reduction being in the field of primary and secondary education in which the great majority of the teachers were engaged. Teachers in university and higher education increased slightly to 63 while the number in technical training doubled to 18 and 7 more educational administrators were financed bringing the numbers to 30. The total of non-

educational personnel was approximately the same as in 1969, as a large reduction in the unspecified category and small drops in the power, transport and communications sector and in the social and community services sectors offset the increases in economic planning, public administration, agriculture and health. There was again a moderate decline in the number of trainees financed and falls were recorded for courses in public administration, industry and social services. More students were financed in 1970 and they were chiefly studying medicine, social sciences, agriculture and education.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
	1969	1970	Gross		Net		Gross		Net		1969	1970
			1969	1970	1969	1970	1969	1970	1969	1970		
Britain	-	-	1,617	2,226	137	682	272	102	-198	-248	2,154	2,024
Canada	5	4	-	311	-	311	-	-	-	-	363	411
Australia	-	-	-	-	-	-	-	-	-	-	44	50
New Zealand	-	-	-	-	-	-	-	-	-	-	11	5
India	-	-	-	-	-	-	-	-	-	-	29	12
<b>Total</b>	<b>5</b>	<b>4</b>	<b>1,617</b>	<b>1,537</b>	<b>137</b>	<b>993</b>	<b>272</b>	<b>102</b>	<b>-198</b>	<b>-248</b>	<b>2,601</b>	<b>2,502</b>

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	1,469	14,274	1,446	14,810	117	511	112	435	234	1,490	263	1,502
Canada	55	478	41	400	34	166	28	139	33	337	31	277
Australia	4	48	2	20	18	114	22	149	4	38	3	25
New Zealand	1	12	-	-	2	14	1	12	6	67	5	58
India	-	-	-	-	11	22	8	(16)	34	377	33	342
<b>Total</b>	<b>1,529</b>	<b>14,812</b>	<b>1,489</b>	<b>15,230</b>	<b>182</b>	<b>827</b>	<b>171</b>	<b>(751)</b>	<b>315</b>	<b>2,309</b>	<b>335</b>	<b>2,204</b>

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	27	1,299	..	255	..	3,374	1,561	..	210	..	331	..
1967	14	3,380	..	180	..	1,790	1,824	15,983	189	(956)	354	(2,618)
1968	25	990	-185	495	37	2,792	1,382	14,010	191	(879)	330	2,391
1969	5	1,617	137	272	-198	2,601	1,529	14,812	182	827	315	2,309
1970	4	2,537	993	102	-248	2,502	1,489	15,230	171	(751)	335	2,204

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

## ZAMBIA

The largest sector of the Zambian economy is mining and quarrying primarily of copper which accounts for around 40 per cent of G.D.P. and for 90 per cent of foreign exchange receipts. The progress of the economy in 1970 was dominated by the marked decline in the world prices for copper and an interruption to copper supplies following a severe mining disaster. The

total value of mineral production in 1970 was 10 per cent lower than in the previous year. Due to a bad harvest the output of the agricultural sector also declined. However, the manufacturing sector improved its performance.

Though agriculture provides the means of livelihood for the majority of Zambians a rural/urban imbalance in income distribution has emerged which together with urban unemployment has inspired a rural development programme for the 1970's. This programme sets out to overhaul the co-operative structure, to create increasingly self-financing credit and savings co-operatives and to site suitable new industries, such as the processing of food and wood, in rural areas. This emphasis will be continued in the Second National Development Plan now being prepared. Other economic reforms announced in 1970 relate to the expansion of state participation in a number of companies and to broadening the areas in the economy in which Zambians only may operate. However it is emphasised that there is a welcome for foreign private investment in those fields not reserved for Zambians.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	219	38	268	-	-35	-269	892	7	541	-374	4,289	2,524
Canada	82	25	-	-	-	-	-	-	-	-	147	207
Australia	-	-	-	-	-	-	-	-	-	-	39	88
New Zealand	-	-	-	-	-	-	-	-	-	-	7	7
India	-	-	-	-	-	-	-	-	-	-	15	9
<b>Total</b>	<b>301</b>	<b>63</b>	<b>268</b>	<b>-</b>	<b>-35</b>	<b>-269</b>	<b>892</b>	<b>7</b>	<b>541</b>	<b>-374</b>	<b>4,497</b>	<b>2,835</b>

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	3,994	37,950	626	37,595	50	196	72	227	105	577	95	533
Canada	24	175	13	117	18	86	9	88	11	114	10	73
Australia	3	34	4	48	9	62	24	130	7	71	11	105
New Zealand	-	-	-	-	1	12	-	-	11	13	9	88
India	-	-	-	-	5	8	8	(16)	19	198	22	264
<b>Total</b>	<b>3,021</b>	<b>38,159</b>	<b>3,643</b>	<b>37,760</b>	<b>83</b>	<b>364</b>	<b>113</b>	<b>(461)</b>	<b>153</b>	<b>973</b>	<b>147</b>	<b>1,063</b>

