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SUMMARIES OF ECONOMIC DATA

Country : Central African Republic
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Country : Central African Republic

Population: The 1970 Statistical Annual shows a population from the 1968 census of 2,255,536.

The estimates published in the UN Monthly Bulletin are 1,640,000 for 1971 based on a growth rate of 2.2 per cent a year. At this rate of increase the 1972 population would be 1,700,000.

If the 1968 census is accurate the 1972 population would be about 2,500,000.

Wage employment: 1966 = 47,852 excluding the army and police.

GDP at Current market prices: 1964 = 39,100 million CFA francs
1965 = 39,400 million CFA francs
1967 = 46,600 million CFA francs

(By 1970 it had been hoped to raise the GDP to 53,000 million CFA francs and a figure of 52,400 million has been quoted for that year). The new target for 1975 is 72,700 million CFA francs at factor cost.

Possible Economic Outturn in 1973

There is only limited information available but the seed cotton crop increased from 46,260 tons in 1971/72 to 51,779 tons in 1972/73 while coffee production is estimated to have increased from 6,000 to 11,000 tons.

Timber production should have been stimulated in 1973 by the high world prices available but reports have appeared of a lack of transport capacity to take the cut wood to the coast ports.

Diamond production rose significantly in 1972 after two years of reduced output. However, in the first quarter of 1973 output was lower by about 20 per cent while exports were reduced in value by 7 per cent.

The Governments expenditure estimates for 1973 show an increase from 13,805 to 15,308 million francs CFA or by about 11 per cent. Some part of this increase will have been absorbed by price rises.

The increase in the GDP of the CAR in 1973 at constant prices would probably have been of the order of 5 per cent. At current prices an increase of around 10 per cent is likely to have occurred.

Currency and exchange rate - the CFA franc is used which from January 1959 to August 1969 had an exchange rate of 246.85 = US \$1. In August 1969 the franc was devalued and the new exchange rate was 277.71 CFA francs = US \$1, effective from 1st September 1969. This lasted until December 1971 when after revaluation 255.79 CFA frs = 1 US dollar. There was a further revaluation to 230.21 frs = 1 dollar in February 1973.

Development plans - intermediate 1965-1966, Four Year 1967-1970; Five Year Plan 1971 to 1975 (summarised at the back of this document).

<u>Energy: Electricity</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u> ^{a/}
Production (million kWh)	24.6	28.2	34.5	41.2	46.7 ^{b/}	47.3	52.0 ^{a/}
Installed capacity ('000 kW)	9.8	...	...	...	13.6 ^{b/}	...	...

^{a/} Estimate based on 6 months figures. ^{b/} Unofficial source.

Virtually all production was hydroelectric and the 1966 capacity of the power station of B. ali in Bangui was 7,000 KW; there was an additional thermal plant with a capacity of 1,160 kW at Bangui and a thermal plant of 1,600 kW at Bouar.

Additional equipment for 4,750 kW had been expected to be installed at Bangui during the period of the plan to 1970. A new plant was actually inaugurated in December 1969 which completed the electrical requirements for the capital. In 1971 it was reported that an important new power station would be built on the River Boali, and the first stone of this project was laid in September 1972. Construction would take 30 months and raise CAR capacity by 550 million kWh a year at a cost of 2,500 million CFA francs.

Mineral Production - diamonds are the only important mineral produced in the CAR. Production and export figures for the years since 1966 are as follows:-

Diamonds

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Production ('000 carats)	540.6	520.6	609.4	535.3	493.6	468.1	524.1
Exports ('000 carats)	552.5	507.6	634.6	536.8	481.9	455.4	503.6
Exports (million CFA francs)	4,062	3,533	4,681	4,123	3,456	3,181	3,120

Production increased substantially from 113,295 carats in 1961 to 609,400 in 1968. In the development plan it had been hoped to increase production to 640,000 carats by 1970 and to reduce the relative importance of the small worker production to be able more easily to obtain taxes on production. This policy does not seem to have been effective and production since 1969 fell significantly up to 1971. Production in 1972 at 524,100 carats was almost back to the level of 1969.

Geological research and mineral prospecting had been scheduled to cost between 717 and 827 million CFA francs in the four years to 1970 with 200 million CFA francs being spent by Societes Diamantaires and 247 million by the Direction des Mines et de la Geologie (DMG). Uranium was of particular interest.

The DMG was to prepare a general inventory of economic minerals of specific interest; gold, iron ore, copper, tin are among minerals for which indications are already known to exist.

In 1968 an agreement was signed with France for a uranium treatment plant. The CAR has uranium deposits in the Bakoume area. A major industrial complex including a chemical factory was to have been built, and 2,500 million CFA francs invested. This plant had been expected to be in production in 1972 to produce 1,200 tons of uranium concentrates a year. In 1971 a report refers to a possible pilot plant if laboratory tests on a new method of production were successful. However in 1972 an agreement was signed with an American company regarding the exploitation of the Bakoume uranium deposits. Production could start in 1977. The report which refers to this item also mentions that the French Atomic Energy Commissariat has renounced its engagements.

Agricultural production: Coffee and cotton are the more important agricultural products exported; cassava and sorghum are classed as traditional consumption crops whilst other crops include maize, potatoes, vegetables, groundnuts, sesame and rice. Palm products and rubber are obtained from the forests and cocoa beans on a very limited scale. Production statistics up to 1970/71 are compared below with the targets for 1975:-

<u>Item</u>	<u>Production</u>				<u>Target</u> <u>1975</u>
	<u>1965/6</u> (in metric tons)	<u>1966/7</u>	<u>1969/70</u>	<u>1970/71^{a/}</u>	
Dry Cassava ^{a/}	250,000	250,000	250,000	330,000	500,000
Millet and Sorghum	43,200	36,000	40,300	40,000	100,000
Maize	32,000	36,000	47,200	45,000	90,000
Sweet potatoes & yams	40,000	40,000		60,000	73,000
Seed cotton	24,440	39,760	58,740	60,000	150,000
Groundnuts in shell	60,500	60,000	66,000	67,500	100,000
Rosella	100	131	500	570	2,000
Sesame	7,500	9,300	14,600	14,000	30,000
Rice paddy	6,500	6,500	12,300	12,500	20,000
Coffee	11,610	9,330	12,360	13,000	20,000
Cocoa	20	...	...	30	150
Rubber	1,119	995	...	900	1,200
Tobacco	757	730	1,000	1,000	2,600
Fruit & vegetables	...	...	...	70,000	150,000

^{a/} Estimates.

^{b/} The wet weight appears to be four times as great.

The exports of agricultural products since 1966 were as follows:-

<u>Exports</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
	(in metric tons)					
Coffee	11,322	9,136	8,218	9,092	8,504	9,279
Cocoa	9	23	14	20	28	20
Tobacco	581	629	816	669	...	809
Oil seeds	2,859	2,277	3,372	...	...	...
Rubber	1,221	803	1,035	785	517	...
Cotton lint	8,020	11,998	15,254	17,194	14,090	15,986

Seed cotton production from 1966/67 has been as follows:-

	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/71</u>	<u>1971/72</u>	<u>1972/3</u>
Seed cotton (in tons)	39,764	49,030	57,824	58,744	53,598	46,260	51,779
Cotton lint (" "	14,724	17,669	21,570	22,062	18,753	17,315	18,346
<u>Coffee production</u>				<u>1969/70</u>	<u>1970/71</u>	<u>1971/72^{a/}</u>	<u>1972/73^{a/}</u>
Amount sold (in tons)				12,359	10,463	6,000	11,000

^{a/} Estimate.

In 1972 it was reported that a FED aid worth 26.4 million French francs had been granted for cotton and coffee development over a substantial area of the country.

Livestock: Herds (in '000)

	<u>1964/5</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1970/71</u>
Cattle	450	450	450	462	515
Pigs	...	...	...	...	50
Sheep	...	...	...	...	40
Goats	550	500	520	510	510
Chickens	900	900	1,000	1,000	1,200

Recorded slaughterings at Bangui were 30,700 cattle in 1968 and 24,700 in 1969. There was a fall to 5,500 in 1970 but some recovery to 12,500 head in 1971. In 1972 the total reached 26,650.

The objectives of the development plan to 1970 had been to increase the number of cattle in particular to 500,000 head and to raise the quantity of milk sold from 550,000 litres to 1,100,000 litres. For poultry it had been proposed to supply 75,000 day-old chicks to breeders in 1970. The cattle target was achieved and the new target for 1975 is 685,000 head.

These measures were designed to enable the CAR to supply a higher proportion of the meat and dairy products required and to improve dietary levels.

Fishing - the CAR imports considerable quantities of fish each year, the estimate for 1970/71 is 17,300 tons mainly from Chad. Local production has been assessed at 3,500 tons a year in 1970 after 3,000 tons in 1967.

Forestry - in 1972 forests in CAR covered more 3.2 million hectares of which 2,715,000 hectares at a minimum were exploitable. However, one particular problem continuing to hold up timber exploitation is the lack of transport to the coast ports.

In the development plan to 1970 the objectives were to cut 400,000 cubic metres giving 320,000 cubic metres of usable rough timber. Some 210,000 cubic metres of this would be worked internally and 110,000 cubic metres exported in the rough. For the later plan to 1975 the objective is to cut 800,000 cubic metres a year, exporting 300,000 cubic metres and using 500,000 m³ in modern factories in the Central African Republic.

Timber production (in cubic metres)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972^{a/}</u>
Trees felled	176,295	169,962	201,454	306,600	368,284	457,838	503,000
Sawn timber	...	74,158	51,901	55,052	66,617	78,466	93,800
Exports as logs	...	13,441	26,026	65,594	80,220	100,954	109,000
Exports as sawn timber	...	9,426	10,835	70,221	21,939	35,647	...

a/ Unofficial reports.

Exports (in metric tons)

	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
<u>Logs & timber</u>	11,741	10,679	15,321	20,995	42,774	46,046	56,968

Manufacturing industry - The existing industries serve the limited markets of the CAR and Southern Chad; some establishments process agricultural products for export and some small portion of the diamonds mined is also processed. There is also a relatively important smallworker sector.

In 1966 and 1970 manufacturing industry had the following output (excluding cotton ginning and other agricultural processing and diamond cutting):-

	<u>1966</u> <u>Production</u> (million CFA francs)	<u>1966</u> <u>Employees</u>	<u>1970</u> <u>Production</u> (million CFA francs)
Food, drink, tobacco	1,242	398	2,537 ^{b/}
Textiles and clothing	935	917	5,953
Wood industries	852	1,439	1,353
Construction materials	30	52	140
Chemical products	525	422	179
Engineering	520 ^{a/}	614	1,560 ^{c/}
Printing works	<u>a/</u>	<u>105</u>	<u>227</u>
Total (rounded)	<u>4,100</u>	<u>3,950</u>	<u>11,949</u>

^{a/} Included in chemical sector. ^{b/} Includes soap. ^{c/} metal products.

Production Index (1967 = 100)

	<u>1968</u>	<u>1969</u>	<u>1970</u>
Food, drink & tobacco	129	131	149
Chemical and construction products	120	98	103
Wood Industries	110	116	116
Cotton ginning	120	146	150
Textiles & clothing	125	185	221
Assembly	113	138	178
Electricity	<u>122</u>	<u>137</u>	<u>156</u>
Total	<u>122</u>	<u>139</u>	<u>156</u>

Output of certain major items from 1966 to 1972 was as follows:-

<u>Item</u>	<u>Unit</u>	<u>Production</u>						
		<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Beer	('000hl)	114.7	111.1	94.6	101.7	110.2	118.6	132.0
Wood	('000m ³)	48	47	52	55	57	48	...
Blankets	('000)	...	...	70	223	140	96	98
Cotton								
Fabrics (mn metres)		5.2	5.3	9.7	12.8	15.0	13.4	17.4
Of which								
Unbleached				3.3	3.1	2.9	2.9	6.6
Dyed cloth				1.5	1.6	1.8	1.3	1.5
'Pagne'				2.3	4.0	3.9	3.1	3.2
Prints				2.5	5.2	4.7	4.4	4.8
Other				1.3	1.6	1.7	1.7	1.3

Item (cont'd)	Unit	Production						
		1966	1967	1968	1969	1970	1971	1972
Clothing ('000 pieces)		750	850 ^{b/}	964	1,041	...	...	...
Bicycles (number)		8,000	...	5,346	7,742	...	...	...
Autocycles (number)		2,800	...	7,966	5,769	...	...	...
Aluminium Holloware (tons)		125	...	150	122	...	148	204
Edible oils (million litres)				2.6	2.1
Soap		3,000	2,629	3,158	2,299	3,279	2,939	1,492
Paints		452	...	438	-
Cigarettes (mn packets)		8.1
Tobacco (tons)		1,177
Radios & transistors ('000)		-	-	-	-	-	-	10.1

In 1969 1,215,000 litres of groundnut oil were produced.

During the development plan period to 1970 investments in industry had been expected to total 5,700 million CFA francs. The major project was a new textile plant costing 2,600 million CFA francs to be in production in 1967 and to be producing 6 million metres of fabrics, 400,000 blankets, 200 tons of cotton wool and 2,500,000 metres of bandages annually.

Other projects of importance were a new abattoir at Bangui costing 620 million CFA francs, and an oil and soap works to cost 630 million francs. Much of the balance of investment expenditure was for extensions and studies. The existing Bangui abattoir was originally designed for 10,000 head of livestock but handled 27,000 head (mainly cattle) in 1969. The new abattoir would have a capacity for 40,000 head of cattle which would eventually be doubled.

A dairy, at Sarki treated 500,000 litres of milk in 1969 and the target for 1970 had been 1 million litres with butter, cheese and cream produced.

The cotton textile complex mentioned above was inaugurated early in 1968 and it became the biggest single industrial concern in CAR. At the end of 1968 2,330 million francs CFA had been invested and 16,000 spindles and 320 looms installed.

In February 1968 an industrial complex consisting of an oil works, a soap factory, a flour mill and an animal food factory was inaugurated. It was built 11 miles from Bangui and cost 600 million CFA francs. The capacities are 3,000 tons of soap, 5,000 tons of animal foodstuffs while the flour mill can treat 25 tons of wheat a day. The oil works can treat 7,500 tons of groundnuts, cotton seed, palm products and sesame seed a year.

In 1970 the flour mill produced 5,291 tons or less than the 5,436 tons of flour of 1969.

In the development plan to 1970 the value of production had been expected to increase from 7,650 million to 14,260 million CFA francs with most of the increase coming from foodstuffs and textiles including cotton ginning.

In 1968 the capacity for cotton ginning was 60,000 tons of seed cotton. In February 1969 four cotton ginneries which had been modernized were inaugurated. Their capacities had been increased to handle 9,500 tons of

seed cotton each during the 5 month season. In August 1970 plans were drawn up for the extension of the cotton ginnery at Alindao and the building of a new factory at Guiffa to treat 12 to 13,000 tons a year. The total capacity would increase by nearly 20,000 tons.

In 1969 Bata opened a more modern shoe factory (having taken over an older plant) and forecast production in 1970 was 375,000 pairs of plastic shoes, 228,000 pairs of leather shoes and 157,000 pairs of rubber shoes.

In 1970 a plant was inaugurated to produce linen and sacks for packing from roselle with a capacity of 1,000 tons a year; about 250 million CFA francs had been invested.

Two new textile projects were to be developed following an agreement signed in 1970, these were a spinning and weaving works (1,000 ton capacity) to produce unbleached cloth and another plant to finish 2 million metres of wax fabrics. The two projects would involve investments of 1,600 million CFA and were expected to be in production by the end of 1971. In 1971 the wax finishing factory had been expected to start production at a rate of 1.2 million yards a year.

In 1970 a project for a cement factory based on local deposits (1.7 million tons of limestone) was being studied. In 1971 a project for a cigarette factory was reported. It was started in December 1970 and was to be in production in 1972 producing 250 tons of cigarettes a year.

Projects under study in 1970/71 were a brick factory, an iron foundry and a ceramics factory. A marble factory and glass works were also mentioned.

In 1972 it was reported that a battery plant would be built and that a tyre and tube plant would be added at a latter date.

Transport - Roads: at the end of 1966 there were 5,080 kilometres of national roads, 2,908 kilometres of regional roads and 11,290 kilometres of rural tracks. Only a small portion of the national roads were actually tarmaced and part of the emphasis of the plan to 1970 had been to try to improve the more important roads. By 1970 the road distances were 5,295 km. of main roads, 3,219 km of secondary roads, 2,370 km of other roads and 11,115 km of rural tracks.

The national road linking Bangui to Chad had been maintained by the Agence Trans-equatoriale des Communications (an interstate body) and in its development plan to 1970 the CAR had proposed that the route Bangui-Damara-Batangabo-Tchad be abandoned in favour of the route Bangui-Damara-Sibut-Grampel-Tchad which was about the same length and tarring of the portion Damara-Sibut could be considered.

In 1969 a loan of 4.2 million US dollars from the IDA was reported for the reconstruction and maintenance of a road of 102 kilometres in length linking Bangui and Mbaiki. This tarmac road was inaugurated in 1971, construction having started in 1970. In 1973 tarring of 110 km from Damara to Sibut had been requested for FED financing (cost 1,000 mn CFA).

Motor vehicles: at the end of 1965 there were approximately 9,000 vehicles in use of which 40 per cent were light vehicles, 40 per cent were pick-ups and vans and 20 per cent were lorries and other heavy vehicles. In 1970 there were an estimated 4,600 passenger cars and 5,443 commercial vehicles in use.

Import Statistics of Road Motor Vehicles

	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Private vehicles (number)	250	428	492	575	565	551	442
Lorries (number)	582	551	475	693	606	560	473
Tractors (")	34	24	22	54	54	38	21

Waterways - the Oubangui and Congo rivers provide a transport link regularly navigable along 1,200 kilometres giving access to the railhead at Brazzaville in the Congo from where the railway runs to Pointe Noire on the coast. This route was the most economical for heavy products between Bangui and the sea.

From 1959 the Agence Transequatoriale des Communications managed the Port of Pointe Noire, the railway from Pointe Noire to Brazzaville, the river port of Brazzaville, the river transport service linking Brazzaville to Bangui and the upkeep of the road from Bangui for Fort Archambault and Fort Lamy. In 1969 the Port of Bangui was taken over by the CAR Government.

There has been a tendency for the traffic carried to increase from 1959 to 1970 but to fall in 1971 and 1972. Traffic handled at the ports of Bangui and Salo was as follows:-

<u>Port of Bangui</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
			(in '000 metric tons)				
<u>CAR traffic</u>							
Unloaded	102.3	132.2	136.8	148.0	173.5	135.9	136.5
Loaded	29.8	31.2	31.7	31.0	46.7	41.1	37.0
<u>Chad traffic</u>							
Unloaded	26.8	24.5	35.8	20.0	26.3	24.0	6.2
Loaded	15.4	24.6	27.2	34.0	28.5	12.8	17.8
Total	<u>174.3</u>	<u>212.5</u>	<u>231.5</u>	<u>233.0</u>	<u>275.0</u>	<u>213.8</u>	<u>197.5</u>
<u>Port of Salo</u>	8.6	8.0	8.9	7.8	17.1	...	41.2

From 1970 to 1972 the tonnage of coffee and cotton from the CAR leaving the port of Bangui was as follows:-

(in tons)	<u>1970</u>	<u>1971</u>	<u>1972</u>
Coffee	11,723	8,022	4,565
Cotton	23,918	18,026	16,663

Wood is exported from the ports of Nola, Salo and Zinga. There were reports in 1973 of crippling delays in evacuating timber from the CAR and that while rafts were being built to help move some of the timber, two companies had suspended operations for six months.

Air Transport - Air Bangui and Air Centrafrique operated one DC3 and two light aircraft in 1966. The UTA and Air Afrique served the inter-African routes and the international routes to and from Bangui. In 1967 a new runway at the Bangui-Mpoko airport built for four engined jet aircraft was due to be opened for service. Other aerodromes in CAR are of varying sizes, nine can cater for DC4 type aircraft, 15 for DC3 aircraft and 13 for lighter aircraft.

During the development plan period to 1970 the local airlines had expected to purchase more aircraft and certain aerodromes were to have been improved.

Air Traffic Statistics

<u>Bangui Airport</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Passengers handled (number)	21,202	30,410	38,704	32,296	43,038	42,109	42,902
(incl. in transit)	(1,977)	(6,457)	(9,959)	(6,037)	(11,072)	(8,090)	(8,065)
Freight handled (tons)	3,070	4,085	5,244	5,016	7,040	6,097	6,068
Mail handled (tons)	150	146	185	626	641	156	124
<u>Other Airports</u>							
Passengers (number)	2,881	3,558	3,533	3,143	3,374	3,118	2,993
(incl. in transit)	(555)	(907)	(654)	(828)	(828)	(956)	(644)
Freight handled (tons)	118	131	113	122	73	69	73

Tourism - The CAR has three large huntings areas covering about one-third of the country; antelopes, buffalo, elephants, giraffe, hippotamus, lions and rhinoceros are amongst animals to be found in these areas.

In 1966 there were five hotels with 157 rooms in Bangui and there were smaller hotels elsewhere.

The objective for tourism in the development plan to 1970 was to increase the number of tourists from about 50 in 1966 to 3,000 in 1970.

Safaris were to be organized and a new 100 room hotel built at Bangui. Total investment expenditure had been expected to be 450 million CFA francs in the four years 1967-1970.

In 1971 extensions costing 120 million CFA francs were started to a hotel in Bangui.

<u>External trade</u> (figures in million CFA francs)							<u>Four Months</u>
<u>Summary</u> ^{a/}	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Exports ^{b/}	7,591	7,166	8,816	9,196	8,494	8,939	2,960
Imports ^{b/}	8,623	10,908	9,820	9,766	9,492	9,053	2,649
Balance ^{b/}	-1,032	-3,742	-1,004	-569	-998	-114	...

External trade (figures in million CFA francs) (Cont'd)

<u>Summary^{a/}</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Exports to UDEAC ^{c/}	549	724	556	481	504	505
Imports from UDEAC ^{c/}	1,266	1,232	1,313	1,502	1,825	1,768
Balance ^{c/}	-717	-508	-757	-1,021	-1,321	-1,263
Overall net balance	-1,749	-4,250	-1,761	-1,321	-2,319	-1,377

^{a/} As published in CAR Statistical publications for 1964 to 1967 and 1971, in UDEAC Statistical publications for 1968 and as reported in the Banque Centrale publications for 1969 and 1970.

^{b/} Excluding UDEAC trade.

^{c/} Products subject to the 'taxe unique'.

There is in addition some unrecorded trade and some part of the imports is exported to Chad but is not recorded as such.

The total trade for 1968 including estimates for unrecorded trade was exports 9,897 million CFA francs, imports 12,577 million CFA francs, giving a deficit of 2,680 million francs CFA.

<u>Major exports^{a/}</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>Four Months 1972</u>
Coffee	1,798	1,436	1,215	1,404	1,864	2,128	144
Sesame seed	33	53	...	4	-	-	-
Tobacco	53	141	197	156	17	231	223
Rubber	130	73	83	92	59	...	...
Wood and timber	158	210	299	627	517	947	732
Cotton	1,114	1,635	2,066	2,382	1,844	2,069	456
Diamonds	4,062	3,533	4,681	4,123	3,456	3,182	1,310

^{a/} As published in CAR and UDEAC Statistical publications but excluding UDEAC trade, similar figures are shown in EEC foreign trade statistics (up to 1967).

<u>Exports to UDEAC countries^{a/}</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970^{d/}</u>	<u>1971^{d/}</u>
Soap	38	107	98	...	-	-
Cotton fabrics	238	206	133	234		152
Motor cycles and auto cycles	27	122	155	123	139	157
Blankets and sheets	...	...	...	...	...	60

^{c/} As published by CAR or UDEAC but relates only to items subject to 'taxe unique'.

^{d/} Excludes Chad.

<u>Principal imports</u>	<u>1966</u>	<u>1967</u>	<u>CAR Statistics</u>		<u>1970</u>	<u>1971</u>	<u>1972</u>
			<u>1968</u>	<u>1969</u>			
Wheat flour	205	377	165	207	135	93	
Milk & milk product	147	165	162	141	153	201	
Alcoholic drinks	281	326	357	365	372	358	
Other food, drink & tobacco	746	758	892	942	1,083	1,159	

<u>Principal imports (cont'd)</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Cement	230	243	223	37	3	4
Petroleum fuel & lubricants	613	719	663	762	108	102
Pharmaceuticals	202	345	218	237	227	257
Other chemicals	439	646	676	734	654	556
Rubber & plastic products	317	383	333	299	420	391
Paper & products	208	194	277	257	264	258
Textiles	1,047	1,188	1,213	1,123	1,095	819
Clothing	149	189	154	162	135	109
Footwear	90	37	52	70	63	50
Common metals & works	828	921	699	682	903	770
Machinery <u>a/</u>	584	2,101	954	1,080	1,264	1,123
Electrical apparatus <u>b/</u>	561	613	590	789	691	744
Road motor vehicles <u>b/</u>	743	708	966	805	949	826
Other transport equipment	480	291	553	429	324	621

a/ Includes tractors.

b/ May exclude certain types of road vehicles included in other transport equipment.

Trading partners (as shown in EEC foreign trade statistics for 1964 to 1967, UDEAC statistics for 1968 and CAR statistics for 1969 to 1971).

<u>Country</u>	<u>Imports</u>					
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
France	4,600	6,071	4,899	5,325	5,484	5,488
West Germany	623	930	933	696	741	540
Other EEC countries	582	976	1,080	848	863	985
United Kingdom	275	258	374	409	265	265
USA	329	362	439	466	529	494
Morocco	...	...	67	134	45	36
Senegal	53	37	28	6	22	53
Zaire	108	204	225	72	93	88
Japan	172	261	184	178	201	163
Hong Kong	58	52	50	74	76	60
Chad	<u>a/</u>	<u>a/</u>	<u>a/</u>	49	70	80
Total Africa						<u>487</u>

a/ Shown in UDEAC trade later.

<u>Country</u>	<u>Exports</u>					
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
France	2,841	3,031	3,352	4,706	4,225	5,014
West Germany	85	92	147	176	344	382
Other EEC countries	791	316	501	1,045	1,322	1,225
United Kingdom	592	136	242	248	146	230
USA	1,431	2,153	2,783	814	20	58
South Africa	64	104	98	137	48	21
Morocco	...	36	20	14	22	1
Zaire	13	41	36	42	49	57

Trading Partners (cont'd)

<u>Country</u>	<u>Exports</u>					
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Japan	42	131	62	152	365	27
Hong Kong	159	-	...	94	16	11
Israel	1,496	994	1,490	1,339	1,265	835
Chad	<u>a/</u>	<u>a/</u>	<u>a/</u>	330	457	<u>257</u>
Total Africa						<u>341</u>

a/ Shown in UDEAC trade later.