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	7,015	563	..	50	..	2,319	2,678	..	103	..	100	..
1967	10,018	840	..	350	..	3,756	3,664	(37,066)	123	(522)	145	(960)
1968	784	17	-376	1,048	703	4,565	3,854	33,715	107	(528)	173	1,022
1969	301	268	-35	892	541	4,497	4,021	38,159	83	364	153	973
1970	63	-	-269	7	-374	2,835	3,643	37,760	113	(461)	147	1,063

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

In the Budget speech for 1971 the Minister of Finance, commenting on the Pearson Report's aid target, said

"From the point of view of developing countries acceptance of the target is not enough. What is required is its implementation and on terms that are helpful to the developing countries. I am thinking in this respect of concessional assistance in terms of period of repayment, low interest rates and longer grace periods. The tendency to "tie" aid tends to reduce the operational flexibility of the receiving nations. Aid, consequently, becomes less effective quite apart from being a burden on the developing countries."

For the third year in succession, gross financial assistance to Zambia dropped and in 1970 totalled only £70,000; this latest reduction was due to a decline in C.D.C. investments and the completion of outstanding loan commitments. There was also a marked decline in grant disbursements. With repayments of principal and interest payments continuing at a high level, there was net outflow of some £580,000 in 1970 as compared with a net inflow of over £800,000 in 1969 and £1.1 million in 1968.

After the small decline in 1969, there was a large decrease in 1970 in the value of technical assistance provided by other Commonwealth countries to Zambia, largely as a result of reduced expenditure under OSAS. The total of advisers and other experts was markedly reduced and, of these, some two-thirds were operational personnel, a slightly lower proportion than in 1969. There was a decline in the number employed in power, transport, and communications, public administration, agriculture and industry, mining and handicraft. Those employed in health services increased slightly. The number of educational personnel was also lower as there was a modest fall in the number of teachers, the great majority of whom were concentrated in primary and secondary education, although there was a significant number employed in university and higher education and in technical education, which expanded considerably. Over 30 educational administrators were provided in 1970. The downward trend of previous years in the number of trainees financed was reversed, with many of the trainees going on courses in the fields of public administration and power, transport and communications. The number of students financed declined very slightly in 1970 and the fields of study attracting most students were engineering, social sciences, medical sciences and education.

## CYPRUS

The Second Five Year Development Plan (1970-71) rests on a philosophy of privately generated economic growth assisted by the Government where necessary. The target growth rate of 7 per cent per annum envisaged in the Plan was surpassed in the first three years. The three sectors which are intended to become the foundation of future economic development are agriculture, manufacturing and tourism. In the first three years of the plan agriculture achieved an annual growth rate of 9.4 per cent and manufacturing 7.9 per cent while the target growth for visitors of 25 per cent was exceeded.

The Third Five Year Plan (1972-76) is being prepared and it is expected to incorporate the same Government objective of a satisfactory growth rate along with external and internal monetary stability. In the last Development Budget (1971) referring to the Second Five Year Plan period, priority has been given to projects encouraging local production, important infrastructure projects and projects assisting the development of rural areas. Agricultural schemes budgeted for include soil conservation, stock improvement, land consolidation, improving veterinary services, irrigation and the introduction of new seed strains. Industrial development is being assisted by the provision of training schemes while infrastructure expenditure will be concentrated on improving the ports. Low interest loans are available for the building of the new hotels essential to expansion of the tourist trade.

In the past four years Cyprus has not received any financial assistance from other Commonwealth countries but has been making substantial repayments of interest and principal to Britain on earlier loans. However, these repayments are falling away and amounted to only £98,000 in 1970.

£ thousand

Supplying country	Grants		Loans				Technical assistance expenditure	
			Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970
Britain	-	-	-	-	-199	-98	167 <sup>a</sup>	197 <sup>a</sup>
Canada	-	-	-	-	-	-	4	6
Total	-	-	-	-	-199	-98	171 <sup>a</sup>	203 <sup>a</sup>

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	72	340	42	367	45	117	25	84	117	691	144	829
Canada	-	-	-	-	1	8	-	-	2	24	4	15
Total	72	340	42	367	46	125	25	84	119	715	148	844

<sup>a</sup> May include some assistance not passing through official bilateral channels.

Year	£ thousand				Number and man-months financed					
	Grants	Loans		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	180	-	-	70	28	..	32	..	35	..
1967	-	-	-	102	41	319	68	192	59	281
1968	-	-	-238	139	53	374	28	110	94	503
1969	-	-	-199	171	72	340	46	125	119	715
1970	-	-	-98	203	42	367	25	84	148	844

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

As in 1969 there was an increase in 1970 in technical assistance expenditure by other Commonwealth countries in Cyprus due to a larger number of students receiving assistance. The number of experts fell sharply by 30 to 42, the fall occurring because there were no technical teachers provided in 1970. The non-educational personnel consisted of a few advisers in the fields of power, transport and communications, economic planning, public administration, agriculture and industry, mining and handicraft. The number of trainees financed dropped by 21 to 25 with declines in the numbers going on courses in power, transport and communications and in the social services. The main courses remained public administration (11) and education (5). There was a marked rise in the number of students financed almost half of whom were studying education while the remainder were spread over a wide range of subjects including agriculture, engineering, social sciences and economics.

### MALTA

The Third Development Plan (1969-74) of Malta pursues the same strategic objectives as its two predecessors, these goals being to raise living standards, to achieve full employment and to increase economic independence from British military spending. Developments in tourism, industry and agriculture are the means designed to achieve these goals. The plan is designed to achieve an average annual rate of growth of 9.4 per cent between 1968 and 1973. Over the Plan period around 60 per cent of the total gross fixed investment of £180 million will be provided by Government or the public corporations. The financing of the Plan will rely more heavily on domestic sources than previously, though private investment will continue to be encouraged.

In agriculture the aim is to increase productivity by reducing the number employed on the land. The policy for tourism, an important source of invisible export earnings, is to ensure that the supply of accommodation keeps abreast of the increase in visitors. The industrial policy of direct financial inducements will continue though the current policy of grant aid is likely to give way increasingly to loans.

In 1970 the growth of G.D.P. in real terms amounted to 8 per cent which means that with the previous year's outcome the target growth rate of 9.4 per cent per annum for the Third Development Plan has been achieved over the first two years. The balance of payments was in surplus due to capital inflows which more than compensated for the deficit on the current account. In the Budget for 1971/72 the largest items of Government capital expenditure are industrial development, electricity, water, roads and housing. About one-third of total estimated capital expenditure will be financed by British aid.

In 1970 the flow of financial assistance to Malta rose from under £4 million to £7.3 million and changed in composition from one-third being loans to being entirely grants. Although there were repayments of principal and interest payments on earlier loans, the net inflow increased from £3.4 million to £6.7 million.

Almost a third of grant disbursements were directed to manufacturing industry while social infrastructure received £1.8 million which was divided

between health, education, administrative buildings and other community projects. The remaining project grants were allocated to agriculture, the services industry and multi-projects. Non-project grants amounted to £761,000.

The value of technical assistance expenditure provided by other Commonwealth countries to Malta showed little change in 1970. The number of advisers and other experts rose to 67, of whom 61 were educational advisers, mainly teachers. More were employed at the university and higher educational level (20) and substantial number were employed in technical teaching (20) whereas none were employed in that field in the previous year, but the number in teacher training dropped to 1 only from 26 in 1969. The non-educational personnel were chiefly operational in the power, transport and communications sector and the public administration sector. There was an appreciable drop in the number of trainees financed and they went mainly on courses in education (6), public administration (6), power, transport and communications (2), the social services (3), and health services (3). Student numbers were unchanged and more than half were in the educational field but the remainder were spread between such subjects as medical sciences, industrial sciences and social sciences.

£ thousand

Supplying country	Grants		Loans				Technical assistance expenditure	
	1969	1970	Gross		Net		1969	1970
			1969	1970	1969	1970		
Britain	2,697	7,261	1,200	-	713	-609	90	78
Canada	-	-	-	-	-	-	5	12
Australia	-	-	-	-	-	-	-	-
Total	2,697	7,261	1,200	-	713	-609	95	90

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	62	379	67	373	29	85	21	79	46	237	41	227
Canada	-	-	-	-	2	5	1	3	3	36	7	33
Australia	-	-	-	-	-	-	-	-	-	-	1	1
Total	62	379	67	373	31	90	22	82	49	273	49	261

Year	£ thousand				Number and man-months financed					
	Grants	Loans		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	5,323	778	..	43	30	..	30	..	48	..
1967	4,573	1,004	..	57	32	312	52	130	53	301
1968	4,954	1,750	1,422	73	41	361	44	123	57	379
1969	2,697	1,200	713	95	62	379	31	90	49	273
1970	7,261	-	-609	90	67	373	22	82	49	261

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

## BARBADOS

There was about a three-fold increase in the flow of external finance to Barbados in 1970 with a large increase in both gross and net investments. While British project grant aid was for housing, the Canadian project grant aid was for agriculture and community projects. A small Canadian non-project grant aid was for general development. Most of the new investment occurred in housing.

Technical assistance expenditure by other Commonwealth countries showed a small reduction in 1970. There was a moderate increase in the total number of advisers and other experts, notwithstanding the slight decline in educational personnel. The largest recipient of operational personnel was health (24). There was a slight decline in the number of trainees financed by other Commonwealth countries although large numbers continued to go on courses in industry, mining and handicraft (17) and public administration (11). The number of students financed by other Commonwealth countries declined in 1970 when most of the students studied education (37), economics (15), and social sciences (14).