Trade with UDEAC countries^{a/}

	<u>Imports</u>					
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Cameroon	108	416	580	661	681	525
Congo P.R.	1,130	778	673	817	1,072	970
Gabon	16	24	21	22	72	96
Chad <u>b/</u>	12	16	39	-	-	-

	<u>Exports</u>					
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Cameroon	12	96	86	238	246	190
Congo P.R.	34	56	131	187	215	271
Gabon	11	16	10	54	43	44
Chad <u>b/</u>	492	557	328	-	-	-

a/ CAR or UDEAC statistics.

b/ For 1969 to 1971 shown in general trade series.

Main imports and exports of CAR to UDEAC countries

<u>Imports</u>	<u>1970</u>	<u>1971</u>	<u>Exports</u>	<u>1970</u>	<u>1971</u>
Sugar	250	141	Cotton		
Cigarettes	313	272	prints	168	112
Cement	219	253	Autocycles,		
Soap	113	114	etc.	139	157
Shoes	176	93			
Clothing	158	112			
Cotton prints	...	90			

Balance of Payments (figures in million CFA francs)

<u>Current Account</u>	<u>1970</u>		<u>1971</u>	
	<u>Receipts</u>	<u>Payments</u>	<u>Receipts</u>	<u>Payments</u>
Merchandise	13,727	10,997	13,884	10,745
Services	1,795	9,631	1,907	7,004
Investment income	42	608	23	814
Governments n.e.i.	1,740	1,783	1,521	2,380
Private transfers	1,179	1,546	1,303	1,868
Public transfers	3,599	720	3,451	590
Total	<u>22,082</u>	<u>25,285</u>	<u>22,089</u>	<u>23,401</u>
Balance		<u>-3,203</u>		<u>-1,312</u>

<u>Capital and Monetary</u>	<u>1970</u>		<u>1971</u>	
	<u>Receipts</u>	<u>Payments</u>	<u>Receipts</u>	<u>Payments</u>
Private capital	4,015	2,844	4,001	3,616
Government capital	215	290	755	301
SDR's	...	-	386	-
Central Bank (net)	153	-	-	401
Monetary (net)	47	-	-	133
Total	<u>4,430</u>	<u>3,134</u>	<u>5,142</u>	<u>4,452</u>
Balance	<u>+1,296</u>		<u>+ 690</u>	
Errors and omissions	<u>+1,907</u>		<u>+ 622</u>	

<u>Summary of Payments</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>
Public transactions	+1,600	+1,700	+1,500	+1,600	+2,100	+2,400	+3,400
Private "	-1,300	-2,400	-2,500	-1,100	-2,800	-3,500	-1,800
Net balance	<u>+300</u>	<u>-700</u>	<u>-1,100</u>	<u>+500</u>	<u>-700</u>	<u>-1,100</u>	<u>+1,600</u>

<u>Bank external assets</u>	<u>30 June</u>						
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Central Bank	1,841	1,561	596	960	419	355	850
Commercial Banks	-143	-333	-389	-106	-269	-1,347	-269
Total	<u>1,693</u>	<u>1,228</u>	<u>207</u>	<u>854</u>	<u>150</u>	<u>-992</u>	<u>581</u>

Prices: Consumer price index

European family in Bangui (1963 = 100)

<u>July</u>							
<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	
121.2	125.6	135.1	139.7	148.5	151.2		

Wholesale price index

<u>Bangui (1958 = 100)</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Average	148.3	155.3	158.9	159.9	165.9	175.7	187.1

Education

<u>Enrolments</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>	<u>1972/3</u>
Primary ('000)	128.4	148.8	153.3	156.2	170.5	176.8	178.1	180.5
Secondary	3,340	4,668	5,205	5,730	7,231	9,911	12,895	14,202
Teacher training	465	195	177	211	265	292	349	...
Vocational	920	771	1,090	1,341	1,241	1,363	1,305	...
University	-	-	-	-	-	88	202	280

The long-term aim is universal primary education but the proportion of children 7-14 at school is still well below this target.

<u>Health: Facilities and Personnel</u>	<u>1966</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
General hospitals	2	2	2	2
District hospitals and medical centres	42	43	43	43
Dispensaries	79	80	82	82
First aid posts	200	220	204	190
Leprosoria	1	2	2	2
Hospital beds	2,316	2,965	3,019	3,048
Doctors	39	42	49	49

<u>Health: Facilities and Personnel- (cont'd)</u>	<u>1966</u>	<u>1967</u>	<u>1969</u>	<u>1970</u>
Dentists	2	1	1	1
Pharmacists	3	3	2	2
Midwives	17	20	26	26
Traditional birth attendants	67	75	67	67
S.R. Nurses	39	58	64	64
First aid workers and auxiliaries	549	550	585	585
Health inspectors	35	37	37	37

In 1966 there were 79 posts for doctors, pharmacists, midwives and state registered nurses filled by technical assistance personnel, the CAR having only 5 trained doctors amongst the indigenous population and three of these had diplomas from Dakar. Some 23 medical students and two pharmaceutical students were studying abroad in 1965.

Investment totalling 802 million CFA francs had been proposed in the development plan to 1970, and of this sum 588 million was for improvements to the hospital at Bangui. At this hospital a 200-bed maternity wing, a children's wing (100 children) and a surgical wing with 100 beds were to be built together with subsidiary facilities.

Facilities in other centres were also being improved; a clinic was proposed for Bangui and money was also to be spent developing water supplies and for nurses living quarters (for training) at the Bangui hospital.

In 1970 a convention was signed with France which covered the provision of doctors and health personnel, the complete modernization of the hospital at Bangassou and the improvement of the hospital at Bangui.

Public finance (figures in million CFA francs)

<u>Summary</u>	<u>Estimates and Revised Estimates</u>						
	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
Ordinary revenue	9,253	9,633	10,750	11,306	12,539	12,805	13,282
Ordinary expenditure	9,912	10,733	10,781	11,224	11,155	12,549	13,342
Extraordinary receipts	1,166	95	-	-	-	-	-
Capital expenditure	489	338	669	860	1,385	1,256	1,966
Total receipts	10,419				12,539	13,805	...
Total expenditure	10,401	11,071	11,450	12,084	12,540	13,805	15,308

	<u>Actual Receipts and Payments</u>			
Receipts	9,616	10,317	10,148	10,572
Payments	9,874	10,681	11,026	11,218
Balance	-258	-364	-872	-646

Note: There are projects financed fully or partially from external aid which are not covered in the above summary table, especially from 1970 onwards.

Ordinary revenue	Estimates						
	1967	1968	1969	1970	1971	1972	1973
Direct taxes	1,630	2,054	2,663	2,973	3,629	4,348	4,102
Indirect taxes	4,716	5,392	5,913	6,044	5,957	6,460	6,378
Aid	630	630	400	415	550	500	500
Other receipts	1,801	1,652	1,774	1,874	2,403	2,497	2,302
Total	8,887	9,728	10,750	11,306	12,539	13,805	13,282

Ordinary expenditure

Public debt	167	445	510	555	828	334	872
Education & youth	1,366	1,307	1,474	1,652	...	2,164	2,156
Health & social affairs	640	654	601	656	...	900	903
Defence	827	1,109	1,452	1,351	...	1,707	1,312
Internal affairs and justice	581	616	725 ^{a/}	760 ^{a/}	...	932	1,021
Ministry of Rural Development	717	833	698	592	...	816	820
Internal transfers	1,097	1,115	...	...	...	1,067	1,015
Transfers to external bodies	1,064	1,207	...	...	...	467	495
Other expenditure	3,279	2,999	...	...	...	4,162	4,748
Total	9,912	10,733	10,781	11,224	11,155	12,549	13,342

^{a/} Rough totals only.

Investment Expenditure	1967	1968	1969	1970	1971	1972	1973
Productive sector						423	380
Infrastructure						482	822
Social sector						275	708
Other						76	56
Total	489	338	669	860	1,385	1,256	1,966

Public Debt, this totalled 5,236 million francs CFA at January 1970.

Finance and banking (figures in million CFA francs)

Central Bank	December						
	1966	1967	1968	1969	1970	1971	1972
Net foreign assets	1,580	1,160	1,090	-590	-1,360	-630	-620
Currency on issue	3,780	3,950	4,490	4,840	5,230	5,100	5,750
Money							
Currency outside banks	3,480	3,690	4,220	4,670	4,960	4,900	5,560
Demand deposits	1,800	2,080	2,830	1,850	2,230	2,300	3,120 ^{a/}
Bank time deposits	430	470	580	830	800	790	760 ^{a/}
Post office deposits	90	100	120	120	160	120	120
Loans to the Economy							
From Commercial Banks	3,830	4,430	4,930	5,580	6,230	4,760	4,930
From Central Bank	2,370	2,950	3,720	5,260	5,320	4,780	5,250
From Treasury	750	640	-	90	870	790	900

^{a/} Estimates.

Finance and banking (figures in million CFA francs) (Cont'd)

<u>Monetary Survey</u>	<u>December</u>						
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Net foreign Assets	1,130	340	360	-2,490	-3,280	-1,650	-1,600 ^{a/}
Domestic credit	5,750	7,120	8,820	11,250	13,400	11,060	12,600 ^{a/}
Money	5,370	5,870	7,170	6,640	7,350	7,320	8,800 ^{a/}
Quasi-money	430	470	580	830	800	790	760 ^{a/}

^{a/} Estimates.

Development: The four year plan to 1970 gave the following breakdown of investment expenditure:-

	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>Total Planned</u>	<u>Total Actual</u>
	(in million CFA francs)					
Research & studies	871	878	851	655	3,255	2,425
Rural development	1,285	1,769	1,747	1,790	6,581	5,667
Mining and industry	4,159	1,609	1,385	1,475	8,628	7,700
Economic infrastructure	1,542	1,597	1,817	1,520	6,476	6,634
Social & administrative infrastructure	2,080	3,045	2,409	2,359	9,839	6,261
Training	451	1,081	293	218	2,043	2,160
Total Planned	<u>10,388</u>	<u>9,979</u>	<u>8,492</u>	<u>8,017</u>	<u>36,876</u>	<u>30,847</u>
Actual	<u>12,431</u>	<u>7,174</u>	<u>7,437</u>	<u>3,805</u>	<u>30,847</u>	

The plan had been expected to be financed by funds totalling 14,098 million CFA francs from national sources and 21,357 million CFA francs from external sources. The division between public and private investment was:-

	<u>1967-1970 Plan</u>		<u>Total</u>
	<u>Private investment</u>	<u>Public investment</u>	
	(in million CFA francs)		
National sources of finance	5,834	8,264	14,098
External sources	<u>4,273</u>	<u>17,084</u>	<u>21,357</u>
Total	<u>10,107</u>	<u>25,348</u>	<u>35,455</u>

These totals do not cover the full total of planned investments.

Amongst external sources of finance the more important public sources were:-

	(million CFA francs)
FAC (Fonds d'Aide et de cooperation)	4,364
CCCE (Caisse Centrale de cooperation economique)	2,188
FED (Fonds Europeen de developpement)	6,929
UN (United Nations)	2,847

The actual funds obtained were as follows:-

(in mn frs CFA)	<u>Private</u>	<u>Public</u>	<u>Total</u>
National sources	...	7,792	...
External sources	...	<u>12,476</u>	...
Total	<u>10,580</u>	<u>20,268</u>	<u>30,847</u>

Central African Republic

Five Year Development Plan 1971 -1975.

1.	<u>Plan Period</u>	1971-1975	
2.	<u>Planned Growth Rate</u> (per cent per annum)		9.2
3.	<u>Expected Population Growth Rate</u> (per cent per annum)		2.2
4.	<u>Planned Total Investments</u> (in million francs CFA)		63,779
5.	<u>Expectations Relating to Financing</u> (in million francs CFA)		
	<u>Public Sector</u>	Domestic	28,642
		Foreign	17,891
	<u>Private Sector</u>	Domestic	} 12,520
		Foreign	
	<u>Resources to Fund</u>		4,726
6.	<u>Planned Investment as a Proportion of GDP</u> (Average Annual Investment (in million CFA)	<u>Investment as a Proportion of GDP (per cent)</u>	
	12,756		20.1

7. Planned Investments by Economic Sector
(in million francs CFA)

<u>Sector</u>	<u>Total</u>
Agriculture	14,827
Mining	1,741
Manufacturing and handicrafts	11,486
Energy	4,698
Transport and communications	13,701
Tourism	845
Commerce	1,204
Health and social affairs	2,160
Education etc.	2,839
Housing and urban affairs	4,698
Other	5,580
Total	<u>63,779</u>

8. Anticipated Growth in GDP by Economic Sector (in million francs CFA)

<u>Value Added at Factor Cost</u>	<u>1970</u>	<u>1975</u>
Agriculture	17,676	30,530
Mining	2,480	2,486
Industry ^{a/}	10,619	18,262
Tertiary sector ^{b/}	15,101	21,402
Total	<u>45,876</u>	<u>72,680</u>

^{a/} Manufacturing, handicrafts and construction. ^{b/} Transport, services, commerce.

9. Growth in Wage Employment Anticipated

No data provided

10. <u>External trade forecasts^{a/}</u> (in million francs CFA)	<u>1970</u>	<u>1975</u>
Exports	11,069	22,868
Imports c.i.f.	14,933	18,762

^{a/} Includes estimates for unrecorded trade.

11. Major Developments by Economic Sector.

Agriculture

The policy objectives are to ensure that the people are fed properly and to develop industrial and export crops.

<u>Production targets (in tons)</u>	<u>1970</u>	<u>1975</u>
Cassava	330,000	500,000
Yams and sweet potatoes	60,000	73,000
Potatoes	...	1,000
Maize	45,000	90,000
Millet and sorghum	40,000	100,000
Rice paddy	12,500	20,000
Groundnuts	67,500	100,000
Sesame	14,000	30,000
Fruit & vegetables	70,000	150,000
Seed cotton	60,000	150,000
Coffee	13,000	20,000
Tobacco	1,000	2,600
Rosella	570	2,000
Cocoa	30	150

The livestock plan expects to see an increase in the cattle herd to 650,000 head by 1975 and a rise in the total poultry from 1,200,000 to 2,000,000 head. Milk production should increase to 10,000,000 litres and meat production to 19,240 tons (from 17,000 tons in 1970).

Fishing: here the objective is a local catch of 5,000 tons by 1975.

Forestry: the potential exploitable wood has been assessed at 87.3 million cubic metres from the South West forest area where trees cover 3.4 million hectares. In 1970 the volume of wood cut in the CAR included 2.9 million cubic metres for firewood and 830,000 cubic metres for timber. The value of production in 1970 was assessed at 2,079 million francs CFA.

The plan expects to see a production of 4.6 million cubic metres a year by 1975 for timber of which 300,000 m³ would be exported and 500,000 used in modern wood factories. The rural sector would use 600,000 m³ as timber and 3,200,000 m³ for firewood.

Mining: Projects include a study of the limestone deposits at Bangui-Fatima with the possible objective of a 100,000 ton cement works; a study of the copper deposits of N'Grade in the Ouadda-Djalle region; work on the M-Bomou and Fouroumbala deposits for copper, nickel, cobalt, platinum, lead and zinc, and prospecting in the area West Bangui-Cameroun; an examination of the iron ore deposits of Bogouin-Damara to decide whether an electric direct reduction plant is feasible; study of possible cassiterite deposits of Yalinga and N'Zako; research into the Pama Basin volcanic-sedimentary formations for manganese, iron pyrites, copper etc.

Various other research projects are indicated into mineral sources, gold and precious stones and atomic energy substances.

The total to be spent on the above projects is estimated at 1,741 million francs CFA.

Electricity

The major project is 3,500 million francs CFA for a second power station at Mbali on the Boali River. It would bring the total HE power available to 18,750 Kva.

The diesel power station at Bangui had also been scheduled to be increased by 3,000 kva by 1973, bringing its total to 6,300 Kva.

Manufacturing Industry

One of the major objectives is to create 3,000 new jobs by 1975 adding to the 7,000 employees in 1970. Turnover in manufacturing industry is scheduled to increase from 10.7 billion francs CFA in 1970 to 20.9 billion in 1975.

There is a list of new projects or additions to existing industries with investments totalling 11,247 million francs CFA. The major projects are 2,520 million for clinker and cement plants, 551 million for a cycle tyre factory, 2,730 million for plywood and panel plants and 1,484 million francs CFA for a spinning and weaving plant to produce unbleached cloth.

The capacity of the cement plant is 120,000 tons with possible completion in 1973; the tyre plant would be able to produce 750 tons a year although the 1974 production would be only 550 tons. The textile plant would have a capacity of 3,300,000 metres of cloth equal to 8,300,000 square metres and be working to capacity by 1974. The plywood and panel factories were scheduled to be operating in 1973.

The list of investments proposed is:-

(Million francs CFA)

Cotton ginnery	149
Rauwolfia extraction	308
Sawmilling	240
Veneers	150
Plywood/panels	2,730
Fruit conserving	350
Cigarettes	266
Food complex	300

The list of investments proposed is:- (cont'd)

	(Million francs CFA)
Soluble coffee	250
Textile plant	1,484
Other textile projects	490
Cycle tyre plant	551
Other chemical factories	379
Printing and paper	240
Clinker plant	1,020
Cement plant	1,500
Other non-metallic minerals	116
Other projects	184
Total	<u>11,247</u>

Tourism, the total investment of 845 million francs CFA is intended mainly for new hotel accommodation and the improvement of the natural parks. There were 7,820 tourists in 1970 and it was hoped to increase this number to more than 10,000 from 1972.

Transport

Roads, in 1970 the road system covered 5,295 kilometres of main roads, 3,219 km of secondary roads, 2,370 km of other roads and 11,115 km of rural tracks.

Total road investment in the period 1971-1975 will be 7,845 million francs CFA and major projects included 2,491 million for the Sibut-Crampel-Kabo road, 1,751 million for the Bangui-Bossemebele-road and 1,233 million to restore the national road system.

By 1975 the CAR would have bitumen roads totalling 449 km ensuring economic links with the North of the country.

River Transport, there are investments scheduled under two sections, firstly to improve the facilities of the ports and rivers and secondly for boats to be used on the rivers. Total investments have been scheduled at 3,394 million francs CFA including 800 million for Bangui Port and 1,646 million for river transport vehicles.

Air Transport, the major project is 500 million francs CFA for the lengthening of the runway at Bangui. Other projects will bring the total under this heading to 1,167 million.

Health;

Amongst the institutions in 1970 there were the Hospital Centre of Bangui with 700 beds, the hospitals at Bouar, Berberati, Bossangoa, Bambari and Bangassou with 602 beds, eight district hospitals with 491 beds, 31 medical centres with 1,053 beds, 81 dispensaries and 204 first aid posts. There were also 5 mobile clinics for vaccinations etc. and the fight against the major epidemics. Most posts for doctors, pharmacists, dentists, midwives and state registered nurses, were filled by technical assistance personnel. There were 51 doctors and there were 1,650 health personnel.

State registered nurses were being trained in the CAR and students abroad included 20 taking pharmacist courses, 4 dental courses and 51 studying medicine.

The principal policy objective is to assure the health care of the population by the development of the basic health services.

Bangui hospital is to be expanded in two steps of 224 and 234 beds while five maternity centres (totalling 120 beds) are to be built in the city. Other work is scheduled in other parts of the CAR.

The total investment of 2,160 million francs CFA includes 370 million for health facilities away from Bangui and 245 million for rural centres.

Urban Affairs and Housing

This heading covers sanitation schemes, water supplies and road works in the urban areas. Much of the expenditure is scheduled for the capital Bangui.

A total of 1,250 million francs CFA is included for housing, most of it for low cost housing.

Education and Training

In 1969 there were 170,000 primary school pupils (including 116,000 boys), and the proportion of the eligible age group at school was 56 per cent. In the period to 1975 some 448 new classrooms are proposed to reduce classroom densities by 10 per cent and increase overall enrolments.

Secondary education in 1970/71 was carried out in 10 schools providing a 7 year general education course and in 11 schools providing a 4 year general course. There were 7,240 students in 1969/70. Technical education at the secondary level was restricted to one college with 789 students in 1970/71. New classes and four new colleges are scheduled during the plan period.

The university is being expanded by the addition of facilities for arts, commerce and geology to those of law and sciences already constructed.

In 1970 there were some 300 students abroad in France, U.S.S.R., U.S.A. and other countries of Europe.

The plan also includes 1,091 million francs for the training of personnel for various Government posts.

Imports of machinery and transport equipment (in million CFA francs)

	EEC Statistics			CAR Statistics			
	1965	1966	1967	1968	1969	1970	1971 1972
Machinery	698	616	2,096	954	1,080	1,264	1,123
Electrical apparatus	383	501	578	590	789	691	744
Road motor vehicles	830	876	823	966	805	949	826
Other transport equipment	111	280	150	553	429	324	621
Total	2,022	2,273	3,647	3,063	3,103	3,228	3,314
Cement Imports (in tons)			20,494	17,843	13,260	23,232	27,795

National Accounts:

Value added at factor cost
(million CFA francs)

	1964	1967	1970
Agriculture	15,387	14,630	17,676
Mining	2,159	2,178	2,480
Food industries	899	6,939	10,619
Textiles	363		
Other industries	1,721		
Construction	1,117		
Transport	749	13,279	15,101
Services	1,492		
Commerce	5,848		
Public enterprises	1,168		
Total	30,903	37,026	45,876
Administrative salaries	5,979 ^{a/}		

^{a/} Includes 2,760 million from foreign administrations (mainly the French Army and French technical assistance).

Sources:

République Centrafricaine

Comptes Economiques 1964.

République Centrafricaine

Plan de Développement économique et social 1967-70, 1971-1975.

Republique Centrafricaine

Bulletin mensuel de Statistique, décembre 1965, décembre 1965, décembre 1966, décembre 1967, janvier 1969, février 1969, décembre 1969, février 1970, août 1970, octobre 1970, décembre 1970, mars 1971, décembre 1971, juillet 1972, décembre 1972, mars 1973.

Republique Centrafricaine

Annuaire Statistique 1970.

République Centrafricaine

Chambre nationale de commerce, juillet 1972, avril 1973.

République Centrafricaine

Statistiques scolaires 1964-65, 1966-67, 1970-71, 1971-72.

<u>République Centrafricaine</u>	Budget de l'exercice 1968, 1972, 1973.
<u>Banque Centrale des Etats de l'Afrique Equatoriale et du Cameroun</u>	Rapport d'activité, exercice 1965-1966; exercice 1966-67; exercice 1967-1968, exercice 1969-1970, exercice 1970-1971, exercice 1971-1972.
----- " -----	Etudes et Statistiques -- Bulletin mensuel mai 1966, juin 1966, décembre 1967, novembre 1968, mai 1969, et de aout-septembre 1969 jusqu'au mai 1973, aout-sept. 1973.
<u>UDEAC</u>	Bulletin des Statistiques générales, avril 1970, octobre 1970, janvier 1971, avril 1971, juillet 1971.
<u>UDEAC</u>	Commerce extérieur, 1968.
<u>EEC</u>	Foreign Trade Statistics Jan-Dec. 1964, Jan-Dec. 1965. Jan-Dec. 1966, Jan-Dec. 1967.
<u>FAO</u>	Production Yearbook 1971.
<u>UN</u>	Statistical Yearbook 1971 Monthly Bulletin of Statistics July, August, September 1973.
<u>IMF</u>	International Financial Statistics, December 1973.
<u>Press Reports</u>	Particularly the Marches Tropicaux Mediterraneens.

The CAR uses metric weights and measures.

ECONOMIC COMMISSION FOR AFRICA

GOODS CONTROL
AUG 21 1974

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SUMMARIES OF ECONOMIC DATA

Country : Ethiopia
Latest Year : 1972
Compiled : January 1974

Fifth Year/Number 7

Country: Ethiopia

Population: 1971 = 25,825,500; growth rate in the region of 2.5 per cent a year.
1972 = 26,461,200. 56.5 per cent were under 20 years of age and 45.8 per cent under 15.

City Populations: 1972 Addis Ababa 912,000; Asmara 249,000

Urban Population 1972 = 2,656,000

Wage Employment

<u>Numbers Employed</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
By Central Government							
in Addis Ababa	15,803	16,280	16,427	16,589	17,287	18,494	19,340
By autonomous authorities & selected private firms							
in Addis Ababa	9,461	11,309	11,595	12,263	13,829	14,733	14,110
In manufacturing industry	47,745	47,343	46,372	...	48,652	...	...

In 1967/68 it was estimated that the total employment in high level, intermediate and skilled posts was 115,000 including 27,300 in commerce and banking and 36,600 in manufacturing.

GDP at Current Factor

<u>Cost</u>	<u>1964/5</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>
(In E, million)	2945.3	3167.6	3376.7	3591.6	3805.0	4161.3	4406.9
Annual growth rate							
at constant prices	6.8%	3.9%	4.5%	3.0%	3.7%	4.3%	4.5%

For 1971/2 a growth rate between 4.5 and 5.0 per cent was expected.

Possible Economic Outturn for 1973

The market for Ethiopian coffee improved again in 1973 and the average price for Jimma coffee on the New York market probably averaged about 59 cents per lb compared with 48.47 cents per lb in 1972. In Ethiopian dollars the price rise was about 10 per cent.

Export permits issued in the first half of 1973 totalled 349 million Ethiopian dollars while import permits were 196 million; in the same period of 1972 the figures were 223 and 189 million respectively. Export prices were 18 per cent higher in August 1973 than a year earlier and import prices were higher by about 6 per cent.

Some increase in the volume of exports seems probable in 1973 but imports were probably being held back (based on the import permits issued).

For 1973 as a whole exports seem likely to have reached 500 million Ethiopian dollars (1972 = 385 million) while imports were probably slightly less than in 1972 at 430 million. This would mean that for the first time for many years a surplus was recorded on merchandise account. To some extent this is reflected in the figures of the net external assets of Ethiopia which improved to 410 million dollars at the end of September 1973 compared with 192 million a year earlier.

The estimates of Government expenditure increased from 757 to 857 million dollars from 1972/73 to 1973/74. On a calendar year basis the increase from 1972 to 1973 was from 715 to 807 million dollars or by 13 per cent.

The regions centred some 380 kilometres north of Addis Ababa in the provinces of Wolle and Tigre suffered from their third year of poor rainfall in 1973 and large quantities of grain were brought in to alleviate the famine which existed. The need for grain supplies extended into 1974.

The failure of agricultural production in these provinces had a considerable impact on the total agricultural output of Ethiopia and it has been estimated that there was an overall reduction in 1973 after a generally increasing level of production since the early 1960s.

The importance of agriculture in the national economy with its contribution to the GDP being 50 to 60 per cent would lead to a low overall growth rate of the GDP in 1972/73.

The manufacturing sector had a better year in 1972/73 and output based on the volume index increased by about 7 per cent. In 1971/72 the increase was only half this amount.

Consumer prices increased substantially in 1973 with the index for Addis Ababa rising from 135.0 in 1972 to 146.6 for the period January to October 1973. The rise was 8.6 per cent.