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	101	105	-	-	-	-	64	365	64	361	141	129
Canada	5	149	32	14	32	14	-	-	-	-	102	103
Australia	-	-	-	-	-	-	-	-	-	-	5	4
India	-	-	-	-	-	-	-	-	-	-	1	1
<b>Total</b>	<b>106</b>	<b>254</b>	<b>32</b>	<b>14</b>	<b>32</b>	<b>14</b>	<b>64</b>	<b>365</b>	<b>64</b>	<b>361</b>	<b>249</b>	<b>237</b>

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	37	449	46	411	23	93	21	85	72	396	71	394
Canada	9	86	8	73	26	161	25	195	29	253	20	183
Australia	-	-	-	-	3	32	1	10	-	-	1	12
India	-	-	-	-	-	-	-	-	4	27	4	32
Other countries	-	-	-	-	-	-	1	12	-	-	-	-
<b>Total</b>	<b>46</b>	<b>465</b>	<b>54</b>	<b>484</b>	<b>52</b>	<b>286</b>	<b>48</b>	<b>302</b>	<b>105</b>	<b>676</b>	<b>96</b>	<b>621</b>

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	370	-	-	-	-	16	71	..	32	..	78	..
1967	30	-	-	-	-	175	61	590	50	306	81	503
1968	80	25	25	4	4	181	61	487	19	78	99	701
1969	106	32	32	64	64	249	46	465	52	286	105	676
1970	254	14	14	365	361	237	54	484	48	302	96	621

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

## GUYANA

The G.N.P. of Guyana rose by nearly 6½ per cent in 1970 of which about half was due to price increases. The value of agricultural production, including forestry and fisheries, rose by 1 per cent only, but the value of industrial output (including mining and construction) increased by 8 per cent, and the value of the service sector output was 4.5 per cent higher than in 1969. In 1970 the agricultural sector produced about one-fifth of G.D.P. while industry and the service sector produced roughly 40 per cent each. Over a third of output is exported. For the year Government capital expenditures were much lower than the projected level, an outcome matched by the shortfall in foreign receipts which financed only 48 per cent of the capital budget as opposed to a predicted 68 per cent. In 1971 foreign receipts are expected to finance 63 per cent of Government's capital expenditure. From 1965 to 1970 (inclusive) external grants amounted to almost 15 per cent of total Government capital expenditure, though under 5 per cent of total Government expenditure.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	170	100	1,103	1,456	-37	300	1,015	1,775	860	1,537	184	235
Canada	438	633	241	936	241	936	-	-	-	-	177	257
Australia	-	-	-	-	-	-	-	-	-	-	-	3
New Zealand	-	-	-	-	-	-	-	-	-	-	1	-
India	-	-	-	-	-	-	-	-	-	-	2	2
Other countries	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>608</b>	<b>733</b>	<b>1,344</b>	<b>2,392</b>	<b>204</b>	<b>1,236</b>	<b>1,015</b>	<b>1,775</b>	<b>860</b>	<b>1,537</b>	<b>364</b>	<b>497</b>

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	54	402	53	427	40	107	46	149	47	304	57	337
Canada	14	127	18	138	57	315	67	462	34	271	34	281
Australia	-	-	-	-	-	-	2	10	1	2	-	-
New Zealand	-	-	-	-	-	-	-	-	-	-	-	-
India	-	-	-	-	-	-	-	-	7	84	7	84
Other countries	-	-	2	13	-	-	-	-	-	-	-	-
<b>Total</b>	<b>68</b>	<b>529</b>	<b>73</b>	<b>578</b>	<b>97</b>	<b>422</b>	<b>115</b>	<b>621</b>	<b>89</b>	<b>661</b>	<b>98</b>	<b>702</b>

Year	<u>£ thousand</u>						<u>Number and man-months financed</u>					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	1,869	464	..	104	..	220	123	..	70	..	80	..
1967	965	1,009	..	80	..	306	122	1,068	74	528	67	529
1968	1,297	915	-221	689	523	352	76	634	111	501	82	720
1969	608	1,344	204	1,015	860	364	68	529	97	422	89	661
1970	733	2,392	1,236	1,775	1,537	497	73	578	115	621	98	702

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

The Development Programme (1966/72) adopted a growth rate target of 5 per cent to 6 per cent which is being achieved. Policies emphasise diversification of output, development of managerial talent and skill, opening up new land, improvement of infrastructure and the creation of employment for the fast growing population and labour force. It is felt that the food producing sector, for which the country is abundantly endowed with natural resources, offers ample scope for enlarged output both for import substitution and export expansion. Rice and sugar are at present the principal crops. A new development plan is scheduled for publication in 1971.

In 1970 both gross and net flows of external finance to Guyana increased sharply by 65 per cent and 110 per cent respectively as a result of a marked increase in both investments and loans. Grant disbursements also showed substantial increases on the 1969 level, and were divided between non-project aid for general development and project aid mainly for education and transport. Loan disbursements by Canada were chiefly non-project aid for general development but those by Britain were mainly project aid, much of which was for community projects, as well as transport, education and communications. Investment finance went mostly to housing but some went to agriculture and mining and quarrying.

The upward trend in technical assistance expenditure continued in 1970 with a sharp increase. The number of advisers and other experts rose slightly in 1970, as there was a moderate increase in educational personnel from 30 in 1969 to 35 in 1970. Other major sectors receiving experts were, transport and communications (10), health (9) and economic planning (7). The number of trainees financed by other Commonwealth countries rose appreciably in 1970 with the sharpest increase in those going on courses in industry and mining (31) and education (14), but with a slight fall in those going for economic planning and public administration. There was a moderate increase in the number of students financed by other Commonwealth countries, most of whom were studying education, economics and social sciences.

#### BRITISH HONDURAS (BELIZE)

The economy is based on agriculture with sugar and citrus fruit as the main exports. A new development plan is to be completed in 1971 which will review policy towards development. The present development policies emphasise the achievement of self-sufficiency in basic food products and the building of the appropriate infrastructure, especially transport and communications. The Department of Agriculture has started a "grow more food" campaign in an attempt to step up the production of certain agricultural crops, such as corn, beans and peanuts. In the 1971 budget estimates priority was given to road building and improvement and almost one-third of total projected capital expenditures were allocated to this activity. It is proposed shortly to produce firm plans for a modern telephone system and deep water extension to the Port of Belize City. Other major areas of expenditure are education and agriculture.

Since 1966 the recurrent Budget has been financed from domestic revenue, but the greatest part of capital expenditures for development are financed by overseas aid; in the estimates for 1971 some 86 per cent of the projected capital expenditures were to be financed from abroad. It is hoped

to attract foreign private investment by means of various tax concessions and that such investment will assist in the achievement of the goals established in the current and forthcoming Plans.

After the very marked rise in 1969 in the amount of financial assistance provided by Commonwealth countries to British Honduras, flows fell by around 15 per cent in the following year. About 54 per cent of the gross flow in 1970 was due to loan disbursements (the remainder being grants) whereas in 1969 all the disbursements were in grant form. Grant disbursements went mainly to transport and other multi-projects but some went for social infrastructure, while loan disbursements were for developing the social infrastructure.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	2,288	655	-	1,325	-71	1,244	-	-	-16	-14	280	326
Canada	117	59	-	-	-	-	-	-	-	-	65	65
Total	2,405	714	-	1,325	-71	1,244	-	-	-16	-14	345	391

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	54	488	43	402	12	33	14	38	38	258	40	207
Canada	4	32	3	22	23	120	21	138	25	253	27	229
Other countries	-	-	1	1	-	-	-	-	-	-	-	-
Total	58	520	47	425	35	153	35	176	63	511	67	436

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	534	2	..	4	..	218	59	..	22	..	65	..
1967	1,555	215	..	4	..	198	56	538	44	198	59	397
1968	1,733	213	143	-	-16	209	65	615	40	165	62	464
1969	2,405	-	-71	-	-16	345	58	520	35	153	63	511
1970	714	1,325	1,244	-	-14	391	47	425	35	176	67	436

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

Technical assistance expenditure showed a moderate increase in 1970 after the rapid rise in 1969. For the second consecutive year the number of advisers and other experts fell with none supplied in the educational field and with a fall in those in public administration by 6 to 10, in agriculture by 2 to 6 and in health by 6 to 16. The number of trainees financed by other Commonwealth countries was unchanged compared with 1969

with most going on courses in public administration (11) industry and mining (11) and trade and banking (6). The number of students financed by other Commonwealth countries was also much the same, with most studying education, economics and engineering.

## JAMAICA

The economy is based on agriculture, the mining of bauxite and alumina, manufacturing and tourism. Persistent unemployment has led to the adoption of policies emphasising the development of manpower resources by means of vocational, professional and academic training. In 1970 the G.D.P. at current prices is estimated to have increased by 10.7 per cent with the expansion led by the mining sector which recorded an increase of output of some 28.2 per cent. On the other hand, manufacturing output increased by only 6.3 per cent while the outcome in agriculture was unchanged. At the same time, consumer prices increased by over 7.5 per cent. Due to capital inflows the balance of payments recorded a surplus despite an increased deficit in the current account.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	-	-	-	-	-144	-144	2,872	1,428	1,080	-547	329	383
Canada	5	155	697	418	678	387	-	-	-	-	304	409
Australia	-	-	-	-	-	-	-	-	-	-	5	1
New Zealand	-	-	-	-	-	-	-	-	-	-	1	1
Total	5	155	697	418	534	243	2,872	1,428	1,080	-547	639	794

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	81	751	97	809	37	115	39	122	88	423	80	465
Canada	54	440	56	507	45	267	49	317	44	424	29	257
Australia	-	-	-	-	1	3	-	-	2	14	1	5
New Zealand	-	-	-	-	1	3	-	-	-	-	1	10
Total	135	1,191	153	1,316	84	388	88	439	134	861	111	737

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	224	2	..	1,423	..	421	138	..	101	..	137	..
1967	71	332	..	1,114	..	529	130	1,110	89	476	142	1,027
1968	186	738	555	3,320	1,911	536	145	1,256	95	509	139	1,025
1969	5	697	534	2,872	1,080	639	135	1,191	84	388	134	861
1970	155	418	243	1,428	-547	794	153	1,316	88	439	111	737

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates.