The increase in prices would reduce the benefits which would have accrued to the economy from the substantial increase in Government expenditure of 13 per cent in 1973.

At constant prices the growth rate of the GDP is likely to have been between 2 and 3 per cent in 1973 and at current prices it probably exceeded 10 per cent.

Currency and Exchange Rate

The Ethiopian dollar of 100 cents is the unit of currency and the exchange rate from January 1964 was 2.50 = US\$1 up to December 1971 when it was changed to 2.303 Ethiopian dollars = 1US dollar. There was a further revaluation to 2.07 Ethiopian dollars = 1US dollar in February 1973.

Development Plans:

Twenty-five year long-term Plan to 1982; first Five-Year Plan to 1962/63; second Five-Year Plan to 1967/68; third Five-Year Plan to 1972/73 (subsequently extended for one year). The fourth plan was being prepared in 1973/74.

Energy - Electricity

	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/0</u>	<u>1970/1</u>	<u>1971/2</u>
Production ^{a/} (in mn kwh)	265	294	323	341	368	416	431
Installed capacity ('000kw)	118.7	137.8	138.7	137.4	147.5	183.9	184.6

^{a/} By public utilities only; the totals exclude own production by certain industrial plants.

In 1971/72 hydro capacity was 123,384 kw.

During the third Five-Year Plan period, production of electricity had been forecast to increase from 398 million kw in 1967/68 to 852 million in 1972/3 but this level was probably not achieved.

Generating capacity in public utilities had grown from 103,147 kw in 1963/64 to 137,765 kw in 1966/67 and the increase expected during the third Five-Year Plan of total capacity was from 184,198 kw in 1967/68 to 325,300 kw in 1972/73.

During 1967/68 the addition of Awash II (32,000 kw) had been expected to be a major addition to the country's generating capacity. Another plant, Awash III was commissioned at the end of 1970 and its 32 MW generator produced 76.6 million kwh in 1971.

Work on the Finchaa Dam project was proceeding in 1971 and 1972. This project will add 100 MW to Ethiopia's power capacity and has been reported as costing Eth. \$75 million. It is being partly financed by an IBRD loan of Eth. \$57.75 million.

In 1972 a report on Ethiopia's geothermal resources indicated that these could meet most of the present electric power requirements of the country. These resources are situated in three locations, the Tendaho depression of the Afar valley, the Danakil depression in the north 60 miles from the Coast and the Lakes district in the south. One hot spring at Danakil was found to be saturated with pure magnesium chloride.

Petroleum

The oil refinery at Assab was completed in 1967 and has a capacity of 500,000 tons. It was built with a loan of \$40 million from the USSR. In 1969 studies were being conducted into the expansion of the refinery to meet increased demand; the new capacity was likely to be 1 million tons.

Output of products has been as follows:

	<u>1966/7</u>	<u>1968/9</u>	<u>1969/0</u>	<u>1970/71</u>
		(in '000 tons)		
Gas oil	52.4	123.2	159.6	187.0
Benzine	25.1	53.0	68.6	60.5
Gasoline	1.4	12.2		17.1
Fuel oil	63.0	204.7	232.7	272.5
Diesel oil	8.9	3.9	...	1.4
LPG	0.3	3.4	2.4	3.4

Imports of crude petroleum and products from 1966 to 1972 were as follows:

(in '000 tons)	1966	1967	1968	1969	1970	1971	1972
Crude petroleum	-	...	605.4	484.3	555.4	513.3	530.8
Products	279	251	57.4	52.9	97.7	63.5	73.5

Petroleum prospecting in Ethiopia has been undertaken for some time and during the third Five-Year Plan the expenditure for petroleum and gas prospecting was expected to be more than E\$50 million. In 1972 the discovery of crude petroleum deposits in Southern Ethiopia was reported but further tests are required to ascertain their commercial exploitability. Reports in 1973 refer to a large natural gas deposit discovered in the Ogaden Desert and to an agreement signed with 2 American companies for petroleum prospecting covering 80,268 square kilometres in the Ogaden Region. Other concessions for oil and gas cover Bale and Borena while prospecting is being carried out at Harrarge, Arussi and Erythree.

Mineral Production

Up to 1966/67 the mining industry in Ethiopia was small and production in 1965/66 was worth E\$2.4 million, compared with E\$2.1 million in 1963/64 and 1963/64 and E\$2.2 million in 1964/65. In 1966/67 production decreased to E\$2.2 million but in 1967/68 and 1968/69 increased to E\$2.7 million and E\$3.5 million respectively (these totals are incomplete).

In the three years to 1966/67 E\$14.8 million was spent on potash mining development and over the four years to 1966/67 a total of E\$40 million was spent on oil prospecting. In 1967/68 and 1968/69 the investment in mining totalled E\$11.1 mn and 15.6 million respectively. Virtually all of this was in prospecting.

Potash development was the major mining project in the third Five-Year Plan and a total investment of E\$110 million had been expected to lead to a production of 750,000 tons worth E\$45 million in 1972/73. However, reports in 1972 indicated that the 150 million tons of potash were not being developed at that time and there has been no progress reported in 1973.

In 1972 reports referred to large deposits of copper, zinc and other minerals having been discovered in the Asmara region. In January 1974 the first exports of copper concentrates were made and it is hoped to build up to 17,000 tons a year of concentrates with 35 per cent copper content.

Production statistics	1965/66	1966/67	1967/8	1968/9	1969/70	1970/71
Gold (kg)	726	669	958	1222.7	848.6	762.4
Platinum (kg)	8.5	8.8	10.3	10.7	7.5	6.4
Manganese ore (tons)	2,000	2,000	-	-	-	-
Quarrysalt (tons)	10,000	10,000	...	...	...	...
Anhydrite (tons)	6,000	6,000	...	...	...	...
Value of mineral production (in E\$'000)	2,358	2,241	2,706 ^{a/}	3,456	2396.6 ^{a/}	2,843.3 ^{a/}

^{a/} Incomplete.

<u>Agriculture - Land in Use</u>	<u>1969/70</u> (Million Hectares)	<u>1970/71</u>
Agriculture land - cultivated	13.25	13.49
pasture	65.67	65.40
swamp	5.18	5.18
Forests	8.80	8.82
Barren or built up	17.21	17.21
Water and water courses	12.09	12.09
Total	<u>122.19</u>	<u>122.19</u>

Crop production and livestock are the major industries in Ethiopia and they contribute 50 to 60 per cent of the GDP. Agriculture represented the economic activity of 88 per cent of the population in 1965 and this proportion had not changed materially by 1973.

Major Crops	1966/7	1967/8	1968/9	1969/70	1970/1	1971/2	
			(in thousand tons)				
Cereals	5,320	5,480	5,608	5,752	5,892	5,916	
Of which - Barley	1,399	1,430	1,463	1,496	1,529	1,565	
Maize	827	853	880	909	939	971	
Sorghum	922	922	989	1,037	1,067	1,102	
Teff	1,286	1,304	1,323	1,343	1,362	1,382	
Wheat	739	760	782	808	840	876	
Oil Seeds	406	437	463	492	525	564	
Other Crops							
Cotton fibre	8.2	10.4	11.7	13.7	16.2	20.5	
Other fibres	14.6	15.1	15.6	16.2	16.9	17.7	
Pulses	587	600	616	635	657	683	
Gesho	88.1	89.7	91.4	93.2	95.0	96.8	
Coffee	155.0	160.0	165.0	170.0	175.0	180.0	
Berbera	94.3	95.6	97.3	99.5	102.2	105.5	
Fruits, orchard	70.0	73.5	76.9	80.9	85.4	90.4	
Potatoes	148.2	152.2	156.3	160.6	165.1	169.9	
Sugar-cane	855.0	858.0	861.5	1129.5	1284.3	1330.0	
Yams	238.8	243.3	248.0	252.9	258.1	263.5	
Mixed vegetables	237.2	243.2	249.6	256.6	264.4	273.1	
Ensete	449.0	458.0	467.2	476.5	486.0	495.6	
Coffee exports (in '000 tons)							
	1966	1967	1968	1969	1970	1971	1972
	74.4	74.4	80.9	88.5	70.9	80.8	80.5
	1966/7	1967/8	1968/9	1969/70	1970/1	1971/2	1972/3
	(in metric tons)						
Coffee inspections							
by N.C.B.	99,223	94,226	97,988	103,744	102,388	100,458	...
Coffee quota		70,837	73,810	79,444	82,813	76,889	96,079
Other exports (in 000 tons)							
	1966	1967	1968	1969	1970	1971	1972
Pulses	69.6	69.3	74.8	78.6	51.1	64.1	77.7
Fresh fruits	17.4	20.4	17.7	16.5	11.7	11.1	17.9
Sugar	-	-	1.6	2.3	12.3	14.3	20.5
Oil seed cake	30.8	31.3	25.8	34.1	26.6	40.2	51.8
Oil seeds	54.0	57.8	45.4	56.1	56.3	63.3	88.4

In the third Five-Year Plan a total monetary capital expenditure of E,343 million was expected for agriculture of which E,149 million was for commercial farming and E,60 million for the Awash Valley Authority. A further E,65 million was for peasant agriculture and cooperatives. The total of E,343 million may be compared with a planned investment of E,242 million in the second Five-Year Plan period and an actual investment of E,102 million.

In 1971 it was reported that an agricultural project involving about 80,000 farmers was to be launched 50km south west of Addis Ababa.

In 1973 the Coffee Board started a scheme involving a World Bank loan to supply equipment to farmers to wash more of the coffee before it is sold. It is hoped that 10,000 tons a year will be treated this way by 1975/76.

An IDA loan of E,34 was also reported in 1973, it would be used for the Amibara irrigation project in the Awash Valley which will cost a total of E,46 million. Some 25,000 acres will be irrigated.

Production for export of virginia type tobacco was expected by 1975.

Exports of molasses at the rate of 40,000 tons a year were scheduled to start in April 1974.

Cotton production is being increased fairly rapidly to eliminate imports and build up an exportable surplus.

A tea plantation is being developed in the Illubabor Province. Tea and eucalyptus would be grown on 1,000 hectares and production would be 430 tons of tea by 1983 and 1,000 tons by 1990.

A further IDA credit of 42 million Ethiopian dollars was granted in 1973 for a project launched in 1971 to increase small farmer output and productivity.

Livestock - Ethiopia has the largest livestock population of the countries of East Africa. Commercialisation of the livestock is being increasingly nurtured by modern slaughtering facilities, the development of an efficient veterinary service, fattening farms, by making better breeding stock available, the discouragement of over-grazing and better processing of hides and skins.

<u>Estimated Herds (million head)</u>							
	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>
Cattle	25.6	25.8	26.0	26.1	26.2	26.3	26.4
Sheep	12.0	12.2	12.3	12.5	12.7	12.8	13.0
Goats	11.0	11.1	11.2	11.2	11.3	11.3	11.4
Equines	6.5	6.6	6.6	6.6	6.6	6.7	6.7
Camels	0.96	0.96	0.97	0.97	0.97	0.99	0.99
Poultry	43.5	44.5	45.4	46.3	47.2	48.1	49.0
<u>Animal Production Estimates</u>							
Meat ('000 tons)	372.4	381.2	390.3	401.1	414.7	428.5	445.1
Milk (" ")	530.0	542.3	554.1	568.5	583.1	597.9	612.9
Cattle hides ('000)	2,787	2,765	3,026	3,081	3,156	3,231	3,320
Sheep skins ('000)	4,737	4,854	4,864	4,874	4,886	4,898	4,910
Goat skins ('000)	4,149	3,977	4,198	4,344	4,525	4,707	4,889

In 1967/68 the area of pastures was estimated at 66 million hectares and it was forecast that this would be reduced to 64,900,000 ha by 1972/73 as the area of cultivated land was increased.

In 1971 it was reported that milk supplies to Addis Ababa were to be doubled with the help of a E\$11 million credit from the IDA and in 1972 a further World Bank loan of E\$10.35 was reported for livestock development. A project in 1973 costing E\$14 million to develop markets and stock routes was to be helped with an IDA loan of 10 million dollars.

The value of animal production was estimated at E\$526 million in 1966/67 and had been expected to increase to E\$596 million by 1972/73. The division by product was as follows:

<u>Value of Production</u>	<u>1966/67</u> (in million E\$)	<u>1972/73</u>
Meat and poultry	261.5	319.1
Dairy product	65.1	75.4
Hides and skins	19.4	22.7
Other animal products	180.0	178.5
Total	<u>526.0</u>	<u>595.7</u>

Fishing - this is not a particularly significant industry in Ethiopia where the basic source of protein is meat. In 1966 fishing and hunting contributed only E\$4 million to the GDP and the 1963 fishing catch was estimated at about 9,000 tons. Some modest development of the fishing industry was expected during the third Five-Year Plan period. In 1971 the fish catch was estimated at 12,000 tons.

Forestry - the most important use for the wood cut in Ethiopia is for firewood and charcoal. Timber and plywood industries are growing in importance and plantations for future paper and tanning extract factories are being developed.

Forestry Production Estimates

	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>
	(in thousand cubic metres)						
Saw logs	110.0	113.6	119.1	120.0	123.1	126.3	129.8
Veneer logs	7.0	7.8	8.7	9.8	10.8	12.0	13.3
Poles	930	953.0	977.6	986.5	996.5	1022.0	1048.0
Firewood	23,500	23,900	24,414	24,543	24,788	25,036.0	25,286.0
Natural gum & resin (tons)	...	...	5,320	5,342	5,365	5,387	5,409

The contribution of forestry to the GDP was valued at E\$88 million in 1966 compared with E\$78 million in 1961. Over the five-year period to 1972/73 an increase of 14 per cent in forestry's contribution to the GDP was forecast and capital expenditure in the monetary sector was expected to be E\$14.3 million.

Development Expenditure - Agriculture, Forestry and Fishing

The following table compares the planned development expenditure for the five-year period to 1972/73 with the actual expenditure for the five years to 1966/67.

Development Capital Expenditure

<u>Monetary</u>	<u>Actual</u>	<u>Planned</u>
	<u>1962/63-1966/67</u>	<u>1968/69-1972/73</u>
	(in million E)	
Agriculture	101.8	343.2
Forestry	1.2	14.3
Fishing and wild life	0.2	5.3
Total monetary	<u>103.2</u>	<u>362.8</u>
<u>Investment in Kind</u>		
<u>Agriculture</u>	<u>537.0</u>	<u>535.1</u>
(Of which increase in stocks)	(56.2)	(17.2)
<u>Monetary Investments</u>		
Commercial farms	69.9	149.2
Awash Valley Authority	-	60.3
Cooperatives	-	30.0
Peasants	5.4	35.0
Agricultural services	8.5	30.5
Surveys and studies ^{a/}	10.7	28.3
Grain Corporation	6.3	4.9
Coffee Centre	1.0	5.0
Total agriculture	<u>101.8</u>	<u>343.2</u>

^{a/} Mainly river basin studies

Manufacturing Industry

The contribution of the manufacturing industry to the GDP increased from E,55.6 million in 1962 to E,108.2 million in 1966 and to E,234.5 million in 1970/71. The contribution of handicraft and smallscale industry reached 208.7 million in 1970/71.

Since 1964/65 the surveys of manufacturing industry have produced the following results.

	<u>1964/5</u>	<u>1966/7</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>
Establishments	272	395	442	479	401
Employees	47,700	44,349	47,432	48,903	51,312
Wages and salaries (£Emn)	33.0	48.9	57.9	61.8	66.5
Gross output (£Emillion)	219.7	357.1	467.0	542.6	625.9

In 1970/71 the coverage was of establishments in which 10 and over were engaged; previously the coverage had been of establishments with 5 and over.

By 1972/73 it had been forecast that the value of gross output would be E,700 million. This forecast indicated that the manufacturing industry was expected to be one of the fastest growing economic sectors in Ethiopia. A report on 1972/73 indicated that 300 million dollars had been invested in new industries and production was increasing at a rate of 10 per cent a year.

Food manufacturing produced 23.2 per cent of the total gross output in 1970/71, the textile industries 31.5 per cent, the chemical sector 12.2 per cent and beverage industries 11.1 per cent. The remaining 22.0 per cent of output was divided among the remaining industrial sectors; tobacco, shoes, wood, building materials, printing, and metal and electrical engineering.

The production of the more important items was as follows:

	1964/5	1965/6	1966/7	1967/8	1968/9	1969/70	1970/1
Meat, frozen and canned (tons)	10,543	8,000	7,955	...	9,104	9,142	11,288
Sugar (000 tons)	61.7	68.9	76.9	67.8	66.2	97.0	108.7
Sea salt (000 tons)	205.3	220.2	202.0	...	227.5	218.2	210.1
Wheat flour (tons)	40,358	42,030	58,952	...	41,536 ^a	40,019	45,272
Beer (000 hl)	157.4	184.6	215.5	227.0 ^a	238.7	280.2	321.1
Soft drinks (000 hl)	252.2	279.3	261.3	...	309.5	334.2	364.0
Cigarettes (millions)	441.0	527.8	588.0	715.4	765.0	870.4	1007.5
Cotton fabrics (000 m ²)	33,956	43,166	58,020	...	68,164	69,706	78,967
Blankets (thousands)	276	414	404	...	1,072	833	660
Leather footwear (000 pairs)	682	648	763	...	868	822	737
Plastic footwear (000 pairs)	...	...	1,441	...	1,272	1,287	1,273
Canvas & rubber footwear (000 pairs)	9	521	939	...	431	671	933
Timber & plywood (m ³)	14,752	16,357	17,883	...	21,971	31,212	84,487
Cement (000 tons)	72.9	88.9	137.6	164.6	173.6	175.4	182.7
Glass bottles (000)	15,721	18,000	15,100	...	11,208	7,850	14,954
Round iron bars (tons)	-	8,800	12,000	...	9,689	9,610	14,413
Corrugated iron sheets (tons)	-	5,567	14,259	...	17,995	22,281	19,941
Matches (mn boxes)	...	17.0	22.8	...	21.6	22.8	25.7
Soap (tons)	...	...	4,102	...	4,967	6,700	6,035

^a/ Unofficial.

A report in 1973 refers to edible oil annual sales of E£12 million, drink sales of E£150 million including 300,000 hl of beer, the textile sectors production of 60 million square metres of cotton fabrics and 4 million square metres of synthetic fabrics. Production from 25 leather and shoe factories was valued at E£25 million in 1971/72 including 900,000 pairs of leather shoes and 1.3 million pairs of plastic shoes.

Output from the wood industries was valued at 12 million dollars.

An index of manufacturing production has been developed and this showed that output only increased by 3.6 per cent in 1971/72 but the growth rate in 1972/73 was about 7 per cent.

Sugar production in 1969/70 was 96,967 tons and consumption was 89,273 tons. In 1971/72 production had risen to 116,620 tons of which 16,300 tons were exported. A report mentions a figure of 130,000 tons for 1973 of which 30,000 tons would be exported.

In June 1968 a new factory with a capacity of 5,000 tons a year for the production of jute bags and cloth was being built at Akaki. This factory had been expected to be in full production in June 1969.

Also in June 1968 it was reported that two wood factories were being built at Jimma and Wollega and would be in production in September 1968.

The oil refinery was constructed at Assab and completed in 1967, and the Government's capital expenditure programme for 1967/68 and 1968/69 included a vehicle tyre plant. In January 1969 it was reported that the construction of the tyre plant to cost E\$14 million was to start shortly assisted by a loan of E\$9 million from the Czechoslovak Government. This factory would initially produce 60,000 tyres and 45,000 inner tubes a year.

In January 1969 it was also reported that plans had been completed between the Ethiopian Investment Corporation and a US firm for the construction of a glass factory to cost E\$8.4 million, at Gullele. This factory was due to start production in July 1970 to produce bottles and glassware worth E\$1.6 million a year. The project was being helped by USAID.

In December 1968 a further report stated that a tannery costing E\$25 million was to be built with the aid of a Czechoslovak loan of E\$14 million.

For sugar a new factory at Metahara had been expected to go into production by November 1969, which would have an output of 29,000 tons in its first season ended in June 1970.

Other projects reported in 1968 included a brick factory (to be in full production in 1969 to produce 24 million bricks a year) and a new soap factory which would be capable of meeting the entire domestic requirements of laundry soap. In 1969, reports also referred to an E\$3 million hand-tool factory and the construction of two cotton ginning plants.

Projects reported in 1969/70 included the first production from a E\$22 million paper mill set up near Wonji with a capacity of 7,500 tons a year, (a pulp mill is also to be built later); a spice factory, a freeze dry coffee factory and rubber sandal production. The Wonji paper factory was still running at a loss in 1973, its forecast production was 5,500 tons for 1973.

In 1971, it was reported that production had started at a newly established aluminium factory in Addis Ababa but it would be fully operational by 1973 and expected to export aluminium products for the building industry. The expansion of one brewery from 50,000 to 105,000 hl (later to 125,000 hl) took place in 1971.

A metal factory producing nails, wires, steel rod and bed springs was inaugurated early in 1971; a steel water pipe factory at Akaki which has the capacity to produce 18,000 tons of galvanised steel pipes a year was also inaugurated. In 1972 a new steel mill to produce steel sections was reportedly started at Akaki. Its main line of production would be pre-fabricated and industrial buildings. It started production in 1973 of galvanised steel sections for window and door frames, tubes and hollow sections.

In 1972 the rubber tyre plant financed by a Czech loan was opened. Its capacities are 60,000 tyres and 45,000 tubes a year. These will be increased later to 150,000 tyres and 150,000 tubes. A further report refers to a tannery to be built 90 km from Addis Ababa which should be finished in 1974, and would treat 25 million skins a year at full capacity. A cement plant with an initial capacity of 200,000 tons rising later to 600,000 tons would be operational in 1974.

A loan agreement in 1972 with Japan includes a project for the construction of a silk and polyester textile mill.

Reports in 1973 cover a vehicle assembly plant to be opened in October to produce 900 vehicles a year, a new factory to produce acrylic yarn from imported fibres, a dry cell battery plant to produce 30 million units a year started up in August.

The following table compares the actual output (by value) of manufacturing industry in 1966/67 with the forecast for 1972/73. Gross output was expected to double during this third Five-Year Plan period, with the greatest increases expected in the steel, metal and electrical sector and in textile production. The sector expected to grow fastest was the leather and shoes sector.

<u>Sector</u>	<u>Actual Gross Output 1966/67</u>	<u>Forecast Gross Output 1972/73</u>
	(in million E\$)	
Food industries	113.2	140.0
Beverages	45.8	63.0
Tobacco	7.1	12.0
Textiles	103.1	180.0
Leather and shoes	17.4	45.0
Wood	9.8	20.0
Chemicals	12.4	...
Printing and publishing	8.0	10.5
Non-metallic minerals	18.1	...
Steel and metal }	22.2	100.0
Electrical }		
Total (including other)	<u>357.1</u>	<u>700.0</u>

The largest public investments expected up to 1972/73 were leather and shoe industries (E\$38 million), cement (E\$25 million), vehicle tyres (E\$14.5 million) and textiles and apparel (E\$10 million).

Ethiopia offers assistance to investors in the form of income tax exemption for five years for enterprises with an investment of not less than US\$80,000; protective tariffs have been imposed to support local products, certain items of equipment may be imported free of duty and exemptions from the payment of export taxes may be granted; foreign exchange is made freely available for the remittance of profits on foreign investments and the realizations from the sale of assets. Over recent years the Government has been investing directly in industrial ventures.

<u>Construction:</u> Building Permits issued in Addis Ababa	<u>1970/1</u>	<u>1971/2</u>
Value (mn E\$)	33.4	48.8
Floor area (000 square metres)	224.4	309.0

Transport

Roads - At the start of the second Five-Year Plan in 1963, there were 4,738 kilometres of all-weather roads and this total had risen to 7,229 km by 1971/72.

The total road length in 1966 was approximately 23,400 km.

All-weather roads (in kilometres)

	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>
Gravel	3,875	3,946	4,569	4,524	4,573	4,867	4,791
Asphalt	1,676	1,797	1,805	1,874	1,873	2,077	2,184
Services	304	452	877	452	452	235	225
Total	<u>5,855</u>	<u>6,195</u>	<u>7,251</u>	<u>6,850</u>	<u>6,898</u>	<u>7,179</u>	<u>7,229</u>

The main objective of the road programme to 1967 was to connect fast-growing regions with the existing national network. Three projects were designed to open access to the most productive coffee areas in two provinces, to connect the province of Harar with the national network, and to open up the regions of the Awash and Wabi Shebelli Valleys. The main road development on these three projects was expected to total nearly 500 km and a further 300 km of main road was assigned to aid economic development in other areas. The total feeder-road programme covered 1,000 km.

Up to 30 June 1971 the Imperial Highway Authority had spent a total of E\$605 million on various road programmes including 131 million on the second programme, 252 million on the third programme and 129 million on the fourth programme.

During the third Five-Year Plan period, 2,548 km of roads on the all-weather network were to be built and a further 3,100 km on the dry-weather network. The total cost of the road programme was 265 million. Special emphasis is being given to the construction of secondary feeder roads.

The breakdown of road distances and costs was as follows:

<u>Road Investment Programme</u> <u>1968/69 to 1972/73</u>		
<u>All-weather network</u>	<u>Kilometres</u>	<u>E\$ million</u>
Primary roads	725	130.6
Secondary roads	343	14.5
Feeder roads	1,480	48.3
Asphalting (primary roads)	(575)	22.0
Bridges, surveys, etc.	-	13.7
<u>Dry-weather network</u>		
Government projects	2,400	21.3
Local projects	700	15.0
Total	<u>5,648</u>	<u>205.4</u>

In 1972 the tarring of the roads Nazareth to Awash (122km) and Agare to Jimma (146km) was reported. In 1972/73 a total of 250km of new asphalt roads was put into service and 270km of earth roads. In 1973 tenders were being adjudicated for road projects of 434 kilometres.

One project of importance to the whole of East Africa is the proposed Addis Ababa/Nairobi road link. In November 1968 it was reported that the West German Government had granted an additional loan of E\$6.3 million for the construction of the Dilla-Moyale road which is part of the Nairobi road link. This new agreement could enable the Ethiopian Government to take up another loan of up to E\$6.3 million with a Frankfurt organization, bringing the total up to E\$29.5 million. A later report referred to a West German loan of E\$87.4 million for the Dilla-Moyale road (which is 400km long). The Addis Ababa/Nairobi road had been expected to be completed in 1973 but this may not have been achieved.

In 1972 a report refers to Chinese aid worth more than 200 million Ethiopian dollars mainly to improve Ethiopia's road system.

Road Motor Vehicles - the total registered in 1964/65 was 32,971 which included 24,554 passenger cars and 3,949 trucks; the total had risen from 20,512 in 1962/63. In 1967 there were 27,200 passenger cars and 8,800 commercial vehicles and in 1968 29,500 passenger cars and 9,700 commercial vehicles. There were further increases to 47,200 passenger vehicles and 12,800 commercial vehicles in 1970.