A Five Year Plan has now been completed which offers guidelines for development within the context of a Twenty Year Physical Development Plan. In 1972 it is predicted that the economy will grow at a rate of 9.3 per cent: further emphasis will be placed on the expansion of small scale industries using indigenous raw materials. It is planned to make an effort to increase the flow of domestic savings into productive uses while continuing to encourage the participation of foreign capital in the country's development.

In 1970 the gross flow of external finance to Jamaica fell by 44 per cent to £2 million, mainly because of a marked fall in investments. In contrast to 1969, when there was a net inflow of some £1.6 million, in 1970 there was a net outflow of £149,000 due to the large repayments of principal and interest to Britain on earlier investments by C.D.C. Higher Canadian non-project grant disbursements of £155,000 were devoted to general development. Loan disbursements, which declined substantially, were used chiefly for developing social infrastructure, although communications received some loan funds. Investment finance again went mostly to manufacturing industry and housing.

Technical assistance expenditure showed the sharp increase for the second consecutive year. The total of advisers and other experts went up sharply, reflecting the rise in educational personnel by 10 to 53. The number working in economic planning increased by 4 to 11, those in public administration by 7 to 20 and those in agriculture by 4 to 18. The number of trainees financed by other Commonwealth countries, which had fallen in the previous year, rose slightly in 1970 with a marked increase in those going for courses on health (14) and education (11) but there was a drop in those going on social science courses (5). Large numbers still went for public administration (16), power, transport and communications (13) and industry and mining (13). On the other hand, the number of students financed by other Commonwealth countries was appreciably lower than in 1969; most students studied education, social sciences, and engineering.

### TRINIDAD AND TOBAGO

Indications are that G.D.P. increased in 1970 by approximately 4 to 5 per cent over the level in 1969. A boom was experienced in the construction industry but there was a 12½ per cent fall in the production of indigenous crude oil while sugar production fell by some 9 per cent as a result of adverse weather conditions. Preliminary information suggests that the rate of unemployment fell to about 12 per cent from the high 1969 level.

The strategy of the Third Five Year Plan (1969-73) is to develop by the early 1980's a more diversified economy with full employment and more local decision making in economic affairs. Currently, agriculture provides nearly 22 per cent of the employment for the working population, with sugar of special importance, but it is the mineral based industries, oil and asphalt, which contribute most to G.D.P. Tourism is the third largest industry after oil and sugar.

In the revision of the Third Five Year Plan announced in June 1970, the main proposal was to accelerate the creation of jobs by means of an increased building programme, a reorganisation of rural development and

more vocational training. Foreign loans are expected in 1971 to finance some 40 per cent of government development expenditure though this corresponds to less than one-tenth of total estimated government expenditure.

£ thousand

Supplying country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Britain	-	-	13	9	-67	-103	1,646	508	1,480	236	228	76
Canada	1	133	279	611	265	601	-	-	-	-	257	202
Australia	-	-	-	-	-	-	-	-	-	-	6	9
New Zealand	-	-	-	-	-	-	-	-	-	-	3	1
India	-	-	-	-	-	-	-	-	-	-	3	4
Total	1	133	292	620	198	498	1,646	508	1,480	236	497	292

Number and man-months financed in year

Supplying country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Britain	14	89	13	70	27	68	12	29	43	256	50	281
Canada	36	327	24	226	41	185	44	273	34	292	25	187
Australia	-	-	-	-	-	-	1	3	4	37	4	43
New Zealand	1	4	-	-	1	4	1	3	-	-	-	-
India	-	-	-	-	-	-	-	-	10	102	15	170
Total	51	420	37	296	69	257	58	308	91	687	94	681

Year	£ thousand						Number and man-months financed					
	Grants	Loans		Investments		Technical assistance expenditure	Advisers and other experts		Trainees		Students	
		Gross	Net	Gross	Net		Number	Man-months	Number	Man-months	Number	Man-months
1966	13	885	..	94	..	426	107	..	62	..	150	..
1967	-	821	..	291	..	406	83	716	49	(228)	125	(921)
1968	59	598	534	280	-435	416	63	490	41	210	119	892
1969	1	292	198	1,646	1,480	497	51	420	69	257	91	687
1970	133	620	498	508	236	292	37	296	58	308	94	681

Note: Financial flows for 1966 and 1967 are at pre-devaluation rates

In 1970 both the gross and net flow of external finance to Trinidad and Tobago declined sharply since the fall in new investment by the C.D.C. was not offset by the increase in loan and grant disbursements. The gross flow dropped from £1.9 million in 1969 to £1.2 million while heavier payments of amortization and interest brought the net flow down from almost £1.7 million to £867,000. While grant disbursements were mainly non-project aid for general development, loan disbursements were project aid mainly for agriculture, and electricity generation and distribution, although some loan funds were used for community projects other than health, education and housing. All the new investment was for housing.