Railways - these run from Massawa to Asmara and Agerdat and from Djibouti in the French Territory of the Afars and Issas to Addis Ababa. The total track length of the Franco-Ethiopian railway was 781km and in 1969/70 this railway owned 33 locomotives, 672 freight cars and 47 passenger cars. The total track length of the Massawa-Asmara-Agerdat line was 306km.

The latest traffic figures of the Franco-Ethiopian railway and the Agerdat-Massawa railway are:

<u>Franco-Ethiopian Railway</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>
Passengers ('000)	461.5	459.5	385.0	411.0	457.0	396.0	361.0
Passenger km (mn)	79.0	82.0	81.0	83.0	92.0	80.1	75.5
Freight (mn ton/km)	226.4	215.6	175.0	190.0	220.0	243.1	212.6
Imports ('000 tons)	215.4	181.1	163.0	159.0	176.0	236.0	198.9
Exports ('000 tons)	93.4	107.2	77.0	92.0	119.0	94.0	96.9
Internal ('000 tons)	88.2	86.0	83.0	105.0	117.0	117.0	102.1
<u>Agerdat-Massawa Railway</u>							
Passengers ('000)		310	268	238	248	114	1
Passenger km (mn)		17.8	15.0	12.8	13.9	6.5	-
Freight (mn ton/km)		20.9	19.3	18.3	19.1	19.3	17.4
Imports ('000 tons)		53.2	48.3	42.2	47.9	50.9	35.8
Exports ('000 tons)		75.5	61.4	69.3	57.5	71.7	74.2
Internal ('000 tons)		54.7	53.5	39.7	55.2	43.6	36.6

Sea Ports - the major ports in Ethiopia are Assab and Massawa, whilst Djibouti also continues to handle Ethiopia's traffic. The total freight handled at Assab and Massawa for the latest available years was as follows:

<u>Freight handled</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
	(in thousand tons)						
<u>Assab: Unloaded</u>	266.8	295.1	556.8	578.6	727.1	780.9	651.9
Loaded	219.2	273.4	444.4	486.3	510.7	525.6	477.4
<u>Massawa: Unloaded</u>	272.6	275.7	256.5	255.3	277.9	313.2	233.7
Loaded	184.6	201.6	240.7	207.2	217.6	235.9	206.1
<u>Total</u>	<u>946.3</u>	<u>1043.9</u>	<u>1498.4</u>	<u>1527.4</u>	<u>1733.3</u>	<u>1855.6</u>	<u>1569.1</u>

Shipping Line - Ethiopia established a National Shipping Line in 1964 and by 1968 the Line had five vessels, some of which were engaged in Ethiopia-European Trade. The closure of the Suez Canal adversely influenced the number of sailings, but the fleet was increased to 7 ships in 1972 totalling 64,000 tons.

In the Development Plan to 1972/73, a total investment of E\$28.8 million was included for water transport of which E\$23.6 million was for the marine department and E\$5.2 million for the Ethiopian Shipping Lines.

Air Transport - Ethiopian Airlines has built up a thriving business and the number of passengers carried increased from 160,000 in 1964 to 264,000 in 1971 and 289,000 in 1972. In 1971 the fleet consisted of two Boeing 707s, two Boeing 720s, two DC6s and ten DC3s. In 1973 two Boeing 720Bs were ordered for October 1973 and October 1974 delivery.

Ethiopian Airlines Traffic

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Passenger km(mn)	259	295	299	301	314	367	431
Cargo net ton km							
('000) (incl.mail)	12,780	15,150	18,670	17,372	16,752	16,704	16,668

The traffic figures from 1967 and 1969 indicated that the growth in business ceased temporarily but in 1970 there was some increase due to the introduction of new services and this upward trend continued in 1971 and 1972.

There are two international airports, at Asmara and Addis Ababa and traffic figures have shown an increasing tendency since 1964.

<u>Passengers (thousand)</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
<u>Addis Ababa, total</u>	162.9	175.0	185.6	202.9	185.2	202.1	223.5
(of whom, in transit)	(10.4)	(8.2)	(8.7)	(14.0)	(11.1)	(13.4)	(19.3)
<u>Asmara, total</u>	100.1	105.9	125.3	139.6	132.5	118.7	149.6
(of whom, in transit)	(28.5)	(30.0)	(37.3)	(45.3)	(44.0)	(37.6)	(41.7)
<u>Freight, Addis Ababa (tons)</u>	3,819	3,912	5,378	4,568	4,939	5,300	7,955
Asmara	2,938	3,450	4,544	5,785	6,670	8,150	12,592
<u>Mail</u>							
Addis Ababa (tons)	460	385	356	369	338	403	377
Asmara	451	627	547	562	569	616	670

Considerable further investment in air transport was planned for the five-year period to 1972/73 and E\$74.6 million was scheduled for Ethiopian Airlines and \$40.4 for airport improvement. These improvements will probably lead to more airlines using Addis Ababa airport.

Telecommunications - the increase in total telephone connections from 1965 was as follows:-

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Telephones	27,811	32,355	36,034	41,106	45,937	50,518	54,483

Most of these instruments were in Addis Ababa.

<u>Postal Services</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/71</u>	<u>1971/2</u>
International letters (million)	22.0	20.9	23.6	26.1	29.6
Domestic letters (million)	10.5	9.9	12.1	14.5	18.6
Total	<u>32.5</u>	<u>30.8</u>	<u>35.7</u>	<u>40.6</u>	<u>48.2</u>

Tourism

Ethiopia is developing tourism as a foreign exchange earner and to help provide employment.

	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970^{a/}</u>	<u>1971^{a/}</u>
Tourist arrivals	25,400	33,700	29,400	42,114	46,521	53,187	65,600

^{a/} Press report.

The target for tourism in the third five-year plan was about 107,000 tourists by 1973 spending E\$35 million. To achieve this target required the enhancement of the tourist attractions of Ethiopia. Some E\$27 million was planned to be invested by 1972/73 mainly on hotel accommodation. In the first nine months of 1972 there were 41,500 tourists spending E\$13.4 million. The target for 1972 had been 79,000.

There are plans to construct airports and landing strips in the historical tourist attractions and those most frequently visited.

External Trade -(figures in million E\$)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Exports & re-exports	277.0	252.7	266.0	298.1	305.8	314.0	385.4
Imports	<u>404.3</u>	<u>357.4</u>	<u>432.5</u>	<u>388.3</u>	<u>329.1</u>	<u>469.5</u>	<u>435.6</u>
Trade balance	-127.3	-104.7	-166.5	-90.2	-113.3	-155.5	-50.2

Imports by End-Use

Capital goods	172.29	143.34	204.52	129.35	130.28	159.91	167.47
Consumer goods	123.86	103.32	98.17	137.59	152.34	152.64	137.66
Fuel	27.55	31.54	27.03	28.20	33.69	34.30	36.24
Other	<u>80.55</u>	<u>79.17</u>	<u>102.80</u>	<u>93.26</u>	<u>102.77</u>	<u>122.68</u>	<u>94.21</u>
	<u>404.25</u>	<u>357.37</u>	<u>432.52</u>	<u>388.30</u>	<u>429.08</u>	<u>469.53</u>	<u>435.58</u>

<u>Major Domestic Exports</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Coffee	155.7	159.2	153.0	173.9	181.3	175.2	182.6
Hides and skins	35.7	29.8	24.9	29.2	24.5	25.7	47.6
Oil seeds, etc.	21.7	22.7	21.4	23.2	28.4	32.1	48.7
Live animals and meat	9.2	9.2	8.1	7.7	8.3	11.4	19.4
Fruits and nuts	5.2	6.1	4.9	4.8	3.4	3.2	5.2
Vegetables	23.7	22.1	23.7	23.9	18.0	24.8	30.0
Sugar	...	...	...	...	...	4.1	9.1
Oil seedcake	...	...	...	...	...	5.6	6.0
Total (inc. other)	<u>268.6</u>	<u>250.0</u>	<u>258.1</u>	<u>292.6</u>	<u>294.6</u>	<u>309.5</u>	<u>380.1</u>

Principal Imports

Cereals & preparations	12.8	8.4	5.9	6.3	16.4	13.2	4.4
Other foodstuffs	18.1	14.5	13.1	13.4	15.1	15.3	13.3
Beverages & tobacco	5.1	5.0	5.7	5.5	5.2	5.9	6.8
Fibres (cotton & synthetic)	16.8	12.8	17.4	13.3	7.0	8.2	7.3
Crude petroleum	26.3	31.1	14.6	16.2	18.5	20.0	22.1
Petroleum products	8.7	9.4	10.1	11.1	14.9	13.6	14.0
Pharmaceutical products	23.2	25.1	30.9	32.4	31.5	41.9	39.3
Other chemicals	13.3	13.5	13.1	12.7	18.2	21.0	19.2
Rubber and products	...	...	...	...	...	8.8	8.3
Paper, board & products	10.5	12.9	11.5	11.4	12.1	13.0	10.8
Textile yarn & thread	16.7	11.0	7.1	6.7	8.3	11.4	10.4
Woven textile fabrics	46.3	42.4	59.8	55.3	67.2	71.2	71.2
Machinery n.e.s.	21.0	24.7	22.7	25.5	27.3	30.4	34.5
Electrical apparatus	42.6	42.0	42.0	38.5	43.8	51.7	58.2
Road motor vehicles and parts	5.7	4.9	46.4	11.4	6.4	7.2	3.5
Aircraft and parts	28.1	0.4	1.9	0.2	0.2	0.4	0.4
Ships and boats	2.9	12.2	4.1	2.6	7.4	3.3	5.6
Other transport equipment a/	17.1	16.5	15.7	13.2	12.3	8.2	7.8
Clothing & footwear	18.5	17.3	17.5	17.1	27.8	27.7	17.6
Iron and steel and semis							

a/ May include some machinery.

Main Trading Partners
Imports

USA	33.2	33.8	80.1	39.0	36.5	43.4	39.9
Japan	52.3	48.7	40.7	42.1	63.6	69.2	66.2
Italy	77.6	67.7	77.2	59.8	72.6	75.8	71.3
West Germany	44.5	50.0	48.7	55.6	58.9	51.9	46.5
Netherlands	38.1	12.4	12.5	10.5	10.9	12.4	10.6
France	13.9	11.9	21.4	19.8	12.3	14.8	16.5
United Kingdom	36.7	27.6	40.7	39.0	32.0	44.0	41.2
Switzerland	...	...	...	4.8	6.1	11.3	7.7
Czechoslovakia	...	...	...	...	...	...	11.8
Israel	5.5	6.0	9.8	11.1	8.1	8.9	8.1
Iran	15.3	15.0	13.0	19.7	25.9	30.8	25.7
Africa	3.9	3.7	5.3	7.0	13.0	11.0	14.6

Exports and re-exports	1966	1967	1968 (in million	1969	1970 Eth. \$)	1971 ^{a/}	1972 ^{a/}
USA	122.1	109.0	112.7	125.6	143.0	137.5	135.1
Japan	11.7	10.9	11.4	14.2	16.6	18.6	26.8
Italy	25.4	21.0	16.6	21.2	19.0	16.2	31.3
West Germany	15.6	13.6	21.8	28.8	22.3	24.0	26.7
Netherlands	6.8	5.0	4.9	4.6	4.0	8.6	8.9
France	8.9	9.2	9.3	8.9	6.6	7.6	11.4
United Kingdom	12.7	10.6	9.7	9.6	5.8	6.8	10.4
Saudi Arabia	14.9	13.9	17.5	17.2	16.7	19.5	22.4
Israel	3.5	4.9	3.8	3.8	5.6	4.5	8.6
Ceylon	4.2	3.9	7.6	5.3	4.8	6.3	7.5
USSR	5.5	7.6	7.7	4.2	1.0	6.8	7.0
Afars and Issas	9.8	7.7	10.2	19.0	15.5	19.4	22.4
Other Africa	7.4	4.0	4.9	6.4	4.2	3.8	6.9

a/ Exports only.

Balance of Payments (in million Eth. \$)

Current Account	1967		1968		1969	
	Credit	Debit	Credit	Debit	Credit	Debit
Goods (f.o.b.)	257.3	314.7	274.9	362.9	300.8	326.1
Services	82.5	111.8	115.5	121.9	102.3	121.6
Investment income	10.4	27.5	10.5	33.0	12.8	33.0
Government n.i.e.	37.8	27.8	36.9	27.3	39.4	25.0
Private transfers	14.3	24.4	20.9	26.9	24.1	31.6
Government transfers	27.9	2.0	37.4	2.0	37.4	2.0
Total	430.2	508.2	496.2	574.0	516.8	539.3
	-78.0		-77.8		-22.5	

Capital & Monetary

Private capital	12.7	5.9	24.8	8.7	16.3	21.3
Government	52.7	26.3	87.6	28.4	69.1	32.4
Monetary & reserves	46.2	-	28.8	36.6	15.8	26.9
Total	114.6	32.2	141.2	73.7	101.2	80.6
	+79.4		+67.5		+20.6	
	- 1.4		+10.3		+ 1.9	

Current Account	1970		1971 ^{b/}		1972 ^{b/}	
	Credit	Debit	Credit	Debit	Credit	Debit
Goods (f.o.b.) ^{a/}	307.3	360.7	315.1	394.7	385.3	366.0
Services	106.0	148.6	117.6	167.0	132.3	158.1
Investment income	16.3	35.5	11.7	40.9	6.2	52.4
Government n.i.e.	37.4	21.1	42.7	18.6	50.8	21.0
Private transfers	23.5	30.1	26.7	31.3	32.3	26.0
Government transfers	28.6	2.0	28.3	1.2	34.3	-
Total	519.1	598.0	542.1	653.7	643.2	623.5
Balance	-78.9		-111.6		-10.7	

<u>Capital and Monetary</u>	<u>1970</u>		<u>1971^{b/}</u>		<u>1972^{b/}</u>	
	<u>Credit</u>	<u>Debit</u>	<u>Credit</u>	<u>Debit</u>	<u>Credit</u>	<u>Debit</u>
Private capital	31.9	3.8	41.0	4.5	35.9	5.5
Government	55.3	38.4	102.8	36.8	76.6	31.3
Monetary and reserves	67.2	24.9	16.7	-	-	46.6
Total	154.4	67.1	160.5	41.3	112.5	83.4
Balance	+87.3		+119.2		+29.1	
Errors & omissions	- 8.4		- 7.6		- 9.4	

a/ Includes non-monetary gold.

b/ Provisional.

<u>Prices</u> <u>Retail Prices Index</u> <u>for Addis Ababa</u>	<u>December</u>						
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
(1963 = 100)	125.0	125.2	125.8	134.9	143.2	136.5	133.3
<u>Yearly average</u>	126.8	127.8	128.0	129.8	143.0	143.7	135.0

At August 1973 the index stood at 151.6.

<u>Wholesale Prices</u> <u>Index Numbers (1968 = 100)</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>August</u> <u>1973</u>
Export commodities	108.0	96.6	100.0	100.3	125.3	111.5	117.0	147.7
Import commodities	95.6	97.7	100.0	100.6	101.8	106.9	110.1	117.0

Coffee Prices

Spot New York (cents per lb.)

F.o.r. Ethiopia - Jimma 40.44 36.83 37.53 37.80 50.04 42.93 48.47

<u>Education Enrolments</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>
Grades 1-6	378,750	409,710	452,457	513,981	590,445	655,427	716,727
Grades 7-8	28,812	36,480	44,777	56,918	63,215	73,121	79,338
Grades 9-12	21,626	23,832	26,690	31,943	42,487	53,236	61,353
Specialized schools	5,150	6,674	8,067	9,559	8,968	9,389	8,612
Higher education	2,256	3,493	3,234	3,870	4,636	4,543	5,884
Students abroad	1,565	1,799	1,852	1,834	2,076	...	2,902
Total	438,159	481,988	537,077	618,105	711,827	795,716	974,816

The total enrolments have been increasing quite dramatically but the proportion of children of school age at school is still low when compared with the long-term aim of universal primary education. The numbers of students in secondary and technical schools and at university have been growing fast but must be further expanded to provide the essential personnel for development.

All targets for enrolments in primary, secondary and higher education were well beaten in the period of the Second Development Plan and the table below compares the actual enrolments in 1966/67 with the planned enrolments and includes the forecast of enrolments in 1972/73. By the latter year, total enrolments had been expected to be nearly doubled as compared with 1966/67.

<u>Enrolments</u>	<u>Target</u> <u>1966/67</u>	<u>Actual</u> <u>1966/67</u>	<u>Forecast</u> <u>1972/73</u>	<u>Actual</u> <u>1971/72</u>
Primary education	338,790	409,710	792,000	716,727
Secondary - junior)	42,320	36,480	77,210	79,338
senior)		23,832	41,020	61,353
Teacher training	...	1,639	5,950	8,612
Technical and vocational	...	2,102	5,245	
Haile Selassie I University	1,560	2,828	5,033	5,084

Total capital expenditure on education for the five years to 1972/73 was planned to be Eth.\$ 120 million and in the year 1972/73 recurrent expenditure on education has been forecast to be Eth. \$ 148 million, compared with Eth.\$ 68 million in 1966/67. The estimates for 1972/3 included a sum of Eth.\$ 99.7 million for education and culture and those for 1973/4 one of Eth.\$ 114.5 million. Some part of the unallocated expenditure from external assistance may also have gone to education.

Health

In 1965/66 there were 83 hospitals and 8,983 hospitals beds, there were also 531 clinics and 64 health centres. Medical personnel totalled 362 doctors, 15 dentists, 46 pharmacists and 600 nurses.

The aims in public health development are expansion and decentralization and there is a ten-year programme for malaria eradication. In the Development Plan to 1967 it had been anticipated that the number of hospital beds would increase from 6,977 in 1962 to 9,700 in 1967 and of beds for leprosy patients from 3,379 to 6,250. Existing hospitals were to have been expanded and new ones built. In 1966/67 there were 9,317 hospital beds.

The development of public health facilities was planned to continue in the five-year period to 1972/73, and total capital expenditure was to be Eth.\$ 41 million over the five years. By 1972/73 recurrent expenditure was forecast to have risen to Eth.\$ 80 million, compared with Eth.\$ 27 million in 1966/67. Hospital beds were expected to increase by over 1,000.

The forecast of the increase in health personnel from 1966/67 to 1972/73 was as follows:

	<u>Actual</u> <u>1966/7</u>	<u>Forecast</u> <u>1972/3</u>
Doctors	370	630
Pharmacists	51	145
Nurses graded	617	1,041
Health officers	163	392
Sanitarians	184	347
Dressers	3,811	6,348

For 1969 to 1972 the statistics of health personnel and facilities are as follows:

	Excluding police and armed forces ^{a/}		
	1969	1970	1972
Hospitals	80	84	85
Hospital beds	8,103	8,254	8,400
Clinics	548	539	...
Health centres	70	81	93
Doctors	319	336	374
Dentists	14	...	24
Health	...	166	213
Pharmacists	53	86	95
Sanitaricians	...	191	241
Nurses	662	1,042	1,163
Dressers	...	3,016	4,003

a/ Unofficial report

In 1972/73 three hospitals, 14 health centres and 52 dispensaries were built and the Duke of Harar hospital was opened in November 1973.

Public Finance (figures in million E\$)

	Estimates						
Summary	1967/8	1968/9	1969/70	1970/1	1971/2	1972/3	1973/4
Domestic revenue	378.6	396.7	428.8	465.9	494.5	580.5	610.1
Foreign revenue	113.6	108.8	136.6	154.1	155.4	176.5	222.1
Total	492.2	505.5	565.4	620.0	649.9	757.0	832.2
Ordinary expenditure	442.2	452.5	473.6	507.1	521.7	584.2	620.9
Capital expenditure	81.0	75.0	106.1	124.3	150.0	172.8	236.3
Total	523.2	530.4	579.7	631.4	671.7	757.0	857.2
<u>Domestic Revenue</u>							
<u>Ordinary</u>							
Direct taxes	76.6	97.7	102.3	121.8	133.1	146.7	158.1
Indirect taxes	238.2	239.4	274.5	286.6	298.9	337.2	369.3
Other	48.7	49.6	46.7	50.9	51.4	62.8	71.1
Total	363.5	386.7	423.5	459.3	482.4	546.7	598.5
<u>Special</u>							
Sale of bonds & property	11.1	-	0.3	1.1	4.8	26.4 ^{a/}	3.6
Pensions revenue	4.0	5.5	5.3	5.5	6.3	7.4	8.0
Total	15.1	5.5	5.6	6.6	11.1	33.8	11.6
<u>Receipts from Abroad</u>							
External assistance	87.5	85.2	88.0	93.4	92.9	91.7	97.9
External loans	26.1	28.0	48.6	60.7	62.5	84.8	124.2
Total	113.6	113.2	136.6	154.1	155.4	176.5	222.1
Grand total Revenue	492.2	505.5	565.4	620.0	649.9	757.0	832.2

a/ Includes 24.9 million of domestic borrowing.

Expenditure	Estimates						
	1967/8	1968/9	1969/70	1970/1	1971/2	1972/3	1973/4
<u>Ordinary</u>							
General Government	15.2	17.6	21.3	23.5	24.8	21.5	24.2
National defence	86.8	86.8	85.3	87.4	92.8	94.9	95.7
Internal order & justice	69.6	75.1	81.8	81.3	86.1	89.5	95.9
Foreign relations	7.3	8.0	9.4	8.1	8.7	8.8	9.2
Finance & planning	21.7	19.0	16.0	17.1	18.0	21.5	24.5
<u>Economic Services</u>							
Agriculture	9.1	10.0	10.4	11.5	12.5	14.8	17.0
Industry, commerce etc.	4.7	4.8	4.7	5.4	6.0	8.1	9.4
Public works and communications	34.0	35.3	29.0	30.2	29.2	35.9	41.3
<u>Social Services</u>							
Education and culture	50.8	54.9	69.0	77.0	85.7	99.7	114.5
Public health	19.8	18.9	20.6	23.4	24.8	30.8	36.4
Social affairs	4.0	5.0	4.6	5.6	5.8	6.8	8.0
Pensions	7.1	8.7	13.8	20.6	23.9	27.0	30.0
<u>Other</u>							
Public debt	112.0	110.3	33.7	28.9	34.4	42.8	42.7
Unallocated			74.0	87.1	69.0	82.1	72.1
	<u>442.1</u>	<u>454.4</u>	<u>473.6</u>	<u>507.1</u>	<u>521.7</u>	<u>584.2</u>	<u>620.9</u>

a/ Includes Imperial Highway Authority

<u>Capital Expenditure</u>							
Education	11.1	12.5	10.1	7.7	13.6	28.4	26.5
Health		8.9	16.2	9.8	12.2	13.1	14.6
Other social development		1.6	1.7	1.4	1.2	1.6	5.2
Roads	21.6	12.0	32.6	34.1	53.3	53.4	83.4
Other infrastructure	1.4	2.8	3.2	20.6		12.5	13.3
Industry ^{a/}	13.4	6.0	8.6	13.2	19.2	18.6	22.4
Agriculture	10.6	6.0	4.3	20.0	33.1	36.4	47.2
Other economic development	18.9	24.2	28.6	16.0	10.5	7.5	21.7
Public buildings	4.0	1.9	0.8	1.4	6.9	1.2	2.0
Total	<u>81.0</u>	<u>75.9</u>	<u>106.1</u>	<u>124.3</u>	<u>150.0</u>	<u>172.8</u>	<u>236.3</u>

a/ Mines, Industry, Commerce, Tourism

<u>Public Debt</u> (figures in million Eth. dollars)							
	June	June	June	June	June	June	June
<u>Internal Debt</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Total	<u>119.0</u>	<u>125.0</u>	<u>151.0</u>	<u>165.0</u>	<u>184.7</u>	<u>198.7</u>	<u>218.8</u>
Increase	<u>0.5</u>	<u>6.0</u>	<u>26.0</u>	<u>14.0</u>	<u>19.7</u>	<u>14.0</u>	<u>20.1</u>
<u>External Debt</u>							
Loans granted			925.85	958.26	993.15	1192.48	1621.78
Not yet used			542.90	541.20	513.28	476.39	839.55
Net total ^{a/}			<u>382.95</u>	<u>417.06</u>	<u>479.87</u>	<u>515.48</u>	<u>558.50</u>

a/ Net of repayments

The public debt charges in 1972/73 included interest of 20.8 million dollars and repayment of principal of 22.0 million.

<u>Foreign Debt Burden</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
	(million Eth. dollars)						
Loan repayments	24.5	32.0	39.0	42.1	48.9	55.5	56.0
Total export earnings	453.2	462.8	430.6	496.2	516.8	519.1	555.1
Percentage	5.4	6.9	9.1	8.5	9.5	10.7	10.1

The creditors were as follows (net indebtedness only):

<u>Agency or Country</u>	<u>Dec.</u> <u>1967</u>	<u>Dec.</u> <u>1968</u>	<u>June</u> <u>1969</u>	<u>June</u> <u>1970</u>	<u>VJune</u> <u>1972</u>
IBRD and IDA	122.90	140.56	145.28	166.56	225.05
U.S.A.	108.70	145.36	149.10	156.89	178.02
U.S.S.R.	35.15	37.19	37.59	34.03	27.20
Netherlands	22.37	18.48	16.62	12.71	5.07
Yugoslavia	18.04	15.75	13.42	10.95	4.71
Italy	2.66	13.30	23.60	55.38	65.99
West Germany	9.08	8.17	9.37	10.44	18.99
All others	5.01	4.20	21.68	32.91	33.47
Total	323.92	383.04	417.06	479.87	558.50

Banking and Finance (figures in million Eth. dollars)

<u>Monetary Survey</u>	<u>Dec.</u> <u>1966</u>	<u>Dec.</u> <u>1967</u>	<u>Dec.</u> <u>1968</u>	<u>Dec.</u> <u>1969</u>	<u>Dec.</u> <u>1970</u>	<u>Dec.</u> <u>1971</u>	<u>Dec.</u> <u>1972</u>
<u>Money Supply</u>							
Currency outside banks	267.5	250.7	273.8	319.1	323.2	303.8	339.5
Demand deposits (net)	106.1	112.5	115.4	116.2	106.6	105.4	115.3
Total money	373.6	363.2	389.2	435.3	429.8	309.2	454.8
Quasi money	85.7	100.3	125.1	150.0	186.5	214.6	265.2
Domestic credit	270.3	320.0	384.1	444.4	524.0	559.3	594.0
Net Foreign Assets	206.6	162.8	170.7	180.8	139.3	117.6	203.3
<u>Central Bank</u>							
Net foreign assets	196.1	160.4	165.0	174.4	173.1	149.9	211.0
Claims on Government (net)	53.0	91.7	108.2	116.0	113.9	114.4	122.5
<u>Commercial Banks</u>							
Demand deposits	96.2	105.3	110.0	112.6	104.8	104.8	114.8
Savings & time deposits	85.7	100.3	125.2	150.1	186.5	214.6	265.2
Claims on private sector	229.2	241.6	287.4	324.6	414.4	448.4	470.1

At September 1973 net foreign assets were 410.3 million dollars.