Technical assistance expenditure fell very sharply in 1970 to three-fifths of the 1969 figure which had been inflated by the very large expenditure by Britain on surveys which was not repeated in 1970. The total of advisers and other experts fell sharply as the number provided by Canada declined by

a third, fewer experts were serving in education, power, transport and communications, health, and social services. The number of trainees financed by other Commonwealth countries, which had increased markedly in 1969, declined in 1970 but more went on courses in industry and mining. The number of students was about the same as in 1969, the main subjects studied being education, economics, engineering, medical sciences and agriculture.

### EASTERN CARIBBEAN

The six countries which make up the Associated States of the Eastern Caribbean are dependent on agriculture and tourism for their income and prospects for growth.

In the Leeward Islands of St. Kitts and Antigua sugar is still the dominant agricultural crop while in the Windward Islands of Grenada, St. Vincent, St. Lucia and Dominica bananas occupy a similar position. Thus, development aims include agricultural diversification as well as improvements to health facilities, water and electricity supplies, and educational standards.

As the islands are also seeking to promote tourism another objective is to improve the infrastructure, in particular roads, harbours and airports. All the countries remain heavily dependent on financial and technical assistance from outside sources, several requiring grants-in-aid to balance their recurrent budgets.

In 1970 there was a very sharp increase in grant disbursements to Antigua (230 per cent), Dominica (133 per cent), St. Lucia (187 per cent), St. Kitts (213 per cent) and St. Vincent (51 per cent) but grant disbursements to Grenada declined by nearly 24 per cent. The non-project grant aid, all from Britain, to St. Vincent, St. Kitts and Dominica was mostly budgetary support. The British project grant aid was mainly for development of multi-projects of all the associated states and for transport in St. Lucia, St. Kitts and St. Vincent, although some grant funds were used to develop social infrastructure. The Canadian grant aid was for transport, education and community projects. Gross loans were negligible and net loans remained at the same negative level. C.D.C. made substantial new investments in St. Lucia, mainly for electricity generation and distribution, housing and other community projects although large increase in new investments also occurred in Dominica.

Technical assistance expenditure showed a substantial increase in most of the associated states except for a slight decline in St. Kitts and St. Vincent. The overall number of advisers and other experts increased slightly with Antigua and St. Vincent showing a small decline. About half of the total were educational experts mostly in primary and secondary education and on teacher training, while public administration employed most of the other non-educational advisers. Health was the largest recipient from operational personnel though power, transport and communications and public administration also received a number of operational personnel. Trainees financed by other Commonwealth countries increased for all countries. While large number of trainees continued to go on public administration courses (overall total 60 in 1970 compared with 55 in 1969) those going for industry, mining

and handicraft increased substantially (overall total 61 in 1970 compared with 42 in 1969). The number of students financed by other Commonwealth countries was not significantly different from that of 1969. The largest number of students studied economics, social sciences and engineering.

£ thousand

Receiving country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Antigua	293	966	11	-	-51	-63	-	8	-22	-5	125	154
Dominica	678	1,586	-	2	-1	1	91	274	40	231	64	154
Grenada	548	412	2	1	-105	-106	-	-	-54	-55	128	169
St. Lucia	489	1,406	-	-	-4	-4	321	1,400	240	1,229	150	205
St. Kitts	262	821	14	-	5	-1	-	-	-	-	106	101
St. Vincent	787	1,196	-	-	-1	-1	20	49	-2	22	197	193

Number and man-months financed in year

Receiving country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Antigua	24	243	22	183	28	137	30	213	36	296	29	181
Dominica	13	82	17	104	25	142	38	198	30	181	36	205
Grenada	9	108	18	119	18	75	28	161	37	288	30	212
St. Lucia	33	280	54	384	24	116	28	195	28	196	30	195
St. Kitts	20	153	30	220	7	12	14	70	29	208	26	196
St. Vincent	37	278	32	242	46	228	49	279	37	286	32	228

### 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.

There was a sharp increase in the grant disbursements (mostly from Britain) to all the countries in 1970. Whereas non-project grant aid to the Turks and Caicos Islands and Falkland Islands was budgetary support, the project grant aid was mainly for development of multi-projects in the Cayman Islands, Montserrat, Turks and Caicos Islands and the Virgin Islands,

with some funds for the development of agriculture in the Virgin Islands and the Cayman Islands. Small investments in electricity generation and construction were made by the C.D.C. in Montserrat.

Technical assistance expenditure rose moderately in the Cayman Islands, Falkland Islands and Montserrat, fell in Bahamas and Bermuda and remained just about the same as in 1969 in Turks and Caicos Islands and the Virgin Islands. The overall number of advisers and other experts rose slightly in 1970 with a moderate increase in the numbers going to the Cayman Islands, Montserrat, the Turks and Caicos Islands and the Virgin Islands, but with a substantial drop in the numbers of going to the Falkland Islands. The bulk of the advisers and other experts were in health, public administration and power, transport and communications. The overall number of trainees increased from 15 in 1969 to 20 in 1970; most were from Montserrat and mainly attended courses in industry, mining and handicraft. The number of students financed by other Commonwealth countries remained constant. Most of the students studied education, although a small number went for medical sciences.

£ thousand

Receiving country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Bahamas	-	-	-	-	-	-	-	-	-	-	24	12
Bermuda	-	-	-	-	-	-	-	-	-	-	8	4
Cayman Is.	37	198	-	-	-10	-12	-	-	-4	-3	33	47
Falkland Is.	10	14	-	-	-	-	-	-	-	-	18	32
Montserrat	383	577	-1	4	-1	4	-	22	-	22	74	86
Turks & Caicos Is.	382	517	-	-	-7	-2	-	-	-	-	36	31
Virgin Is.	330	569	60	-	60	-6	-	-	-	-	67	75

Number and man-months financed in year

Receiving country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Bahamas	-	-	-	-	-	-	2	2	22	120	21	101
Bermuda	-	-	-	-	-	-	-	-	2	24	2	18
Cayman Is.	25	172	34	238	2	9	2	11	7	51	7	57
Falkland Is.	63	573	51	510	-	-	-	-	3	27	2	16
Montserrat	20	162	28	222	8	45	10	66	16	123	11	66
Turks & Caicos Is.	25	224	32	248	4	13	3	11	4	33	6	42
Virgin Is.	23	195	26	165	1	2	3	13	14	117	18	86

## OCEANIA

Papua and New Guinea receives almost all of its financial and technical assistance from Australia because of its special relationship with that country. Similarly Western Samoa receives most of its assistance from New Zealand. Most of the other countries in Oceania rely on Britain for assistance but some receive substantial amounts of technical assistance from Australia, New Zealand and India.

Australian grants to Papua and New Guinea increased sharply by over £11 million to £60 million in 1970. Whereas grant disbursements to the Gilbert and Ellice Islands and Tonga recorded large increase, there was a moderate fall in the amounts received by New Hebrides and Solomon Islands and an appreciable one for Fiji. The non-project grant aid to the Solomon Islands and New Hebrides was budgetary support and that to Fiji to finance food imports. The project grant aid to Fiji, Solomon Islands, New Hebrides Gilbert and Ellice Islands and Tonga was mainly for the development of multi-projects but some funds were used to develop social infrastructure, transport and agriculture. Australia made more than £2.6 million loan disbursements to New Guinea of which £933,000 was for the development of Arawa township. Small new investment in agriculture was made in the Solomon Islands by the C.D.C.

£ thousand

Receiving country	Grants		Loans				Investments				Technical assistance expenditure	
			Gross		Net		Gross		Net			
	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970	1969	1970
Fiji	2,366	1,749	-	-	-166	-166	86	9	64	-1	1,185	1,021
Solomon Is.	2,266	2,075	-	119	-	119	9	28	9	28	800	1,121
New Hebrides	1,001	929	-	-	-	-	-	-	-	-	205	283
G. & Ellice Islands	172	297	-	-	-	-	-	-	-	-	391	573
Tonga	147	394	-	-	-11	-11	-	-	-	-	87	163
W. Samoa	61	117	70	70	70	70	-	-	-	-	105	176
Papua & New Guinea	49,232	60,012	-	2,613	-	2,613	-	-	-	-	-	5

Number and man-months financed in year

Receiving country	Advisers and other experts				Trainees				Students			
	1969		1970		1969		1970		1969		1970	
	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months	Number	Man-months
Fiji	451	4,823	446	4,895	58	(407)	85	514	105	648	136	1,063
Solomon Is.	314	3,389	339	3,688	13	79	17	73	15	59	20	109
New Hebrides	90	910	93	1,031	2	13	7	55	11	48	10	59
G. & Ellice Islands	121	1,232	138	1,253	17	90	21	138	10	46	14	69
Tonga	36	340	34	303	32	286	15	74	17	139	43	394
W. Samoa	10	91	8	78	82	818	46	396	50	536	88	1,013

The amount of technical assistance received by countries in Oceania increased sharply, except for Fiji where it declined somewhat. There was a small reduction in the number of advisers and other experts in Fiji, but advisers going to the Solomon Islands, New Hebrides and Gilbert and Ellice Islands showed a moderate increase. Of the total number of advisers and other experts, 66 in Fiji, 57 in the Solomon Islands, 31 in New Hebrides, 34 in the Gilbert and Ellice Islands, and 2 in Tonga were educational personnel. At the same time 366 in Fiji, 276 in the Solomon Islands, 57 in New Hebrides, 101 in Gilbert and Ellice Islands, and 24 in Tonga were operational personnel mainly working in public administration, power, transport and communications, agriculture and health. The number of trainees financed by other Commonwealth countries rose for all the countries of Oceania except Tonga. Most of the trainees went on courses in public administration and education but some went for agriculture particularly from Fiji. Students financed by other Commonwealth countries rose for most of the countries of Oceania with particularly sharp increase for Fiji and Tonga. Most students studied education but large numbers went for medical sciences, agriculture and engineering.