Development

<u>Gross fixed capital formation</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>
In million Eth. dollars	439.4	508.3	533.2	523.5	516.5	593.3
Proportion of GDP ^{a/} (per cent)	13.0	14.1	14.3	12.5	11.6	12.6

a/ At market prices.

In the Development Plan to 1972/73 the forecast level of monetary investment in fixed capital was as follows:

	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>	<u>1972/3</u>
	(in million E\$)				
Gross fixed capital formation	456.7	522.3	629.1	645.7	707.6

In 1972 it was reported that the plan ending in 1972/3 had been extended for a year.

The second five-year plan to 1966/67 had envisaged a total investment of E\$1,696 million; in the third five-year plan the total was increased to E\$3,415 million, including investment in stocks (E\$155 million) and investment-in-kind in the subsistence sector. However, the total in the monetary sector would be higher by about E\$100 million because of price increases.

<u>Sector</u>	<u>Five years to 1966/67</u>	<u>Five years to 1972/73</u>		
	<u>Total</u>	<u>Planned Investment in million E\$</u>	<u>Of which</u>	<u>Private in</u>
		<u>Total</u>	<u>Monetary</u>	<u>Monetary</u>
Agriculture, forestry and fishing	363	861	312	106
Mining	74	179	179	160
Manufacturing)	319	565	565	248
Handicrafts)				
Power	58	120	120	12
Transport	285	546	624	175
Communications	31	78		
Education	30	109	109	11
Health	39	41	41	20
Housing	250	525	525	505
Other	247	391	391	144
Total	<u>1,696</u>	<u>3,415</u>	<u>2,865</u>	<u>1,381</u>

In the third five-year plan period E\$1,640 million is the estimate of the total to be spent on building and construction and E\$1,215 million on machinery, transport and equipment.

The third five-year plan was expected to be financed in the monetary sector to a total of E\$2,400 million from internal sources. The savings level in the economy was expected to increase from 11.3 per cent to 12.5 per cent between 1967/68 and 1972/73.

Allowing for the interest payments and receipts and repayments of foreign loans the total capital inflow required for the five years of the development plan period to 1972/73 is E\$1,050 million and of this E\$710 million would be in the public sector.

The actual investment level in the second five-year plan was E\$1,550 million in the monetary sector and may be compared with E\$1,554 which was the planned level at 1961/62 prices. The comparison by sector is as follows:

<u>Gross Fixed Investment^{a/}</u>	<u>1962/63 to 1966/67^{b/}</u>	<u>1962/3 to 1966/7^{c/}</u>
	<u>Planned</u> (in million E\$)	<u>Actual</u>
Agriculture, livestock, forestry, fishing and hunting	242	102
Manufacturing industry	318	306
Handicrafts, etc.	5	N.A.
Mining	74	71
Electric power	58	104
Transport and communications	305	397
Education and training	22	16
Health	39	19
Housing	242	358
Other	249	177
Total	<u>1,554</u>	<u>1,550</u>

a/ Monetary only. b/ 1961/2 prices. c/ Current prices.

As a result of the planned investments, the GDP had been forecast to grow at a rate of 4.3 per cent per annum during the second five-year plan period and 6.0 per cent per annum during the third five-year plan period. The actual growth rate at constant prices was 4.6 per cent per annum during the second plan period and about the same over the third plan.

In terms of products or values, the following table compares the 1966/67 targets with the estimated output for that year and also with the targets for 1972/73.

<u>Agriculture</u>	<u>1966/67</u> <u>Target</u>	<u>1966/67</u> <u>Output</u>	<u>Target</u> <u>1972/73</u>
Cereals ('000 tons)	5,402	5,320	6,226
Oil seeds ('000 tons)	424	406	608
Pulses ('000 tons)	578	587	714
Sugar cane ('000 tons)	900	855	...
Fruit ('000 tons)	72	70	...
Cotton	14	8	26
Coffee (for export) ('000 tons)	75	74	...
Coffee (total) ('000 tons)	...	155	185
Meat ('000 tons)	...	381	465
<u>Manufacturing</u> (in million Eth.\$)	<u>1966/7</u> <u>Target</u>	<u>1966/7</u> <u>Output</u>	<u>Target</u> <u>1972/3</u>
Food	141	113	140
Textiles	89	103	180
Beverages and tobacco	23	53	75
Chemicals	36	12	305
Other	81	76	
Total	<u>370</u>	<u>357</u>	<u>700</u>
Electricity production (mn kWh)	<u>355</u>	<u>316</u>	<u>852</u>

<u>Export targets</u> (in million E\$)	<u>1972/73</u>	<u>Actual 1972</u>	<u>1973^{a/}</u>
Coffee	195	183	215
Oil seeds	70	49	80
Pulses	29	35	...
Fruit and vegetables	14		
Hides and skins	31	48	80
Potash	45	-	-
Total (including other)	<u>483</u>	<u>380</u>	<u>500</u>

^{a/} Rough estimates only.

One other indicator of investment activity is the import level of machinery and transport equipment for 1966 to 1972. The details are as follows:

<u>Imports of</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
			(in million E\$)				
Machinery	46.3	42.4	59.8	55.3	67.2	71.2	71.2
Electrical apparatus	21.0	24.7	22.7	25.5	27.3	30.4	34.5
Transport equipment	79.0	49.7	90.3	52.7	58.0	62.6	67.7
Total	<u>156.6^{a/}</u>	<u>126.6^{a/}</u>	<u>177.1^{a/}</u>	<u>133.5</u>	<u>152.5</u>	<u>164.2</u>	<u>173.4</u>

^{a/} Total includes unallocated items.

The loan activity of the Ethiopian Development Bank and the Ethiopian Investment Corporation is reflected below:

The Development Bank of Ethiopia

<u>Loans Granted</u> (in million E\$)	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	Cumulative total to December 1971
Industrial loans	2.33	2.66	0.41	0.47	1.66	1.91	1.84	6.72	35.54
Agriculture	0.91	0.93	0.63	1.30	0.79	1.44	12.86	19.05	44.18
Coffee plantations	0.43	0.42	0.03	0.35	0.06	0.31	0.31	0.15	8.08
Total (inc. other)	<u>3.75</u>	<u>4.20</u>	<u>1.15</u>	<u>2.17</u>	<u>2.68</u>	<u>3.67</u>	<u>...</u>	<u>...</u>	<u>93.71</u>

The Ethiopian Investment Corporation

Outstanding loans and credits (in million E\$)

<u>Purpose</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
	July					
Agriculture	1.09	3.79	4.57	4.91	5.80	6.21
Industry	0.15	5.68	7.82	9.27	9.47	17.03
Transportation - ships	-	-	-	15.02	-	-
roads	0.24	0.09	0.28	0.35	0.32	0.55
Other	0.38	0.12	0.16	0.20	0.45	0.86
Total	<u>1.86</u>	<u>9.68</u>	<u>12.83</u>	<u>29.75</u>	<u>16.04</u>	<u>24.65</u>

National Accounts

Industrial Origin of Gross Domestic Product at Current Factor Cost

<u>Sector</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/71</u>
Agriculture, etc.	1,804	1,903	2,011	2,120	2,327	2,405
Mining	12	12	11	9	10	10
Manufacturing ^{a/}	251	298	321	359	394	443
Construction	187	218	209	214	190	209
Electricity & water	15	18	20	22	23	25
Trade	256	246	266	304	351	378
Transport & com- munications	124	126	140	143	175	204
Other	519	556	594	634	691	733
Total	<u>3,168</u>	<u>3,377</u>	<u>3,592</u>	<u>3,805</u>	<u>4,161</u>	<u>4,407</u>

Expenditure

Private consump- tion	2,684	2,801	2,953	3,183	3,492	3,730
Public consumption	376	384	403	411	443	461
Fixed capital formation	439	508	533	523	517	593
Change in stocks	11	11	11	11	11	12
Less net imports	<u>- 120</u>	<u>- 95</u>	<u>- 74</u>	<u>- 87</u>	<u>- 14</u>	<u>- 87</u>
GDP at market prices	<u>3,391</u>	<u>3,609</u>	<u>3,827</u>	<u>4,042</u>	<u>4,449</u>	<u>4,708</u>

^{a/} Manufacturing and handicrafts.

Notes: Ethiopia uses metric weights and measures.

The Ethiopian calendar runs from 11 September to 10 September in the Gregorian calendar; its fiscal year runs from July to June and for external trade, the statistics cover the Gregorian calendar year.

Sources:

- Ethiopia Statistical Abstract, 1967, 1968, 1969, 1970, 1971, 1972.
- Ethiopia Budget for the fiscal year, 1970/1, 1971/2, 1972/3, 1973/4.
- Ethiopia Second Five-Year Development Plan, 1963 to 1967.
- Ethiopia Third Five-Year Development Plan, 1968 to 1973
- Ethiopia National Accounts, 1961-1966.
- Ethiopia Quarterly Bulletin of National Bank, Dec. 1967, March 1968, June 1968, September 1968, December 1968, March 1969, September 1969, June 1970, June 1971, September 1972, June 1973, September 1973.

Sources (cont'd)

- Ethiopia Electric Light and Power Corporation, 1971 Annual Report.
- Ethiopia Survey of Manufacturing and Electricity Industry 1964/65 to 1966/67.
- Ethiopia Ethiopian Investment Corporation, Annual Reports 1968, 1969.
- Ethiopia External Trade Statistics, 1968, 1969, 1970, 1971, 1972.
- Ethiopia Commercial Bank, Market Report, Jan. 1971 to August 1973.
- Ethiopia Annual Survey of Manufacturing Industry for 1970/71.
- UN Monthly Statistical Bulletins in 1970, 1971, 1972, 1973.
Statistical Yearbook, 1972.
- IMF Balance of Payments Yearbook, Vol. 24
International Financial Statistics, December 1973.

Press Reports

RECORDS CONTROL

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ECONOMIC COMMISSION FOR AFRICA

TE 311/CEAF

SUMMARIES OF ECONOMIC DATA

Country : Uganda

Latest Year : 1972

Compiled : December 1973

Country : Uganda

Population : August 1969 = 9,526,000. There has been an apparent increase in population of 45.7 per cent since 1959 but after making allowance for immigration and undercounting at the 1959 census, it is considered that the natural increase of the Uganda population has been around 3.0 per cent per annum. The estimated 1972 population is 10,462,000 which assumes a population growth rate of about 3.0 per cent since 1969. 1973 estimate = 10,810,000.

Urban areas - Kampala has 331,000 persons.

<u>Wage Employment (recorded)</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Numbers employed ('000)	241.7	246.0	256.8	281.8	295.0	312.3	324.8
Earnings (million shillings)	824	891	974	1,071	1,166	1,331	1,471

At September 1970 and 1971 employment by major sector was as follows:

<u>Sector</u>	<u>Sept. 1970</u>		<u>Sept. 1971</u>	
	<u>Private</u>	<u>Public</u>	<u>Private</u>	<u>Public</u>
Agriculture, forestry, fishing	44,941	9,996	46,774	10,906
Mining	7,855	43	7,327	44
Manufacturing	48,754	309	52,492	340
Electricity and water	2,679	333	2,966	288
Construction	14,243	32,468	13,034	33,820
Trade	11,114	-	11,915	-
Transport etc.	4,856	7,757	4,366	8,761
Other	49,095	777,909	51,634	80,092
Total	<u>183,537</u>	<u>128,815</u>	<u>190,508</u>	<u>134,251</u>

The total wage bill was 1,166 million shillings in 1969, 1,330 million in 1970 and 1,471 million in 1971. At June 1972 there were 329,770 employees.

<u>GDP (in million Uganda shillings)</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u> ^{a/}
At current factor cost	5,843	6,119	6,231	6,626	7,479	8,528	9,359
At 1966 factor cost	5,792	6,119	6,296	6,459	7,171	7,278	7,400

^{a/} Estimate

The GDP increased by 1.2 per cent in 1972 at constant prices to reach 7,540 million shillings.

Growth rate at constant prices (per cent) (compared with previous year)

<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
5.6	2.9	2.6	11.0	1.5	1.7	1.2

Possible Economic Outturn in 1973

The low level of Uganda's imports in 1973 reflects the reduced level of activity in the commerce sector and will naturally have its impact on Government's revenue collections. Imports from all sources were 673 million shillings in the period January to August 1973 compared with 897 million from January to August 1972. Exports increased sharply in value to reach

1,638 million shillings in the first eight months of 1973 being 26 per cent higher than in the same period of 1972 when the total was 1,296 million shillings.

The Government budget estimates for 1973/4 had forecast a lower level of revenue than that originally estimated for 1972/3 and the expenditure estimates were also scaled down by about 10 per cent. However compared with the actual expenditure in 1972/3 there may in fact be little change in 1973/4.

In Uganda's domestic exports in the first eight months of 1973, coffee at 169,300 tons worth 1,093 million shillings and raw cotton at 44,850 tons worth 234 million shillings accounted for 84 per cent of the total. The average value of coffee increased by 14 per cent per ton and of cotton fell by 11 per cent per ton. The higher tonnage of coffee exported was made possible by the high crop of 230,000 tons in the 1972/3 season; cotton production was little changed in 1972/3.

Elsewhere in the agricultural sector sugar production appears to have been reduced significantly with imports of 20 to 30,000 tons reported.

The output of copper in the first few months of 1973 appeared to be running at the same rate as a year earlier and Uganda should have been able to benefit from the high copper prices in 1973. The manufacturing industry probably showed little growth in 1973 measured in volume terms.

After falling sharply in 1972 to 135 million shillings Uganda's net foreign assets should have been built up in 1973 because of the large surplus on external trade account. In September 1973, however, currency controls were tightened which probably reflected a need by the Government to retain the reserves at the existing level.

Tourism in 1973 was probably at a very low level as Uganda was virtually closed to tourists between August 1972 and September 1973.

Although the export trade was buoyant in 1973, the low level of imports will reduce the impact of the higher export earnings on the economy and if the Government's revenue estimates are not met because of low customs and sales tax receipts then the level of Government expenditure might have to be reduced.

An increase in the GDP of about 5 per cent at current prices seems likely in 1973. At constant prices little increase in the GDP occurred.

Currency and rate of exchange: Up to 1966 the East African shillings was the unit of currency in Uganda, Kenya, Tanzania. In 1966 each country introduced its own currency and the Uganda shilling was used in Uganda. The exchange rate of 20 shillings (Uganda pound) was 2.80 US dollars since 1959 or 7.143 shillings = 1 US\$ up to July 1973 when it was changed to 6.90 shillings = 1 US dollar.

Development Plans: Long-term perspective plan to 1981.
First five-year 1961-1966; second 1966-1971.
Third five-year plan 1971/72 to 1975/76 (summarised)
at the back of this document).

<u>Energy: Electricity</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Total production (mn kwh)	682	746	772	797	805 ^{b/}	...	....
UEB ^{a/} Production (mn kwh)	635	704	731	731	735	817	802
Local sales (mn kwh)	376	397	434	446	413	451	442
Exports to Kenya (mn kwh)	203	242	224	218	247	293	283
Installed capacity (MW)	139.9	140.0	156.6	156.6	156.7	...	...

^{a/} Uganda Electricity Board.

^{b/} Estimate.

A new hydroelectric station had been expected to be required by 1971 and it was reported in July 1968 that the Uganda Electricity Board had been instructed to prepare a scheme for a new 600,000 kw hydroelectric power station at the Murchison Falls. In 1969 it was reported that negotiations for the financing of the new Murchison Falls scheme were underway but in 1971 because of problems over the possibility that the natural attraction would be spoilt, the Murchison Falls Power Project has been scrapped and the second H.E. Scheme will now be located at the Aru Falls at the junction of the Aswa and Agago Rivers about 108 miles Northeast of the Murchison Falls.

<u>Petroleum products</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
<u>Sales of Fuels</u>							
			(in thousand litres)				
Motor spirit	93,669	94,124	98,830	110,599	122,090	133,480	133,692
Turbo fuel	26,748	37,222	47,328	56,469	74,265	92,981	97,369
Lighting kerosene	23,380	29,026	29,271	36,308	37,046	41,609	38,454
Light diesel fuel	51,033	52,397	55,574	79,100	75,746	83,365	91,891
Furnace oil	16,179	14,351	75,977	96,102	83,332	92,728	104,418
Other fuels	10,787	12,979	13,979	17,875	16,735	19,647	15,131
Total	221,796	240,099	320,959	396,453	409,214	463,810	480,955

Total sales were 431,716 litres in 1972.

All refined petroleum products are imported into Uganda mainly from the Mombasa Oil Refinery. If a crude oil pipeline were feasible from Mombasa, an oil refinery in Uganda would be a possibility.

Mineral production (in metric tons)

	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Copper (blister)	17,141	16,098	14,426	15,597	16,572	16,958	15,731	14,071
Rock phosphate ('000)	196.3	170.5	146.7	159.5	206.1	30.3	12.4	...
Beryl ore	192	277	312	361	286	367	221	73
Tin ore	271	175	156	335	218	182	189	113
Wolfram	39	119	133	142	170	235	210	227
Value (all minerals)								
(million shillings)	...	...	132	160	201	...	...	...

Amongst other minerals produced are gold, limestone, salt, sand, stone, clays, bismuth, tantalite and lithium.

In 1969 it was reported that a new plant was to be built for 30 million shillings to process various stockpiled concentrates to produce cabalt and this plant is referred to in the 1971/76 development plan.

Agricultural production: Coffee, cotton, sugar and tea are the more important commercial crops and of these coffee and cotton are of paramount importance. Food crops include maize, millet, sorghum, groundnuts and bananas (plantains).

Production of cash crops

(in '000 metric tons)	Season ending in						
	1966	1967	1968	1969	1970	1971	1972 ^{a/}
Clean coffee	153.9	166.4	133.0	247.2	201.5	175.7	183.7
Cotton lint	82.2	85.4	60.4	78.2	86.4	76.3	74.6
Sugar ^{b/}	128.9	137.2	152.0	140.1	144.0	141.3	121.4
Tea ^{b/}	11.2	11.2	15.2	17.6	18.2	18.0	23.4
Tobacco ^{b/}	2.6	3.9	4.6	3.5	3.4	4.4	5.1

^{a/} Estimates or forecasts.

^{b/} Calendar year.

It is hoped to double cotton production over a long-term period.

The coffee crop is mainly Robusta with some 10 to 15,000 tons of Arabica varieties. The tobacco crop now emphasizes flue-cured rather than fire-cured.

The values of these various crops to the grower were as follows from 1966 to 1970.

	1966	1967	1968	1969	1970
	(in million Uganda shillings)				
Clean coffee	316	316	262	468	516
Cotton lint	317	203	176	239	258
Sugar	102	110	122	112	115
Tea	82	74	117	109	126
Tobacco	12	17	19	15	15
Total	829	720	692	943	1,030

Agriculture is a very important contributor to the monetary GDP and to the total GDP. The values of monetary and total primary production were as follows from 1965 to 1971.

	1965	1966	1967	1968	1969	1970	Estimate 1971
	(in million Uganda shillings)						
Monetary agricultural production	1,319	1,480	1,351	1,396	1,691	2,021	2,022
Total agricultural production	2,884	2,991	2,959	3,034	3,512	4,245	4,651
Total GDP	5,863	6,119	6,231	6,626	7,479	8,528	9,316

For 1972/3 a high level crop had been forecast for coffee at 231,000 tons. The sugar crop was probably low in 1973 because imports of 20 to 30,000 tons have been reported.

The groundnut crop for 1972/3 was estimated at 230,000 tons or the same as for the last few years.

A cocoa development programme financed by the International Coffee Organization diversification was expected to raise the area under cocoa to 31,000 acres by 1975/6.

For 1973/4 an average coffee crop was anticipated but the cotton crop could fall drastically as only 1.4 million acres had been planted after 2.4 million acres in 1972/3. The tea quota in 1973/4 is 23,700 tons.

Large areas are planted to food crops as the following estimates make clear.

	<u>Areas planted to</u> <u>food crops</u>		<u>FAO production statistics</u>					
	<u>1969</u> (in '000 hectares)	<u>1970</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970^{a/}</u>	<u>1971^{a/}</u>
							('000 metric tons)	
Beans ^{b/}	343	373	261	252 ^{a/}	260 ^{a/}	260 ^{a/}	260	270
Peas	200	62	...	...	...	...	...	...
Cassava	418	538	1,780	1,957	1,945	2,321 ^{a/}	2,150	...
Finger millet	686	582	506	575	626	630	630	630
Maize	296	300	273	330	333	338	335	335
Sorghum	280	311	271	268	254	332	332	332
Sweet potatoes ^{c/}	444	444	520	658	666	710 ^{a/}	710	...
Groundnuts ^{d/}	245	250	217	200	234	234 ^{a/}	234	234
Plantains	820	1,425	...	...	...	...	...	...

^{a/} Estimates.

^{b/} Cow peas, field peas.

^{c/} Includes yams.

^{d/} Unshelled.

Sugar production is to be increased for supply to the Bunyora Sugar factory being built. There are plans for sugar estates at South Busoga.

<u>Livestock:</u>	<u>Herds</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>Recorded slaughtering</u>	
							<u>1971</u>	<u>1972</u>
							(in thousand head)	
Cattle		3,682	3,971	3,845	4,145	4,280	135.6	170.4
Goats		1,900	1,710	1,845	1,911	1,801	129.0	126.1
Sheep		784	775	768	855	827	42.4	44.6
Pigs		37	43	53	74	64	3.4	9.9
Chickens		8,659	8,900	9,200	9,500	10,000	...	...

Dairy production, the total milk yield is considerable but only a small portion is marketed. By 1969, 10,000 dairy cattle had been imported from Kenya in the attempt to increase commercial production.

Good progress was reported in 1970 towards the goal of making Uganda self-sufficient in milk and dairy products but the country was still heavily dependent on supplies from Kenya. Two milk processing factories were completed in 1969 and 1970, the second one having facilities for making butter, ice-cream and ghee. There were some 70 milk collecting centres in 1970.

In February 1971, it was reported that two large instant milk coolers, each with a capacity of 2,000 gallons a day, were to be installed at Seruli and Mbarara.

Hides and skins, the output in 1966 was valued at about 20 million shillings. Improvements in the quality of the exported product were expected to follow the establishment of a tannery and the use of better processing methods. Exports in 1969 and 1970 of hides and skins were valued at 26.7 million shillings in each year; there was a fall to 21.0 million shillings in 1971 but a large increase to 42.6 million in 1972.

<u>Fishing</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971^{a/}</u>	<u>1972^{a/}</u>
Catch ('000 metric tons)	76.3	85.2	99.6	108.4	125.3	139.1	159.8	155.0
Value (million shillings)	55.6	59.8	74.2	122.7	130.5	165.9	...	...

^{a/} Estimates or forecast.

Lake Victoria is a major source of fish and a large ice-making plant was opened near Jinja in 1969 to help improve the marketed quality of the fish. In 1970 the catch from Lake Kyoga reached 62,070 tons compared with 34,786 tons from Lake Victoria.

<u>Forestry</u>	<u>1964/5</u>	<u>1965/6</u>	<u>1966/7</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/71^{a/}</u>
<u>Recorded production</u>	(in million cubic metres)						
Roundwood	0.23	0.21	0.25	0.33	0.34	0.32	0.35
<u>Processed wood</u>							
Sawn	0.05	0.06	0.06	0.06	0.06	0.06	0.07
	(in million square metres)						
Plywood	0.06	0.72	0.83	0.79	1.08	2.03	2.15
Particle board	-	-	0.04	0.08	0.17	0.16	0.17

^{a/} Estimates.

The value of the processed wood plus match production increased from 22.7 million shillings in 1964/65 to 55.5 million in 1970/71.

Exports of Agricultural produce, amongst exports, coffee and cotton between them were responsible for 70 to 80 per cent of total exports in value to markets outside East Africa from 1964 to 1971. Additional exports of agricultural produce outside East Africa include tea, animal feeding stuffs, hides and skins, sugar and sesame seed. Within East Africa sugar, unmanufactured tobacco and vegetable oils were the more important products exported although by 1971 sugar exports had been reduced to very small quantities.

Exports to destinations outside East Africa

	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Coffee (metric tons)	180,566	191,245	174,595	214,183
Cotton lint (metric tons)	52,903	78,117	68,717	66,095
Tea (metric tons)	15,833	14,968	15,220	20,676
Animal feedstuffs (metric tons)	81,552	90,099	66,360	67,981
Tobacco (metric tons)	2,076	757	1,207	642
Hides, skins (metric tons)	4,021	4,020	3,096	4,687
Sugar (metric tons)	28,034	4,281	5	-

Within East Africa

Sugar, crude (metric tons)	19,842	18,402	358	48
Tobacco (metric tons)	281	1,217	953	1,829
Cotton seed oil (metric tons)	5,595	8,600	4,985	2,207

Manufacturing industry

The census of production in 1964 gave the gross output of manufacturing industry as 1,420 million shillings (excluding blister copper production but including crop processing), the net output as 300 million shillings and employment as 37,000. The Annual Industrial Surveys for 1965 to 1969 produced the results shown below. The comparison of 1969 with earlier years is not completely accurate as a new basis was used for this survey. Gross output, value added and numbers employed on a same survey basis were:

	<u>1968</u>	<u>1969</u>
Gross output (mn shillings)	1,993	2,257
Value added (mn shillings)	479	566
Numbers employed ('000)	44,831	47,805

<u>Gross output</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
		(in million shillings)			

<u>Processing of agricultural products</u>					
Cotton ginning	376	384	...	233	308
Coffee processing	426	428	...	425	419
Tea processing	57	70	...	80	83

<u>Other manufacturing</u>					
Food products	117	147	163	164	213
Sugar and tobacco	143	145	167	171	} 247
Drinks	52	54	46	71	
Textiles	90	137	130	148	161
Clothing and footwear	22	26	35	51	55
Chemicals (inc. vegetable oils)	156	148	136	134	154
Metal products	54	79	109	115	131
Other	174	193	232	265	214

<u>Gross output (cont'd)</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
		(in million shillings)			
<u>Mining</u>					
Blister copper	167	137	107	129	169
Quarrying	5	4	6	5	8
<u>Electricity</u>	<u>67</u>	<u>76</u>	<u>85</u>	<u>90</u>	<u>95</u>
Total from Industry	<u>1,906</u>	<u>2,029</u>	<u>...</u>	<u>2,081</u>	<u>2,257</u>
Value added	<u>463</u>	<u>470</u>	<u>...</u>	<u>505</u>	<u>566</u>
Employment (no)	<u>42,138</u>	<u>46,356</u>	<u>...</u>	<u>47,537</u>	<u>47,885</u>

Industrial production index (1966 = 100)

	(Weight)	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Coffee processing	11.1	160	131	114	119
Cotton ginning	6.6	95	105	93	92
Manufacturing	64.8	120	127	129	...
Weighted average	<u>82.5</u>	<u>124</u>	<u>126</u>	<u>124</u>	<u>...</u>

In 1972 all sectors of industry showed a fall except for beverages and textiles.

Some production figures from 1966 to 1972 are as follows:

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970^{a/}</u>	<u>1971^{a/}</u>	<u>1972^{a/}</u>
Beer ('000 litres)	19,682	20,594	19,789	21,014	28,226	33,990	37,945
Spirits ('000 litres)	238.4	258.3	364.8	395.5	563.5	597.6	728.5
Sugar ('000 tons)	129.0	137.4	152.4	139.9	143.3	141.8	121.4
Cigarettes (million)	1,343	1,247	1,275	1,332	1,536	1,583	1,652
Pipe tobacco (tons)	200	181	157	137	127	126	127 ^{b/}
Fabrics ('000 m ²)	36,745	41,689	43,398	47,193	50,200	46,461	48,000 ^{b/}
Blankets ('000)	641	...	1,055	1,165	1,164	1,396	1,200 ^{b/}
Superphosphates (tons)	24,607	17,020	15,095	22,832	24,761	23,888	22,564
Matches ('000 cartons)	38.2	48.6	42.8	40.9	49.3	59.4	48.6 ^{b/}
Soap (tons)	14,874	12,639	12,021	11,964	13,644	14,263	13,000 ^{b/}
Steel ingots (tons)	19,769	17,876	21,416	20,551	19,521	16,435	11,065
Iron sheets (tons)	...	9,473	9,910	11,632	11,914	14,341	12,860 ^{b/}
Sawn timber (tons)	41,700	42,200	46,000	46,300	50,100	56,800	50,000 ^{b/}
Paint ('000 litres)	...	...	1,200	1,455	1,660	1,777	1,622
Cement ('000 tons)	122.4	139.5	154.9	172.9	191.1	195.3	166.1
Plywood ('000 sq. met.)	801	802	928	1,186	1,139	1,163	1,071

^{a/} Provisional

^{b/} Estimate

Note: metric tons are used in this table.

In 1973 imports of sugar of 20,000 tons were reported because of a breakdown at the sugar factories.

Whilst manufacturing industry has been growing, its contribution to the monetary GDP at 1966 prices has shown a fairly consistent percentages since 1964 at around 12 per cent. From 1964 to 1971 the contribution was as follows:

Contribution to GDP (including agricultural processing)	1965	1966	1967	1968	1969	1970	1971 ^{a/}
	(million Uganda shillings)						
Current prices	464	504	523	599	686	774	778
Constant prices (1966)	458	504	521	543	602	629	636

a/ Estimate.

In May 1968 it was reported that a jute mill to meet all Uganda's requirements would be built at Tororo. The plant would cost 15 million shillings and produce 6 million jute bags annually together with 2 million square yards of hessian. A further report in March 1968 stated that an agreement had been signed with the Soviet Union for a spinning mill to produce 3,800 tons of spun and twisted cotton a year; half its production would be exported to the Soviet Union. A large textile mill at Mbale was completed in April 1968 and production commenced shortly after. The jute mill was opened in March 1971. In 1973 it was planned to double the capacity of the Mbale Mill from 20,000 to 40,000 metre a day.

Reported developments in food manufacturing include the expansion of the brewery at Port Bell which was completed in March 1969 doubling the capacity to 2.5 million bottles a month; and the Uganda Development Corporation's meat processing plant at Soroti had been due to be completed in 1968, to process 80,000 cattle a year. A contract for a dairy for Kampala was signed in March 1969, and in September 1969 it was reported that a plant costing 100 million shillings would be built at Kinyale to produce 50,000 tons of white sugar a year from cane grown on 13,000 acres, the total sugar production would then rise to 200,000 tons. However, later reports stated that this sugar plant would go into production in 1973 and eventually by 1976 capacity would be 75,000 tons a year.

In other sectors of manufacturing industry a glass works factory costing 14 million shillings was reported in January 1969. It was opened at Kampala and initially would produce 25 tons of bottles a day but later heat resistant glass products and sheet glass would also be made. A cardboard carton factory costing 6.5 million shillings was also reported in January 1969 as having started production. Negotiations for a plastic pipe industry which would also make profiles and sections for the building industry were reported in November 1968 and it was also stated that the plastic raw material would be made in Uganda from molasses. A cement works with a capacity for 100,000 tons was under construction at Homa in 1968 and was officially opened in 1971. This plant is to be extended to produce 300,000 tons of cement a year.

In 1969 new factories were completed for the manufacture of knitwear, glass and brakelinings, electric cable and domestic appliances, a second asbestos cement factory was completed at Tororo and a Kraft paper factory at Jinja. Projects planned for completion in 1970 included an electric light bulb factory, a polyurethane foam plant, and a milk processing plant; work had also started on the construction of a 100 million shillings cotton mill at Lira (to be built with a 60 million shilling loan from the USSR). Loans had also been arranged for the 20 million shilling jute bag factory and a sanitary ware, tableware and tile factory.

Projects reported in 1971 included an agro-chemical plant to make pesticides, fungicides and allied products to be in production in 1972. The Uganda Breweries was expanding its capacity at a cost of 25 million shillings to produce 3 million litres of beer a month, the extension would be finished by 1973 and would raise capacity by 65 per cent. In 1972 expansion of the match factory to double capacity was reported and other reports refer to the expansion of the Jinja steel plant to raise capacity to 60,000 tons at a cost of 160 million shillings, to a household utensils plant and a razor blade factory.

For foreign investments the act of 1964 gives approved status for important projects and offers tariff protection, duty-free imports of machinery, materials and equipment and liberal taxation allowances. There is a guarantee of no nationalization without adequate compensation and the right also exists to remit profits and the proceeds of sales of assets.

Import licensing has been used more recently and the Import Licensing Board established in 1968 has the obligation to protect Uganda's new domestic industries from external competition. It must also attract investors by assuring them of the home market.

An Industrial Licensing Bill was passed in 1969.

One effect of the Common Market Charter which was announced in October 1969 was the nationalization of various economic units. In the charter foreign and local investments were to be controlled to allow them to be channelled into priority schemes. The new Government in 1971 freed from nationalization three quarters of the 80 companies which had been ordered to handover 60 per cent of their shares in 1970, however, it retained an interest in banks, insurance companies, a steel mill and two sugar mills.

Commerce, there are large numbers of licensed African traders who compete with those of Asian or European descent but in 1968 very few engaged in wholesale trading. The African Trade Development Department had been trying for more than ten years to improve the performance of African traders. In 1969 it was reported that Africanization of the commercial sector was to be accelerated with a system of two-year work permits for non Ugandans and top priority in employment to be given to Ugandans of African descent. In 1970 a new Trade Licensing Act was passed which forbade non-Ugandans to continue in business. The exodus of the non-Uganda Asians in 1972 undoubtedly speeded up the movement of Ugandans of African descent into this sector.

For agricultural marketing, various produce marketing boards have been established and crops handled include cotton, tobacco, maize and groundnuts. Tea is handled by the Uganda Tea Growers Corporation.

In the general trading field a National Trading Corporation was to have been established during the second development plan period and the Government was also supporting the growth of the retail co-operative movement.

In May 1970 all import and export trade was transferred to various parastatal bodies but there may have been some relaxation under the 1971 regime. Controls on imports were intensified in 1971 because of the drain on foreign reserves.

Transport: Roads

	Classified roads (in km)						
	1964	1965	1966	1967	1968	1969	1970
Ministry of Works, bitumen	1,188	1,188	1,278	1,278	1,304	1,505	1,697
Ministry of Works, gravel	4,232	4,548	4,679	4,752	4,782	4,900	4,718
Local authorities	18,073	18,072	18,134	18,134	18,134	18,134	21,725 ^{a/}
Total	23,493	23,808	24,901	24,164	24,220	24,539	28,140

^{a/} Includes 529 km of town council bitumen roads. By 1970 the total bitumen roads had risen to 2,226 km.

In May 1969 a contract was signed for 130 kilometres of bitumen road (part of the Kampala-Gulu road). In 1970 a contract was signed for 63 kilometres of bitumen road from Lira to Kamdini in the north of Uganda, the cost to be 24.8 million shillings. The road projects in the third plan period (1971-1976) are summarized at the back of this document.

Road motor vehicles:

<u>Licensed vehicles</u>	1964	1965	1966	1967	1968	1969	1970
Cars	25,752	27,469	27,971	29,408	25,609	28,236	26,329
Commercial vehicles	10,859	11,773	13,008	13,802	15,534	13,758	16,467
Public service vehicles	729	828	866	891	891	1,005	1,820
Motor cycles	7,470	7,408	6,912	6,925	5,924	5,760	5,893
Total	44,810	47,478	48,751	51,026	47,958	48,761	50,509

In 1972 the total was 45,701.

<u>New registrations</u>	1965	1966	1967	1968	1969	1970
Cars	4,886	4,489	4,234	3,847	3,741	3,452
Vans, utilities, etc.	1,248	1,093	1,143	1,368	1,445	945
Lorries	940	834	755	952	1,071	836
Motor cycles	1,067	879	857	786	920	1,068
Other	393	346	411	418	586	512
Total	8,534	7,641	7,400	7,371	7,763	6,813

Railways. Uganda is part of the East African Railway system and the main line from Mombasa in Kenya to Kampala in Uganda is a vital transport link for Uganda. From Kampala lines run westward to Kasere near the Zaire border and from Tororo on the main line northwards and westwards to Pakwash on the Albert Nile. Some extension of the latter line across the Nile was under consideration in 1968. In 1972 there were 1,301 km of railway line in Uganda.

Goods railed from Mombasa and Kilindini to Uganda: (in '000 metric tons).

1965	1966	1967	1968	1969	1970	1971	1972
404.1	465.2	503.9	562.7	602.5	634.1	730.6	549.4

General goods traffic handled by 8 stations in Uganda

	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
	(in thousand metric tons)					
Total	1,648	1,679	1,633	1,741	1,859	1,815
of which:						
inward traffic	941	997	959	1,101	1,199	1,085
outward traffic	707	682	674	640	660	730

During 1966 two train ferries were put into service on Lake Victoria connecting the Lake ports of the three East African territories.

In 1969 a new road and rail bridge spanning the River Nile at Pakwash was opened and linked the West Nile District with the rest of Uganda. In the 1971-76 plan period a railway station will be built at Pakwash West.

Airways: the East African Airways Corporation operates internal services in the three territories of Uganda, Kenya and Tanzania using Comets and Fokker Friendship aircraft. In 1966 and 1967 four super VC 10's were purchased for international services to Europe, Asia and within Africa. A fifth super VC 10 was on order in 1969. Expansion of traffic handled by the Airways has been extremely rapid since 1960.

East African Airways

	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Passengers carried	241,958	284,001	343,707	422,050	451,085	512,829	564,229
Freight carried (metric tons)	4,122	4,276	6,157	8,186	8,905	9,703	9,319
Mail carried (metric tons)	1,031	1,034	1,196	1,443	1,471	1,416	...

In 1968 there were 12 airfields in Uganda and the most important was Entebbe.

<u>Entebbe Airport</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Total passengers handled ('000)	195.1	260.5	319.8	360.4	430.7	527.3	546.6
(of whom in transit) ('000) ^{a/}	(61.8)	(86.8)	(100.7)	(114.5)	(134.8)	(172.2)	(183.0)
Freight handled (metric tons) ^{b/}	1,392	1,989	2,367	2,489	3,242	3,909	3,687

^{a/} Counted twice.

^{b/} Cargo and mail.

In 1970 it was announced that Entebbe airport was being expanded to take Jumbo Jets and this work was underway in 1972. A new airport terminal was also being built at that time.

Tourism: roads and hotel facilities in Uganda have been improved to attract more visitors. By the end of 1971 Kampala had expected to have over 2,000 beds for tourists. Some detail from the 1971/76 plan is given later in this summary.

Statistics

	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Tourist arrivals ('000)	38.2	54.0	74.0	80.4	88.6	...
Tourist earnings (mn shillings)	74.5	92.5	127.7	133.8	145.0	...
Visitors to national parks ('000)	...	...	71.1	82.5	85.4	73.6

In August 1972 tourism was stopped and was not restarted until September 1973.

<u>Post and Telecommunications</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
Letters handled ('000)	26,969	26,878	25,840	29,887	31,168	30,105	35,435
Parcels handled ('000)	157	177	181	199	209	177	187

Telephone in use

Exchange connections	8,183	8,820	9,569	10,255	19,674	11,231	12,702
Extensions	7,955	8,854	9,835	10,914	11,683	13,563	16,397

External trade, (figures in million Uganda shillings)

<u>Summary</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Domestic exports	1,319	1,293	1,309	1,398	1,740	1,680	1,861
Exports to Kenya & Tanzania	209	252	214	190	241	177	157
Re-exports	24	18	18	14	13	8	10
Net imports	859	827	876	910	865	1,362	813
Imports from Kenya and Tanzania	<u>329</u>	<u>311</u>	<u>300</u>	<u>337</u>	<u>364</u>	<u>421</u>	<u>341</u>
Trade surplus	<u>363</u>	<u>425</u>	<u>365</u>	<u>414</u>	<u>784</u>	<u>74</u>	<u>865</u>

Trade indices (1964 = 100)

Export prices	90	91	95	97	105	...
Import prices	103	108	106	106	112	...
Terms of trade	87	84	90	91	94	...

a/ Provisional.

Major exports

Domestic

Coffee, not roasted	695.6	692.0	715.0	779.9	1,014.5	982.3	1,128.3
Cotton	307.0	303.2	295.7	251.0	351.0	351.9	368.5
Tea	63.0	69.6	74.3	93.1	94.6	95.4	125.9
Animal feeds	45.2	45.8	37.6	42.1	48.0	34.5	30.7
Copper	115.0	109.4	111.5	179.1	165.5	137.7	112.8
Hides and skins	35.6	25.2	20.4	26.7	26.7	21.0	42.6
Raw tobacco	...	...	2.7	17.0	7.5	13.2	6.6

<u>Exports to Kenya and Tanzania</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Cotton fabrics	69.4	62.6	46.3	45.7	55.9	43.0	42.3
Unmanufactured tobacco	11.4	25.6	12.9	2.8	11.4	8.1	12.3
Cotton seed oil	14.6	18.4	17.2	18.1	24.2	19.2	9.4
Unrefined sugar ^{a/}	4.4	24.8	26.5	15.8	14.7	0.4	0.1
Sugar confectionery	...	...	...	...	...	...	3.1
Magarine etc ^{a/}	11.2	17.6	13.8	8.6	13.9	13.9	8.1
Iron and steel rods & bars	11.2	13.9	12.9	17.7	17.5	7.3	1.5
Electricity ^{a/}	8.8	11.1	10.0	8.5	9.3	11.4	10.5
Footwear	...	...	...	4.1	7.1	3.5	2.7

^{a/} To Kenya only.

Principal imports (not including those from Kenya and Tanzania)

Rice	10.8	13.0	2.9	8.4	6.2	5.7	6.5
Other food, drink and tobacco	47.2	38.2	32.1	33.5	37.7	56.3	36.9
Petroleum products	10.6	12.0	10.7	10.2	10.5	6.0	2.1
Pharmaceutical products	16.4	14.6	18.2	20.8	34.3	36.6	25.0
Fertilizers	6.8	8.0	10.0	8.5	10.8	12.9	10.4
Other chemicals	44.8	34.8	53.3	52.1	60.1	80.0	49.6
Paper and products	17.6	20.0	22.7	28.6	29.8	41.9	24.3
Rubber tyres and tubes	17.9	18.7	22.5	19.2	18.7	39.3	10.3
Cotton fabrics	45.4	23.8	28.3	18.7	9.4	12.4	13.3
Synthetic fabrics	37.4	29.0	40.3	34.2	14.6	38.1	11.7
Jute bags and sacks	11.8	7.2	10.5	15.5	9.5	8.1	4.5
Iron & steel products	40.5	43.4	40.1	49.6	55.8	72.9	34.1
Machinery	104.8	150.0	131.5	124.4	118.2	203.5	198.5
Electrical apparatus	47.0	41.0	59.5	61.1	53.8	92.4	72.1
Road motor vehicles and parts	148.2	127.6	122.2	135.7)	123.7)	249.8)	84.1
Other transport equipment	5.6	3.2	5.0	13.6)			
Clothing and footwear	26.8	17.6	22.2	20.1	25.2	40.8	12.9

Principal imports from Kenya

Dairy products	20.8	20.6	20.3	25.9	19.2	14.1	26.0
Wheat	16.8	16.4	15.8	12.5	16.1	11.9	33.8
Other foodstuffs	30.5	29.9	29.2	43.1	40.7	60.1	34.7
Petroleum products	48.4	52.2	61.8	69.8	86.8	95.7	109.4
Clothing and footwear	37.6	30.6	12.8	14.0	11.5	14.1	4.0
Metal manufactures	20.8	16.9	13.8	13.3	16.9	20.3	...
Chemicals	37.1	47.2	41.9	42.7	50.8	57.2	50.3

Principal imports from Tanzania

Live animals	0.9	1.8	0.2	0.7	2.4	4.0	1.4
Foodstuffs	2.7	2.2	1.7	2.9	4.0	2.7	2.5
Coconut oil	1.8	1.3	2.2	3.0	2.6	2.5	0.2
Cotton fabrics	0.7	0.8	0.8	0.5	2.8	5.1	0.3
Aluminium products	2.4	2.3	2.3	2.5	3.8	3.9	3.0
Enamelled holloware	0.8	0.5	0.9	1.1	1.4	0.9	0.9
Radios	0.8	1.2	2.5	3.2	2.5	4.3	1.1
Batteries	-	-	-	0.9	1.9	4.0	3.6
Clothing	0.3	0.4	2.2	4.2	2.4	1.3	0.2

Main trading partners	Imports						
	1966	1967	1968	1969	1970	1971	1972
United Kingdom	309.8	284.8	292.6	312.3	278.4	439.4	273.2
Kenya	312.4	296.0	275.2	313.0	334.0	383.0	330.1
Tanzania	16.8	15.0	17.2	23.5	28.8	38.0	15.4
India	39.2	27.2	33.2	37.5	33.3	64.8	39.5
Pakistan	14.6	11.5	13.7	25.9	22.1	14.4	9.7
Hong Kong	26.2	15.8	16.6	15.7	16.9	27.1	8.3
Canada	3.8	3.0	10.8	7.1	9.8	7.5	5.7
Australia	5.0	6.4	6.0	7.7	9.8	12.3	6.4
West Germany	96.0	105.0	95.0	86.4	79.0	131.8	69.2
Italy	43.8	38.0	47.2	44.6	44.9	75.0	41.9
Belgium	13.2	16.2	14.6	12.6	11.1	17.3	11.5
France	38.0	31.2	31.4	27.1	31.6	55.8	24.6
Netherlands	19.8	20.0	22.2	21.9	25.8	35.1	19.5
Sweden	9.8	14.2	13.8	18.5	14.4	17.7	12.8
USA	33.0	55.6	38.6	37.6	51.5	96.6	37.1
Japan	46.2	53.2	94.4	123.6	99.8	183.7	82.8
China People's Republic	34.1	15.8	20.6	17.9	16.1	14.5	4.9
Israel	3.4	5.4	9.0	9.2	15.7	25.9	17.9
Other African countries	...	...	...	6.2	7.8	7.2	4.7

	Exports						
	1966	1967	1968	1969	1970	1971	1972
United Kingdom	245.4	306.4	302.4	315.8	358.9	404.1	352.2
Kenya	146.4	203.4	183.4	156.1	201.0	160.5	151.7
Tanzania	62.4	48.6	42.6	34.3	39.9	16.3	5.8
India	36.4	54.8	63.6	48.4	75.4	135.9	57.5
Hong Kong	33.4	28.0	22.0	55.9	62.9	19.1	37.4
Canada	59.4	44.2	66.2	56.1	49.7	44.0	28.2
Australia	35.6	45.6	45.2	51.0	43.5	43.2	43.0
West Germany	50.8	46.6	55.8	44.8	80.3	113.3	138.1
Italy	39.4	32.6	17.4	17.2	19.6	27.5	37.4
Belgium	26.4	13.8	10.8	6.1	7.0	8.8	19.5
France	10.6	9.8	3.6	2.5	2.5	26.9	78.4
Netherlands	36.4	43.2	36.2	32.8	32.0	41.6	61.0
Hungary	5.9	3.2	-	0.5	32.5	14.3	30.5
Poland	33.9	3.6	4.5	17.0	35.5	13.5	78.5
Spain	46.6	41.3	9.4	13.6	51.0	29.5	39.0
Sweden	12.2	9.6	13.9	16.1	47.8	32.0	36.4
USA	340.8	281.8	327.6	330.7	362.5	373.2	400.3
Japan	65.4	116.2	156.6	163.8	187.3	182.0	204.4
China People's Republic	26.6	30.2	34.8	8.9	10.9	10.2	45.1
Israel	23.0	29.8	18.8	21.5	16.3	10.7	2.9
Other African countries	...	...	...	42.4	66.4	50.2	44.7

Uganda is a member of the East African Economic Community in which Kenya and Tanzania are the other members. A transfer tax system operates on the trade in products between these member States.

In July 1968 an agreement was signed between these three East African countries and the EEC which was renegotiated in 1969. Under this agreement the EEC abolished duties on most imports from East Africa (for coffee, cloves and pineapples there are nil duty quotas). The East African countries granted tariff concessions on 59 products representing about 15 per cent of their imports from the EEC. A slightly modified agreement was signed in September 1969.

Balance of payments (figures in million Uganda shillings)

	1966	1967	1968
<u>Current account</u>			
Exports f.o.b.	1,470.2	1,495.2	1,489.7
Imports c.i.f.	-1,336.7	-1,317.3	-1,322.9
Trade balance	133.5	177.9	166.8
Non-factor services (net)	-125.1	-115.5	-65.7
Factor income (net)	-124.4	-134.7	-125.1
Transfers (net)	7.5	0.1	3.2
Current account Balance	-108.5	-72.2	-27.2
<u>Capital account</u>			
Private long-term capital (net)	75.5	73.5	-18.3
Public long-term capital (net)	283.0	129.3	83.4
SDR allocation	-	-	-
Short-term and monetary (net)	-233.6	-137.7	-65.7
Capital and monetary balance	+119.9	+65.1	-0.6
Errors and omissions	-11.4	+7.1	+27.8

For 1969 to 1971 the following details are available:

	1969		1970		1971	
<u>Current account</u>	<u>Credit</u>	<u>Debit</u>	<u>Credit</u>	<u>Debit</u>	<u>Credit</u>	<u>Debit</u>
Merchandise	1,569.1	1,419.0	1,864.7	1,462.7	1,737.4	2,032.0
Services	227.6	279.2	226.2	336.2	232.0	367.0
Investment income	26.2	151.8	20.7	128.1	22.0	180.0
Private transfers	40.8	75.5	30.0	79.6	41.0	84.0
Government transfers	57.4	39.4	50.2	39.2	59.0	46.0
Total	1,921.1	1,964.9	2,191.8	2,045.8	2,090.4	2,709.0
Balance	-43.8		+146.0		-617.6	
<u>Capital & Monetary</u>	<u>Credit</u>	<u>Debit</u>	<u>Credit</u>	<u>Debit</u>	<u>Credit</u>	<u>Debit</u>
Private capital	173.7	219.7	19.0	278.6	119.4	78.5
Government capital	222.4	52.2	168.7	62.8	391.5	211.4
SDR's	-	-	38.4	38.4	36.1	36.1
Monetary (net)	-	70.0	7.7	-	361.8	-
Total	396.1	341.9	233.8	379.8	908.8	326.0
Balance	+54.2		-146.0		+577.8	
Errors & omissions	-10.4		-		+34.8	

For 1972 the merchandise balance was 481.5 million shillings in surplus, the current account was 93.5 million shillings in surplus but the capital account was in deficit by 90.9 million.

Prices: Cost of living index
Kampala (January 1961 = 100)

	1965	1966	1967	1968	1969	1970	1971	1972
High income index	119	124	126	134	142	146	151	158
Middle income index	122	124	128	129	139	146	161	163
Low income index	120	119	123	119	133	146	169	164

In the second quarter of 1973 the index numbers were 173, 176 and 186 respectively.

Education: Enrolments (aided schools only)

	1966	1967	1968	1969	1970	1971	Provisional 1972
Primary schools)	633,546	641,639	632,162	709,708	720,127	782,620	786,926
Junior secondary)							
Vocational	1,293	1,199	1,460	1,561	1,524	47,334	46,859
Senior secondary	21,548	27,026	31,637	35,924	40,697		
Teacher training ^{a/}	4,097	4,257	4,292	4,328	4,450		
Technical schools	981	993	1,177	1,223	1,453		
Technical and commercial colleges	614	801	890	889	1,272	936	3,826
University	1,190	1,467	1,779	2,172	1,949	2,649	
Students overseas	1,400						

^{a/} Excludes teachers being trained at Makerere University.

In 1970/71 there were 2,470 Ugandans on undergraduate courses in East African Universities.

In 1966 it was estimated that 65 per cent of the children aged 6-12 were attending school, by 1971 this proportion had been expected to be raised to 75 per cent. However, the 1969 census showed that the population estimates were grossly understated and the proportion of children in the school going age group was less than 50 per cent.

The long-term aim in education was to produce by 1981 enough qualified Ugandans to fill all posts in the country.

Details from the third development plan are given later in this summary.

<u>Health: facilities</u>	<u>June</u>						<u>End</u>
	1965	1966	1967	1968	1969	1970	1971
Hospital beds	8,255	8,716	8,931	9,555	10,289	10,928	16,400 ^{a/}
Registered doctors	588	642	727	797	919	933	1,330
Licensed doctors	140	171	214	181	180	132	
Dentists	31	39	40	42	43	48	
Pharmacists	85	61	104	106	117	60	
Midwives	1,565	1,911	2,199	2,551	2,628	2,834	
Nurses (including students)	2,271	2,682	3,040	3,277	3,828	3,550	

^{a/} Includes beds in clinics.

Some data from the third development plan are given later in this summary.

Public finance: (figures in million Uganda shillings)

	1966/67	1967/68	1968/69	1969/70	1970/71	1971/72	1972/73	1973/74
							<u>Estimates</u>	
Recurrent revenue	965.4	972.7	1,085.1	1,165.3	1,389.3	1,436.0 ^{c/}	1,520.0	1,241.0
Recurrent expenditure	861.3	870.3	1,008.7	1,177.3	1,191.0	1,491.0	1,429.7	1,400.4
Non-recurrent revenue	51.2	91.0	137.7	26.4	41.9	48.6 ^{c/}	246.0 ^{d/}	247.0 ^{d/}
Non-recurrent expenditure	299.8	273.1	503.0	437.8	713.3	945.5	640.4	487.5
Total revenue	1,016.6	1,063.7	1,222.8	1,191.7	1,431.2	1,484.6 ^{c/}	1,766.0 ^{b/}	1,488.0
Total expenditure	1,091.1	1,143.4	1,511.7	1,615.1	1,904.5	2,436.5	2,070.1	1,887.9
Increase in public debt ^{a/}	3.6	56.2	254.3	377.9	644.0	951.9 ^{b/}		

a/ net of relending. b/ Estimate of loan finance. c/ Revised estimate.
d/ Includes estimated loan receipts.

	1966/7	1967/8	1968/69	1969/70	1970/1	1971/2	1972/3
<u>Recurrent Revenue</u>							<u>Estimate</u>
Direct taxes ^{a/}	321.1	378.8	309.2	406.1	516.0	591.2	660.2
Indirect taxes	457.4	454.3	626.6	626.7	723.4	733.5	801.0
Interest, dividends, profit	9.1	23.3	31.4	13.7	26.6)		
Transfers from abroad	41.2	17.3	10.3	8.0	9.2)	101.3	58.8
Other transfers	28.0	22.5	15.1	7.2	4.7)		
Other	108.6	76.5	92.5	103.6	109.4)		
Total	965.4	972.7	1,085.1	1,165.3	1,389.3	1,436.0	1,520.0

a/ Includes export taxes.

Actual revenue in 1972/3 was reported at 1,006 million shillings because of a 30 per cent fall in customs revenue and reduced sales tax receipts. Expenditure was 1,429 million shillings.

<u>Non-recurrent revenue^{a/}</u>	1966/7	1967/8	1968/69	1969/70	1970/1	1971/2	1972/3
Interest dividends, profit	0.2	5.8	1.2	2.0	18.4	...	...
Transfers from abroad	9.7	7.5	6.1	6.2	8.4	...	...
Other transfers ^{b/}	5.4	5.5	3.1	8.4	8.4	...	...
Financial transactions	26.8	62.1	120.0	3.3	0.2	...	...
Other (mainly sales)	9.1	10.1	7.3	6.5	6.5	...	...
Total	51.2	91.0	137.7	26.4	41.9	48.6	38.9

a/ Excludes loans.
b/ Mainly reimbursements.

Development revenue in 1972/3 is reported at 213 million shillings including loans.

<u>Revenue collections</u>	<u>1968/69</u>	<u>1969/70</u>	<u>1970/71</u>	<u>1971/2</u>	<u>1972/3</u>		
Customs	281.4	224.4	275.8	276.2	147.2		
Excise	151.1	167.8	206.0	222.2	197.9		
Income tax	145.6	181.1	228.3	331.0	250.0 ^{a/}		
Export tax	152.9	200.0	262.8	272.4	260.0 ^{a/}		
Sales tax	158.9	169.4	195.1	258.5	200.0 ^{a/}		
Total	889.9	942.7	1,168.0	1,360.3	1,055.1 ^{a/}		
a/ Rough estimates only.							
<u>Recurrent expenditure</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/1</u>	<u>1971/2</u>	<u>1972/3^{a/}</u>	<u>1973/4^{a/}</u>
Debt interest	21.4	26.3	38.0	63.9)	142.7	208.0	230.7
Loan repayment	3.4	9.5	21.9	38.2)			
Pensions and gratuities	45.6	48.9	50.8	39.7	36.5	48.3	46.3
Education	167.8	231.5	254.2	280.5	322.4	340.9	319.0
Health	70.7 ^{b/}	83.6 ^{b/}	103.9 ^{b/}	102.1	106.1	106.6	95.1
Defence	65.0 ^{b/}	80.0 ^{b/}	100.0 ^{b/}	132.8	299.7	122.2	126.0
Justice and police	112.8	126.5	138.0	148.1	139.9	140.5 ^{b/}	129.2
Roads	19.1	21.2	23.0	24.1	25.0 ^{b/}	25.0 ^{b/}	...
Agriculture, forestry, etc.	72.3	81.3	96.6	91.0	116.2 ^{d/}	126.0 ^{d/}	133.4 ^{d/}
Water development	2.2	2.4	3.0	3.0	20.1 ^{d/}	27.0 ^{d/}	24.6 ^{d/}
Transport & communications	6.8	7.5	7.5	8.3	8.5 ^{b/}	9.0 ^{b/}	...
Public works	14.5	24.1	28.5	34.2	64.3 ^{c/}	70.0 ^{c/}	58.1 ^{c/}
Transfers to local government	67.9	22.3	26.9	29.8)			
Transfers abroad	33.1	50.3	39.4	43.6)	209.6	206.2	237.0
Other	167.7	193.3	245.6	151.7)			
Total	870.3	1,008.7	1,177.3	1,191.0	1,491.0 ^{e/}	1,429.7 ^{f/}	1,399.4

- a/ Estimates. b/ Estimated. c/ Works and Housing.
d/ Mineral and Water Resources.
e/ Total also shown as 1,336.7 million in 1971 Statistical Abstract.
f/ Revised estimate gives 1,429 million shillings.

<u>Non-recurrent expenditure</u>	<u>1967/8</u>	<u>1968/9</u>	<u>1969/70</u>	<u>1970/71</u>	<u>1971/2</u>	<u>1972/3^{a/}</u>	<u>1973/4^{a/}</u>
Education	18.8	42.5	66.9	60.7	50.9	35.3	28.6
Health	20.9	132.0	55.4	60.1	22.0	6.2 ^{b/}	7.6
Roads	33.5	64.8	55.9	89.0	65.0 ^{b/}	35.0 ^{b/}	...
Other communications	3.0	13.3	7.6	25.9	10.0 ^{b/}	25.0 ^{b/}	...
Agriculture forestry etc.	33.5	31.1	74.3	104.6	113.4	113.4	106.2
Other economic services	47.9	132.5	62.9	136.7 ^{d/}	684.2 ^{d/}	425.5 ^{d/}	345.1 ^{d/}
Other expenditure	115.5	86.8	114.8	236.2 ^{d/}			
Total	273.1	503.0	437.8	713.2	945.5	640.4	487.5

- a/ Estimates.
b/ Rough estimate only.
c/ Includes power.
d/ Includes, defence expenditure of 83.3 million in 1970/71, 265.6 million in 1971/72, 145.0 million in 1972/73 and 150.0 million in 1973/74.

Public debt (figures in million Uganda shillings)

	At 30th June						
	1965	1966	1967	1968	1969	1970	1971
Total	1,117.6	1,319.2	1,320.0	1,313.1	1,407.6	1,776.6	2,412.8
Less relent	483.0	477.7	474.9	411.8	252.0	243.1	235.3
Net total	624.6	841.5	845.1	901.3	1,155.6	1,533.5	2,177.5
Sinking fund	38.2	44.6	61.1	59.9	21.3	30.1	42.7
Increase in net total		216.9	3.6	56.2	254.3	377.9	644.0
Increase in short-term debt		118.5	-104.7	19.5	87.5	73.2	262.4

The 1966 foreign debt was 80 million shillings and for 1969 771 million.

Banking and Finance, the East African Currency Board currency ceased to be legal tender in September 1967 and has been replaced by Uganda's own Central Bank Currency.

	At 31st December						
<u>Banking statistics</u>	1966	1967	1968	1969	1970	1971 ^{a/}	1972
	(in million Uganda shillings)						
<u>Monetary survey</u>							
Foreign assets (net)	196.6	251.8	327.6	394.3	455.9	208.0 ^{b/}	135.0 ^{b/}
Currency on issue	395.2	406.9	460.3	578.2	631.5	635.0 ^{b/}	850.0 ^{b/}
Currency outside banks	347.4	366.9	441.7	522.9	594.5	597.3	629.0 ^{c/}
Demand deposits	307.0	331.4	422.9	442.3	509.0	533.8	898.0
Money supply	654.4	698.3	864.6	965.2	1,103.5	1,131.1	1,527.0
Quasi money	317.8	344.6	399.8	427.0	544.3	511.7 ^{b/}	544.0
Domestic credit	765.0	799.0	910.0	1,152.0	1,448.0	1,800.0 ^{b/}	2,349.0

	At 31st December						
<u>Commercial banks</u>	1966	1967	1968	1969	1970	1971 ^{a/}	1972
Demands deposits	307.0	331.4	422.9	442.3	509.0	533.9	898
Savings deposits	317.8	344.6	399.8	427.0	544.3	511.7	544
Government deposits	20	30	49.3	53.7	58.2	82.4	116
Claims on Government	47	31	118.6	184.8	264.2	275.8	680
Claims on private sector	583	599	669.1	827.0	849.3	873.9	939

a/ Provisional.

c/ Estimates only

c/ Includes private sector deposits of 9 million shillings.

	At 31st December						
<u>Post office savings</u>	1966	1967	1968	1969	1970	1971	1972
<u>Banks</u>							
Depositors balance	24.2	23.1	22.3	23.0	23.3	24.0	25.0

As a result of the 1969 banking act all banks and financial institutions are now locally incorporated and in 1970 the Government acquired a 60 per cent interest in the commercial banks.

Development

<u>Gross fixed capital formation</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971^{a/}</u>
(in million shillings at current prices)	776	774	925	965	1,069	1,037	1,356
GDP at current market prices	6,208	6,617	6,898	7,310	8,257	9,413	10,050
Per cent of total GDP at market prices	12.5	11.7	13.4	13.2	13.2	11.0	13.5

a/ Estimates.

Imports of machinery and transport equipment^{a/} (in million shillings)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Machinery	104.8	150.0	131.5	124.3	118.2	203.5	198.5
Electrical apparatus	47.0	41.0	59.5	61.0	53.8	92.4	72.1
Road motor vehicles	148.2	127.6	122.2	135.7	123.7	249.8	84.1
Other transport equipment	5.8	3.2	5.0	13.6			
Total	405.8	321.8	318.2	334.6	295.7	545.7	354.7
Cement production ^{b/} ('000 tons)	122.4	139.5	154.9	172.9	191.1	195.3	166.1
Estimated consumption	128.3	147.0	155.5	200.9	214.5	205.0	...

a/ From outside East African Community.

b/ There are also imports from Kenya, for example in 1970, these totalled 24,786 tons but in 1971 the total had fallen to 8,646 tons.

1. Uganda's Third Five-Year Development Plan 1971/72-1975/76
2. Planned Increase in GDP - (Per cent per annum) 5.6 (monetary sector only)
5.0 (overall economy)
3. Expected Population Growth Rate (per cent per annum) about 3.4
4. Planned Total Investment (million Uganda shillings) 7,700
5. Expectations Relating to Financing (million Uganda shillings)

<u>Public Sector Investment</u> - Domestic	1,960
External	1,940
<u>Private Sector Investment</u> - Domestic	3,300
External	500 ^{a/}
<u>Total Investment</u> - Domestic	5,260
External	2,440

a/ Based on net capital inflow shown in Balance of Payments projections.

6. Planned Investment as a Proportion of the GDP

<u>Annual Average Investment Planned</u> (million Uganda shillings)	<u>Investment as a Proportion</u> <u>of GDP (per cent)</u>
a/ 18 per cent ^{1,540} of monetary GDP.	13.0 ^{a/}

7. Investment by Economic Sector (in million Uganda shillings)

<u>Sector</u>	<u>Public^{a/}</u>
Rural production	677.0
Mining	5.0
Manufacturing	331.3
Electricity	540.0
Water supply	159.8
Air transport	239.3
Roads	359.5
Railways	163.8
Communications	105.0
Education	246.9
Health	183.5
Housing	184.0
Tourism	49.3
Local authorities and other	656.6
	<u>3,901.0</u>

^{a/} High priority projects only and shown as development expenditure.

8. Anticipated Growth of Gross Production by Economic Sector
(Value added in million Uganda shillings)

At 1966 prices at factor cost

<u>Sector</u>	<u>1967/69</u>	<u>1971^{a/}</u>	<u>1976</u>	<u>Annual</u>
<u>Monetary sector</u>	<u>Average</u>			<u>Growth Rate</u>
				<u>(per cent)</u>
Agriculture etc.	1,623	1,715	2,375	4.8
Mining	109	111	116	0.5
Manufacturing	556	636	996	7.6
Electricity	83	180	586	5.5
Transport etc.	277	323		
Construction	94	94	157	6.6
Commerce	850	914	2,795	5.6
Other	964	1,257		
Total monetary GDP	<u>4,556</u>	<u>5,150</u>	<u>7,025</u>	<u>5.6</u>
Subsistence production	<u>2,035</u>	<u>2,250</u>	<u>2,700</u>	<u>3.6</u>
Total GDP at factor cost	<u>6,591</u>	<u>7,400</u>	<u>9,725</u>	<u>5.0</u>
GDP at current market prices	<u>7,461</u>	<u>10,050^{b/}</u>	<u>13,776</u>	

^{a/} Estimates published subsequent to plan.

^{b/} Estimated.

9. Growth in Wage Employment Anticipated

	<u>1967/69</u>	<u>1971</u>	<u>1976 target</u>
Average	278,000	324,800	380,000

The percentage increase from 1967/69 to 1976 is 36 per cent and from 1971 to 1976 is 17 per cent.

10. External trade forecasts (in million shillings)

	1967/69	1971	1976 (forecast)
Exports	1,518	1,857	2,115
Imports	1,353	1,783	2,374

11. Major Developments by Economic Sector
Rural production - production targets

	Units	1967/69 Average	Target 1976
Arabica coffee	('000 metric tons)	13.6	20.0
Robusta coffee	('000 metric tons)	165.7	160.0
Cotton	('000 bales)	398	600 - 1,000
Sugar	('000 tons)	143.2	240 - 250
Tea	('000 tons)	14.7	38.4
Fire-cured tobacco	('000 tons)	1.4	3.0
Flue-cured tobacco	('000 tons)	2.5	5.0
Fish	('000 tons)	107.4	171.0
Fertilizer usage	('000 tons)	26.5 ^a	57.0

The maintenance of self-sufficiency in major food crops, the achievement of self-sufficiency in maize, onions, potatoes, rice, timber and sawn wood and a considerable reduction in dependence on wheat and milk imports are other goals during the third development plan. Farm credits are to be increased; water resources will be developed in the drier areas; pricing policies will reflect the right balance between the need to encourage production, what consumers can pay on the domestic market and export realizations. Marketing facilities will also be improved.

Tse-tse fly eradication will be carried out at a rate which enables land clearing to be related to feasible programmes of land utilization. A number of pilot irrigation/swamp reclamation projects are being undertaken while work on other irrigation schemes and new ones will continue. Research, extension services and education and training are all being improved.

Coffee, cotton, sugar, tea, tobacco and fish targets have already been given. Groundnuts, cocoa beans, citrus, kenaf and silk are also being stimulated as commercial crops. The groundnut target is 10,000 tons for export by 1976, cocoa will be grown on 13,000 hectares, three citrus farms will be completed, the kenaf target area is 2,400 hectares and mulberry plantings are intended to encourage silk production. Rice production is being increased to supply the domestic demand (10,000 tons) and possibly exports, other food crops to be developed include haricot beans (10,000 tons mainly for export), soya beans (32,000 tons again for export) wheat and sesame.

Roundwood production is forecast at 965,000 cubic metres in 1975/6 compared with 388,000 in 1970/71. Natural forest areas will be improved by weeding out useless species (on 34,000 hectares) and new softwood plantations established on 10,000 hectares.

The number of commercial ranches will be more than doubled and some 200 ranches each of about 1,440 hectares should be set up. Dairy expansion schemes hope to see imports of milk from Kenya drastically reduced during the plan period.

Mining and Quarrying

The intensification of the search for economic deposits of minerals is to be pursued where feasible. Mineral production should see the doubling of the output of limestone for the expansion of the Hima cement plant and the expanding market for quicklime. Copper and tin production is unlikely to increase but some increase in tungsten production to 300 tons a year is probable. Magnetite iron ore mined at Tororo with the phosphate production will be used in the Steel Mill to be built at Jinja.

Manufacturing Industry

There are a number of projects which are likely to be implemented, these include the following:

Cotton ginning, existing capacity is only sufficient for crop of about 400,000 bales. With the large increase expected in cotton production, this capacity must be increased to handle 600,000 bales by 1976. Some 27.6 million shillings will be invested in this expansion.

Tea Processing, here 1.57 million shillings are to be spent on four new factories and one expansion.

Sugar, the Kinyali plant will come into production late in 1973 with an initial capacity of 45,000 tons rising to 60,000 tons. Sugar production should be 240-250,000 tons by 1976 from this and the planned expansion of the existing mills. The Kinyali estate and mill together with the expansions at Lugazi and Kakira will cost 125 million shillings.

Cotton seed milling, a new plant for the Northern Region is planned with a capacity for 30,000 tons of cotton seed equivalent to 4,000 tons of oil. Its cost will be 10 million shillings.

Waragi and Beer, output of both these products will increase substantially during the plan period, Waragi from 339,500 litres in 1967/9 to 680,000 litres in 1976 and Beer from 20.5 million litres to 49 million. Extensions of production capacity are underway.

Textiles, three major units came into production during the second plan period producing rayon fabrics (at Kawempe), grey, dyed and printed cotton fabrics (at Mbale) and jute bags at Tororo. The only major expansion is to the cotton yarnspinning mill for Lira on which 60 million shillings will be spent with production starting in 1973 and a capacity of 3,700 tons.

Tannery, this project was not developed in the second plan period but will be built at Jinja in this plan period at a cost of 14.3 million shillings. Capacity will be 400 hides a day and 2,000 skins a day. 200 hides will produce finished leather for local use.

Chemicals, the nitrogenous and triple superphosphate plants included in the second development plan were not built and there are no immediate plans to proceed with them. Projects in the third plan period include a sulphuric acid plant as a by-product of the cobalt processing project at Kilembe and a salt project for Toro on Lake Katwe.. The capital cost of the latter project is 11 million shillings.

Cement, the plant at Hima will be expanded from 100,000 to 300,000 tons at a cost of 75 million shillings which will raise Uganda's capacity to 430,000 tons. Consumption in 1976 has been forecast at 330,000 tons while there are also potential export markets.

Steel mill, one was planned for Tororo using Sukulu magnetite ore in the second plan but was not proceeded with. Instead in the third plan period the Jinja steel mill will be expanded at a capital cost of 140 million shillings. This operated in the past on scrap but for its expansion will use magnetite from Tororo. The blast furnace converting magnetite ore will be fired with charcoal (up to 60,000 tons a year).

Cobalt, the project to extract cobalt from pyrites at Kilembe is under consideration. The capital cost is estimated at 35 million shillings, but it would produce exports of cobalt valued at about the same level annually.

Oil refinery, a feasibility report is to be prepared of a 700,000 to 800,000 ton refinery which would require a pipeline to the coast for the crude oil imports.

Electricity, the forecast demand shows that the domestic consumption in Uganda should reach 670 million KWh in 1976 compared with 450 million in 1971. Sales to Kenya are not likely to increase. This means that capacity would need to be 161 MW in 1976 which is above the Owen Falls station nominal capacity of 150 MW and a practical capacity of 140 MW. The Uganda Electricity Board expects to have to spend 400 millions shillings on the start of a new major power station and associated transmission lines during the plan period. A further 140 million will be needed for connecting new consumers and on supply installations in certain rural areas. The Aru Falls is being considered as the site for a new major power station.

Water supply, the borehole water drilling scheme will continue during the third plan period aiming to drill a further 1,500 boreholes bringing the total to more than 6,000. Piped water supply is needed in certain rural centres where boreholes cannot be drilled. In all, rural water schemes will cost 66.8 million shillings.

Urban water supplies associated with sewage disposal schemes will cost 83.5 million shillings during the third plan period and much of this will be spent on extensions to Kampala's existing systems. In other urban centres the augmentation of twelve water supply systems and of five sewerage systems is scheduled to be finished by 1974.

Air transport, the total to be spent on air transport of 239.3 million shillings includes 118.6 million by the East African Airways Corporation of which Uganda's share is assessed at 106.6 million. A further 12 million will be directly invested in buildings in Uganda.

Entebbe airport is undergoing major expansion and 50 million shillings will be spent on a new terminal building and 48 million on a new 3,700 metre runway and associated parking apron. Other facilities will cost 10.3 million shillings. Small amounts will also be spent on improvement at other airfields.

Roads, this is a relatively heavy expenditure heading with 168.5 million allocated for bitumen roads and 96.6 million for gravel roads. The Kyenjojo Mityana bitumen road of 200 km will cost 64 million shillings and the Hoima-Masindi-Kafu Bridge road of 95 km a further 30.4 million. An extra 50 million will be spent on finishing tarmac roads started in the second plan period. These roads will add 128 kilometres to the existing bitumen total. Gravel roads total 344 km under existing projects and new priority projects total 512 km.

There is also a feeder and access road programme probably totalling some 300 km under the priority project allocation.

Railways, the East African Railway Corporation intends to spend 163.8 million shillings in Uganda of which 30.6 million is allocated to locomotives and 108 million mainly for improvement of the facilities in Uganda. The Pakwash West Railway Station is included in this programme. The plan also refers to two potential railway projects, one a link between Uganda and Zaire, the other an extension from Mbale to East Acholi. These schemes may be fairly long-term ventures.

Oil pipeline, this has been mentioned as part of an oil refinery project being studied but it could be used to bring in finished products and by this means cut down on the traffic growth over the railway system from Mombasa. The matter is under investigation.

Telecommunication, a total of 100 million shillings will be spent on improving the telephone and telegraph system. A further 5 million is to be spent on postal services including new post offices.

Education, the long-term objectives are to aim for universal primary education and to provide the entrants to Uganda's labour force equipped with the relevant basic education required.

<u>Enrolment targets</u>	<u>1971</u>	<u>1976</u>	<u>Investment</u> (mn Ug. shillings)
Primary ^{a/}	735,000	920,000	6.7
Secondary ^{b/}	41,130	46,540	39.5
Primary teacher training	4,016	9,906	87.8
Secondary teacher training ^{c/}	515	535	4.4
Secondary vocational schools	1,166	1,680	8.8
Technical schools	1,672	2,000	5.1
Uganda technical college ^{d/}	498	587	7.5
Uganda College of Commerce	397	1,084	1.6
University at Makerere	2,638	3,300	64.3
Ugandans at East African Universities	2,470	...	

^{a/} Grant aided schools.

^{b/} Excludes 300 private schools.

^{c/} Includes 330 at Makerere University in 1971 and 370 in 1976 on education courses.

^{d/} Includes sandwich and day-release courses.

The programme during the third plan period lays emphasis on primary teacher training and on technical and vocational training. Primary school enrolments in 1976 will represent 41 per cent of the primary school-age group and the 183,000 first year intake will represent 52 per cent of the intake age group. Secondary education development aims at improving the quality and content of instruction.

Some difficulties have already been experienced in absorbing arts and social science graduates from University and future intakes to Makerere University will be related to manpower needs which will mean that places will be filled by the best available candidates.

Health, by the end of 1971 there were about 16,400 hospital beds in Uganda and in the third plan period a further 3,400 will be provided in Government establishments. The availability of beds in the rural areas will be increased to bring about a better relationship to population in these areas. Twenty three rural hospitals were built or started in the second plan period and the third plan includes 13.2 million shillings for their completion. A further 39.0 million shillings is scheduled for 72 additional rural health centres. These health centres will each have 20-30 beds and an outpatient clinic.

In the urban areas a new 600 bed hospital is planned for Kampala while the bed capacity at Entebbe and Mityana hospitals will be increased to 200 at each place and at Masunde hospital to 100 beds. The total number of beds in Government urban hospitals outside Kampala will grow by about 1,000 during the third plan period.

Investments in the health training programme are scheduled to cost 33.5 million shillings with a large number of expansions planned. The approximate additions from local training institutions from 1970-1976 include 335 medical officers and specialists, 350 medical assistants, 865 registered nurses or mid-wives, 3,270 enrolled nurses or midwives, 280 assistant health visitors, 130 health inspectors, 250 health assistants and some 560 personnel in other categories.

Housing, the rapid growth of the urban population has led to the creation of a serious shortage of all types of housing but particularly of suitable housing for the low income groups. Government efforts in the future will be designed primarily to relieving the housing burden of the lower-income groups but its actions will be directed mainly to reducing building costs and to stimulating private housing enterprise and self-help groups. In addition, a programme to construct additional housing units and associated facilities will be undertaken directly by the Government and other public bodies.

The National Housing Corporation which only managed to build 2,883 houses (out of a planned 8,463) during the second plan period is being transformed into a National Construction Corporation.

The total of 184 million shillings for housing in the public sector is made up largely of civil service, police and prison housing.

Tourism, the number of visitors could reach 180,000 in 1976 or an increase of 15 per cent a year over the 1971 level. The target for their 1976 expenditure in Uganda is 150 million shillings. The facilities at the National Parks/Murchison Falls, Queen Elizabeth (in the west) and Kipedo Valley (in the north-east) need to be improved and expanded. 15.9 million shillings will be spent on improving roads and tracks within the parks, 5 million on launches, car-ferries and 7.5 million on other facilities. In addition 10 million shillings will be spent developing two new parks at Toro and around Lake Mbura.

Tourist accommodation has been developed too fast in Kampala itself but the Lake Victoria Hotel has persistent pressure on available capacity while tourist lodges need further capacity. At June 1971 there were 2,424 hotel beds available including 1,620 in the Kampala/Entebbe area. By 1976 the total should reach 3,725 with 1,995 in the Kampala/Entebbe area and 1,164 in national parks and game reserves.

The Government road and airfield programmes are expected to improve access to the national parks in Uganda during the plan period.

National accounts:

Industrial origin of the GDP at current factor cost

	1965	1966	1967	1968	1969	1970	Estimate 1971
Agriculture	2,884	2,991	2,959	3,034	3,512	4,245	4,651
Forestry, fishing, hunting	181	184	208	258	275	346	375
Mining and quarrying	135	104	84	106	145	144	129
Manufacturing	464	504	523	599	686	774	778
Electricity & water	61	68	76	82	84	105	112
Construction	108	96	113	130	154	147	155
Commerce	758	811	822	916	989	1,051	1,189
Transport and communications	210	225	240	258	269	263	309
Rents and owner occupied dwellings	403	414	434	442	514	549	626
Services	659	722	772	801	851	904	1,035
Total	<u>5,863</u>	<u>6,119</u>	<u>6,231</u>	<u>6,626</u>	<u>7,479</u>	<u>8,528</u>	<u>9,359</u>
of which monetary	3,937	4,248	4,240	4,604	5,234	5,828	6,200
non-monetary	<u>1,926</u>	<u>1,871</u>	<u>1,991</u>	<u>2,022</u>	<u>2,245</u>	<u>2,700</u>	<u>3,159</u>
GDP at factor cost (1966 prices)	<u>5,787</u>	<u>6,119</u>	<u>6,236</u>	<u>6,459</u>	<u>7,171</u>	<u>7,278</u>	<u>7,400</u>

Distribution of National Income at current prices

Source	1965	1966	1967	1968	1969	1970	1971
Wage employment	1,472	1,554	1,637	1,791	1,964	2,105	2,292
Operating surpluses etc.	2,465	2,644	2,603	2,813	3,240	3,723	3,908
Subsistence sector	<u>1,926</u>	<u>1,871</u>	<u>1,991</u>	<u>2,022</u>	<u>2,245</u>	<u>2,700</u>	<u>3,159</u>
Total	<u>5,863</u>	<u>6,119</u>	<u>6,231</u>	<u>6,626</u>	<u>7,479</u>	<u>8,528</u>	<u>9,359</u>

Estimates of expenditure at current prices

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
Consumption	5,843	5,916	6,243	6,960	8,023
Gross capital formation	766	920	966	1,199	1,098
Exports	1,583	1,646	1,674	1,797	2,091
Less imports	<u>1,575</u>	<u>1,584</u>	<u>1,573</u>	<u>1,699</u>	<u>1,799</u>
GDP at market prices	<u>6,617</u>	<u>6,898</u>	<u>7,310</u>	<u>8,257</u>	<u>9,413</u>

Sources:

- Uganda: Estimates of Recurrent Expenditure 1969/70.
- Uganda: Estimates of Development Expenditure, 1970/71.
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- UN: Monthly Statistical Bulletin, November 1973.
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- IMF: International Financial Statistics, November 1973.
- Bank Reviews: Standard, June and July 1968, Barclays Overseas Review, Monthly from February 1968 to July 1970.

Press Reports:

Particularly as reported in the Africa Research Bulletin, in the Financial Times and the Marches Tropicaux et Meditteraneans.

Note: Uganda now uses metric weights and measures.

ECONOMIC COMMISSION FOR AFRICA

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RECORDS CONTROL

AUG 21 1974

SUMMARIES OF ECONOMIC DATA

Country : Mozambique
Latest Year 1972
Compiled :: December 1973

Fifth Year/Number 39

Country: Mozambique

Population: Census 1970 = 8,233,834 (Growth rate since 1960 = 2.2 per cent per annum).
Estimate 1971 = 8,330,000
Estimate 1972 = 8,510,000

Wage employment: Total earnings 1963 = 14,331 million escudos.

<u>Employment</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
Industry	76,720	77,130	82,300	...	88,520
Health	...	4,970	...	5,251	5,796
Education	...	7,750	...	...	8,291
Hotel industry	...	3,896	...	4,188	4,716
<u>GDP at Market Prices</u>		<u>1963</u>	<u>1964^{a/}</u>	<u>1965^{a/}</u>	<u>1966^{a/}</u>
At 1963 prices (million escudos)		29,849	31,045	32,302	33,588

a/ OECD projections.

The growth of the economy from 1964 to 1968 is reported to have averaged 9 per cent a year with 13 per cent achieved in 1968. In 1972 it was reported that the GDP for 1971 at 1963 prices was 49,930 million escudos compared with 29,849 million in 1963. The average growth rate was 6.6 per cent a year. The 1972 GDP increased by a reported 6 per cent.

Possible Economic Outturn for 1973

The rains in Southern Africa were poor in 1972/3 and this could have had some impact on Mozambique's agricultural production although sugar and cashew nuts are grown in the areas of high rainfall (or under irrigation) while cotton production normally does very well with only a minimum rainfall.

Elsewhere the economy appears to have been stimulated by the continuing high level of construction and development activity and there have been continuous reports of large new projects in manufacturing industry, road construction, dam construction and the like.

Exports of agricultural produce were forecast to reach 4,550 million escudos in 1973 compared with 4,000 million in 1972 and the increase would have come mainly from cotton, cashew nuts and almonds and sugar. Imports would have been higher than in 1972 because the severe import controls were lifted in September 1973 having been in force for two years.

The Government expenditure estimates are reported at 10,581 million escudos in 1973. The ordinary expenditure is 17 per cent higher at 10,051 million.

The growth of the GDP at constant prices in 1973 was probably at about the level of the 6 per cent achieved in 1972 and at current prices an increase of around 10 per cent is likely.

Currency and Exchange Rate: The escudo is the unit of currency and from January 1959 to December 1971 the exchange rate was 28.75 escudos = 1 US dollar. In 1972 the rate hardened against the dollar and had strengthened from 27.40 in January to 27.00 escudos to the dollar in August 1972 until the end of the year. In 1973 the rate ranged from 26.86 down to 22.66 escudos to the dollar.

Development Plans: (Portuguese but covering the overseas territories also) 1959-1964, 1965-1967, 1968-1973, 1974-1979.

<u>Energy; Electricity</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Production (mn kwh)	425	427	455	433	502	558	552	671
Installed capacity (1000 kva)	210.5	243.6	269.7	274.5	332.2	354.9	...	...

The Cabora Bassa Dam is being built at the Kebrabasa Gorge 480 kilometres from the mouth of the Zambezi and 138 kilometres from Tete. Various reports have appeared regarding this project and a contract was signed in 1969 for a reported 12,000 million escudos under which the first three phases of the project would be completed by 1978 and a generating capacity of 1,750 megawatts would become available. A peak 4,000 MW capacity has been mentioned for phase four of the scheme but this phase has still to go out to tender. Other reports have referred to 1,350 MW for phase one which would be available in March 1975. The second phase would raise capacity to 2,250 MW by 1977. The project would make available large quantities of cheap power, much of which would be sold to South Africa but supplies would also be available for Malawi and Mozambique itself. The availability of this power would give a boost to industrial development in this part of Africa. In 1971 the first part of the dam project, a coffer dam and a diversionary tunnel were completed and the dam wall was started in 1972. In 1973 it was reported that the third phase of the scheme would be started with a North Bank power station. Capacity would be raised to 3,600 MW by 1978.

It was reported in 1968 that work was to start on the second phase of the Chicamba Dam which would double the production of power by the Revue Hydro Electric Society. Work on this project had been expected to be finished in 1970.

In 1970 a 2,500 kw plant for Nampula was referred to, it was to cost 23 million escudos. In 1971 a 1,750 kw plant was opened at Moatize. In 1971 there was a further report of 60 MVA substation to be built at Infulene near Lourenco Marques for 95 million escudos and be in service in 1972. A new dam north of Mozambique which would cost 600 million escudos was being studied in 1973, and a report refers to the 400 million escudos HE Project of Alto Malema.

Petroleum products, crude oil is imported for the local refinery, some refined products are also imported.

Petroleum products, crude oil is imported for the local refinery, some refined products are also imported.

Imports	1965	1966	1967	1968	1969	1970	1971	1972 ^{a/}
Crude oil ('000 tons)	535.4	653.2	676.7	804.5	837.0	748.5	836.2	730.0
Petroleum products for fuel ('000 tons)	82.1	99.7	112.8	147.7	141.7	137.8	218.6	170.0

a/ Part estimated

The local refinery (Sonarep) had a capacity for 800,000 tons of products in 1968 (40 per cent fuel oil, 35 per cent diesel and 25 per cent petrol); this capacity had been expected to be increased to 2.5 million tons a year by 1970 following the investment of a further 900 million escudos. In 1972 a report refers to a possible refinery for Nacala to cost 1,000 million escudos.

Some production figures from the local refinery:

	1966	1967	1968	1969	1970	1971	1972
	(in '000 tons)						
Motor spirit	117.5	132.5	140.2	142.8	133.7	131.0	120.0
Gas oil	192.5	224.5	246.9	217.9	191.9	194.5	230.6
Fuel oil	298.6	347.9	362.0	352.7	331.5	357.0	327.7
Butane and propane gas	3.2	4.8	6.4	7.5	10.3	13.0	...
Bitumen	...	...	12.3	30.3	33.7	33.0	....

Increased activity was expected in the search (both onshore and off-shore) for Mozambique's own oil deposits and one report indicated that a total of 650 million escudos was to be spent between 1968 and 1970 on this oil search.

In August 1969 it was reported that an oil drilling platform would be in position in October after successful offshore preliminary tests.

Natural gas has already been found in Mozambique and in January 1968 it was reported that more than 1,100 million escudos was to be spent on a nitrous ammonia plant based on natural gas at Pande (800 kilometres north of Lourenco Marques). Two natural gas deposits have been found, one at Pande, the other at Buzi. In 1971 it was reported that Mozambique might soon export natural gas by pipeline from the Pande deposits to South Africa. The reserves at Pande are reported to be 600 billion cubic metres. The pipeline project was being studied further in 1972/73 and in November a report refers to 3 million contos being needed for a pipeline to take gas 600 km to Lourenco Marques.

Mineral Production

Coal and bauxite are the more important minerals produced in Mozambique, small quantities of other minerals are also mined. Iron ore deposits in large quantities and with a high iron content have been found in North Mozambique in the Mecuco area (25 kilometres from the railway line from Nacala) and in December 1968 several foreign consortia were reported to be negotiating the right to exploit the deposits. Other mineral deposits reported in 1968 included silver in iron ore near Nampula in North Mozambique, tourmaline in Novo Freixo and gold in the Manica district. A Japanese group was reported to have signed

a contract in 1969 to exploit the Namape iron ore deposits in North Mozambique. In 1971 examination of the prospect of mining coal at Moatize for export to Japan was underway. A railway to Nacala would be required unless a pipeline were to be built to take the ore by water pressure.

<u>Production Statistics</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u> (in tons)	<u>1970</u>	<u>1971</u>	<u>1972</u>
Bauxite	5,818	6,276	3,275	4,393	7,146	7,112	5,419
Coal ('000 tons)	295.4	281.9	314.4	276.8	351.0	323.0	336.3
Beryl	80	169	95	122	33	...	...
Limestone	...	...	...	...	...	645.8	991.1
Colombo-tantalite	56	84	61	64	67	56	42
Monteremilonite	24	716	3,818	4,239	6,483	...	...
Salt	30,042	25,028	...	...	...	29,188	31,217

It was reported that during the development plan period 1968 to 1973 large deposits of coal, iron, copper, fluorite and manganese were to be explored together with smaller deposits of graphite, chromium, titanium and beryl. Later reports refer to diamonds, gold, asbestos, wolfram and nickel. In 1973 iron ore was being tested for the steel plant to be built near Tete to produce 250,000 tons iron a year and titaniferous residues.

In 1969 and 1970 reports mentioned the possible exploitation of large tantalite deposits, and to a four-year concession being granted for uranium prospecting. In 1971 a large S. African concern was reported to be spending some 300 million escudos to search for nickel in the Sierra Mangote near vila de Manica.

New iron ore deposits were discovered in 1971 along the Rhodesian border and others in Central Mozambique. Large reserves are known to exist in the Namapa region in northern Mozambique.

In 1973 a report indicated that large scale exploitation of the Moatize-Mingova coal deposits leading to exports of from 1.0 to 3 million tons a year was likely.

<u>Agricultural Production</u>	<u>FAO Statistics or Estimates Press Reports</u>						
<u>Production Statistics</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
			(in thousand tons)				
Maize	440	500	407 ^{a/}	410 ^{a/}	350 ^{a/}	450 ^{c/}	460 ^{e/}
Rice	...	...	78.4 ^{a/}	88.5 ^{a/}	102.0 ^{a/}	110.7	111.0
Rice paddy	79	100	130	150	160	...	...
Cassava	2,050	2,000	2,100	2,100	2,100	2,130 ^{c/}	2,140 ^{c/}
Potatoes	17	18	18	18	40 ^{a/}	43	45
Tea	14.0	13.2	14.3	15.4	17.0	16.5	18.7
Groundnuts, in shell	114	117	140	140	140	140 ^{c/}	140 ^{c/}
Sugar cane ^{b/}	1,500	1,862	2,000	2,100	2,730	...	...
Sugar	179 ^{b/}	200 ^{b/}	214 ^{b/}	224 ^{b/}	286	...	...
Citrus fruit	14	14	14	14	14	23	...
Bananas	25	25	25	38.8 ^{a/}	34.0 ^{a/}	...	...
Sisal	30.9	31.4	32.3	30.2 ^{a/}	29.0 ^{a/}	23.7	220

Production Statistics (000 tons)	FAO Statistics or Estimates					Press Reports	
	1966	1967	1968	1969	1970	1971	1972
Seed cotton	113	123	122 ^{a/}	137 ^{a/}	138 ^{a/}	105	132
Copra	41.8	57.4	60.4	59.7	60.0	63.7	58.0
Coconuts (million nuts)	291	388	407	380	407	...	...
Tobacco	2.5	2.0	3.3	3.9	4.2 ^{a/}	5.8	5.8
Cashew nuts	...	...	140.0	154.2	184.0	202.0	203.0

^{a/} Portuguese statistics ^{b/} Season ending in flowing year

^{c/} FAO Statistics.

The 1970 season was reported as unfavourable and a marked shortage of staple food products occurred. In early 1971 a cyclone hit Mozambique and large areas were flooded. In early 1972 widespread flooding was reported 100km north of Lourenco Marques. In 1972/3 there was an abnormal season with considerable dry weather.

The seed cotton production in the season ended late in 1970 was 138,000 tons, a fall seems to have occurred in 1970/71 to 105,000 tons but the 1971/2 harvest is reported at 147,000 tons. The 1972/3 target was 200,000 tons but this may not have been achieved.

Sugar cane production was to be increased still further by the development of a system of dykes, drainage and irrigation canals at Manhica 48 kilometres north of Lourenco Marques. For 1970/1 sugar production had been expected to be considerably greater and appears to have been in the region of 325,000 tons. The 1971/72 crop was about the same at a reported 326,000 tons and the 1972/3 crop was reported as 387,000 tons of which 135,000 tons would be consumed in Mozambique.

Increased capacity was also being developed for sugar milling and by 1970 capacity was reported as 350,000 tons; in November 1972 a new refinery to produce 200,000 tons a year was reported. It would cost 550 million escudos and be in production in 1976. With the sugar growing area the total cost would be 1,700 million escudos.

Processing facilities for cashew nuts were also being developed and in 1971 it was reported that capacity had reached more than 200,000 tons, reports have appeared since which indicate that capacity has been further increased.

It had been reported that development schemes during the 1968 to 1973 plan period covered 2½ million hectares for agricultural purposes and 200,000 hectares for forestry; the subsistence farmer was being encouraged to grow more crops for sale.

Banana production was to be increased with the object of exporting 110,000 tons annually by 1973 and the citrus crop was also to be increased. A pineapple plantation was reported near Baone in 1971 - 4,000 tons were expected in 1971/2.

<u>Livestock; herds (in '000)</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
Cattle	1,100	1,134	1,135	1,184	1,224	1,260	1,338
Sheep	104	101	99	109	103	118	150
Goats	419	497	457	485	475	522	670
Pigs	110	128	128	147	124	129	201
<u>Recorded Slaughterings</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
			(thousand head)				
Cattle	69	71	62	59	67	74	80
Sheep)	22	36	19	17	23	26	27
Goats)							
Pigs	15	17	19	20	21	24	23
<u>Fishing</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Fishermen (number	19,000	21,860	22,450	23,290	24,101	...	...
Catch (tons)	5,350	5,050	5,710	7,030	7,630	10,423	10,412

Of the 1968 total 1,395 tons were prawns and shellfish, the 1969 and 1970 catches were higher at 1,519 tons and 1,544 tons respectively.

Forestry; the area classed as forested land was 19,400 hectares in 1961. There is some production of plywood and veneers. In 1965 1,783 cubic metres of plywood were produced and by 1970 this had risen to 5,995 tons. Wood for planks or parquet flooring is also exported as is timber for railway sleepers and for other uses.

<u>Export in thousand tons</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972^{a/}</u>
Wood for parquet flooring	28.4	19.9	27.0	28.3	21.7	19.5	19.5
Railway sleepers	58.7	42.8	42.2	50.2	37.9	53.8	62.0
Other timber	35.4	41.7	36.0	32.5	38.5	27.3	29.0

a/ Partestimated

<u>Exports of Agricultural Products</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972^{a/}</u>
				(in tons)			
Fresh bananas	11,295	13,941	6,639	11,738	13,325	9,118	5,700
Cashew nuts	77,235	56,192	132,857	68,532	63,941	53,382	70,000
Tea	12,950	14,410	14,070	15,601	16,576	16,395	18,500
Copra	33,919	42,948	46,776	41,135	45,096	46,637	46,000
Copra oil	4,823	8,885	8,347	8,178	7,069	6,843	5,300
Groundnut oil	5,308	7,453	8,554	5,410	8,164	2,682	7,000
Sugar ('000 tons)	147.1	109.5	131.8	170.1	178.6	207.0	200.0
Cashew almonds	5,729	8,080	10,372	12,771	14,716	20,437	27,500
Maize (000 tons)	...	25.4	121.9	45.4	...	...	150.0
Cotton seed cake	13,670	17,740	19,515	23,498	33,727	29,820	25,000
Groundnut cake	12,616	10,240	5,258	2,851	6,332	...	...
Cotton lint	28,164	38,227	38,887	47,715	44,291	36,466	31,000
Sisal	26,694	23,172	25,142	22,681	21,338	16,579	13,500
Tobacco (not processed)	...	1,226	1,384	1,331	932	1,275	2,600

a/ Part estimated.

The export of agricultural produce forms an important part of the export trade (and the economy) of Mozambique.

In the 1968-1973 development plan 1,695 million escudos had been allocated for irrigation and land settlement, 287 million for cotton, cashew nuts, maize, banana and citrus development and 153 million escudos for livestock.

The wider implications of the Cabora Bassa Dam scheme will mean a fundamental revolution in agriculture with more than a million hectares under cultivation and widescale settlement schemes.

In 1970 a contract was awarded for a dam at Massingir on the Elephants River; 97,000 hectares will be irrigated when the work is completed in 1975 at a total cost of 708 million escudos. In 1972 arrangements were in hand to build a dam at Corumana on the Sabi River for a reported cost of 754 million escudos. The flood control of the Limpopo Basin was one of the main aims of the Massingir Dam project and the follow-up Mapai Dam project. When both dams have been built, 160,000 hectares will be irrigated. The second phase of the Massingir Dam costing 327 million escudos was out to tender in 1973.

In 1971 projects to improve livestock production were reported including a ranching scheme in the Tete district and numerous dams in Southern Mozambique.

Manufacturing Industry		Production Estimates						
Item		1966	1967	1968	1969	1970	1971	1972
Sugar	('000 tons)	176	220	215	228	286	326	326
Wheat flour	('000 tons)	46	46	51	45	64	71	76
Polished rice	('000 tons)	...	...	41	38	46	...	...
Edible oils	('000 tons)	23	19	18.9	17.6	23.1	16.7	23.0
Edible pastes	(tons)	3,476	4,567	4,510	3,612	3,723	4,717	5,120
Tea	(tons)	13,983	13,222	14,250	16,345	17,838	14,732	17,812
Cashew nut almonds	(tons)	5,410	5,997	12,229	13,084	14,697	18,693	24,879
Output value of above								
(million escudos)		1,488	1,610	2,120 ^{b/}	2,200 ^{c/}	2,598	2,850 ^{c/}	3,280 ^{c/}
Beer	('000 litres)	19,237	22,080	26,405	35,259	43,735	50,181	61,954
Soft drinks	('000 litres)	14,954	13,401	12,866	16,557	19,026	21,969	24,428
Tobacco products	(tons)	1,583	1,910	2,045	2,302	2,550	2,585	2,483
Output value drink and tobacco		428	522	551	706	832	1,035 ^{c/}	1,021 ^{c/}
Cotton-ginning	('000 tons)	...	...	41.7	43.4	39.3	36.0 ^{c/}	42.0 ^{c/}
Yarns-cotton	(tons)	2,039	2,122	2,298	2,959	2,672	3,038	2,712
Fabric-cotton	(tons)	1,665	1,803	1,540	1,940	1,858	2,303	2,414
Blankets-cotton	(thousand)	240	258	295	312	279	...	...
Jute products	(tons)	6,848	7,187	8,526	9,452	7,719	...	4,544
Knitwear	('000 doz)	223	246	323	305	241	...	...
Shoes	('000 pairs)	176	265	375	403	...	...	...
Sacks	('000)	7,876	7,744	8,818	10,492	9,108	4,703	4,013

	1966	1967	1968	1969	1970	1971	1972
Output value, textiles clothing and footwear ^{a/}	318	414	1,153	1,254	1,167	1,150 ^{c/}	1,300 ^{c/}
Plywood (cubic metres)	1,800	2,026	2,446	4,703	5,995	...	...
Veneers ('000 m ²)	2,750	2,104	4,577	4,625	4,505	...	...
Metal furniture ('000 units)	117	120	48	70	56	...	...
Rubber products- shoes ('000 pairs)	1,179	1,173	1,370	1,297	1,137	...	...
Sub-total-output value (million escudos)	54	65	81	96	88	100 ^{c/}	110 ^{c/}
Industrial alcohol ('000 l.)	662	607	722	771	819	...	...
oils and fats (only part) (tons)	9,963	13,389	13,729	15,237	...	25,285	28,739
Paints etc. (kilolitres)	1,917	2,252	2,508	2,967	3,769	...	...
Soap	16,489	16,142	15,441	15,984	16,890	16,986	19,255
Oil cake etc. (tons)	40,616	42,531	48,024	54,301	61,123	52,861	56,207
Sub-total-output value (million escudos) ^{a/}	241	295	331	356	370 ^{c/}	420 ^{c/}	450 ^{c/}
Motor spirit ('000 tons)	131.9	132.5	140.2	142.8	133.7	131.0	120.0
Gas oil (" ")	211.8	224.5	246.9	217.9	191.9	194.5	230.6
Fuel oil (" ")	298.6	347.9	362.1	352.7	331.5	357.0	327.7
Butane gas (" ")	5.6	4.8	6.4	7.5	10.3	13.0	...
Petroleum Products							
Sub-total-output value (million escudos) ^{a/}	487	580	635	586	555	665 ^{c/}	620 ^{c/}
Glass bottles ('000)	10,034	10,049	10,505	17,733	18,011	18,453	19,791
Cement	224	243	282.2	309.5	385.0	420.9	468.0
Asbestos cement Product (cubic metres)	4,242	4,123	4,162	5,293	7,061	7,046	8,507
Sub-total-output value (million escudos) ^{a/}	210	215	241	297	377	416	457
Barbed wire ('000 metres)	5,815	5,993	6,805	7,708	7,179	...	...
Nails (tons)	1,123	1,237	1,383	1,429	1,705	...	...
Aluminium holloware ('000)	503	606	795	817	685	...	...
Iron and steel plate ('000 tons)	...	...	24.3	22.8	33.6	...	...
Electric cables ('000 metres)	3,795	5,074	6,251	6,99-	8,801	...	...
Wagon assembly (railway) (number)	360	391	360	390	414	...	...
Vehicle assembly (number)	...	...	69	210	403	...	...
Bicycles (number)	...	10,397	32,750	17,894	22,976	...	...
Sub-total-output value (million escudos) ^{a/}	136	150	304 ^{b/}	315	431	...	...
Grand total-output value (million escudos)	3,362	3,860	5,416 ^{a/}	5,806	6,418	7,150 ^{c/}	7,650 ^{c/}

^{a/} Only of items shown.

^{b/} Includes cotton ginning, rice polishing and iron and steel for first time which add 705 million escudos, 198 million escudos and 107 million respectively to the total.

^{c/} Estimate.

In 1972 it was reported that 150 requests for extensions or new factories were in hand representing a total investment of 4 billion escudos and making new work for 10,000 persons. In the first half of 1973 authority was given for investments totalling 900 million escudos including 30 new ventures.

For 1969 total manufacturing output was reported to be 7,118 million escudos and in the period January to June 1970 there was a further increase of about 18 per cent in the value of manufacturing output compared with the same period in 1969.

Total industrial production (including mining and construction) is reported to have increased from 5,000 million escudos in 1964 to 6,800 million in 1967 and 7,500 million in 1968.

Projects in 1967 included a condensed milk factory, an aluminium plant, a granulate plant for the new fertilizer complex at Matola, small clothing factories, a clinker mill at Revue for cement production, a vegetable oil extraction plant, sugar mills and refineries at Dondo and Marroneu, a proposed steel smelting foundry and three further factories for decortication of cashew nuts.

During 1968 the following projects were reported:

Fertilizer complex at Matola, this came on full stream in January 1968, the four plants in the complex can produce 50,000 tons of sulphuric acid, 60,000 tons of ammonium sulphate, 30,000 tons of superphosphates and 30,000 tons of granulated fertilizers per annum. The total cost was about 270 million escudos.

Nitrous ammonia, from natural gas at Pande, this project would cost 1,200 million escudos and need access to the South African market to be economic. (In 1969 government authority for this project was obtained).

Motor assembly, a plant costing 150 million escudos was under construction in April 1968 and was expected to be in production in August to assemble 3 Japanese $1\frac{1}{2}$ ton trucks at the rate of 10 per day.

Sugar mill, a mill costing 280 million escudos was to be built at Dondo with a capacity of 150,000 tons a year (this mill came into production in 1970. By 1970 there were 6 manufacturing plants in Mozambique with a capacity for 350,000 tons of sugar).

Iron and steel, in September 1968 it was reported that a plant to process iron ore and steel was to be set up which would have a capacity of 250,000 tons and would be completed in five years.

Ship repairing, a complex including 3 dry docks and other facilities for major repairs to large ships and for the construction of medium-sized ships was to be developed at Lourenco Marques.

Oil refining, the Sonarep refinery was to be enlarged to be able to produce 2.5 million tons of products a year (compared with the then 800,000 tons). The expansion would cost about 900 million escudos on top of the current investment of 400 million. Work on this expansion started in 1969.

Matches, a factory with a capacity for 500 tons a month was to be built.

Textiles, the local textile factory was being expanded to increase capacity to 4,000 tons by October 1968 with a possible target of 20 million metres of cloth by 1969 (compared with 15 million in 1968).

Beer, the brewery was also being expanded and by November 1968 had been expected to be producing at a rate of 5 million litres a year (with capacity doubled).

Glass and ceramics, Government approval for a factory to produce plate glass, insulators and crockery was granted late in 1968.

Other projects reported included a flour mill, cashew nut processing factories, metal constructions, a canning factory for tropical fruits, sweets and clothing factories.

At the end of 1968 it was also reported that new industries established in any of the Portuguese Provinces would be exempt from taxes, contributions and licenses etc., for a period of six years. Similar exemptions would be granted to existing concerns when building new factories but for three years only. Foreign investment is being actively encouraged.

The development of the electricity supply scheme and the growth generated in the area to be opened up by the Cabora Bassa scheme are thought to be likely to result in the establishment of a steel mill whilst other developments mentioned as possibilities include an aluminium smelter, an electrolytic copper refinery and agricultural processing factories.

The demand for cement for the developments connected with Cabora Bassa should also lead to the increase of capacity above the 1969 level of 500,000 tons. In 1970 sales were around 390,000 tons and in 1971 two new units at different cement works were under construction.

Early in 1969 it was reported that a project for a paper factory was being examined. It would be based on 65,000 hectares of forest land and cost an estimated 1,450 million escudos. Also in 1969 a cotton fabric factory was proposed at Nampula (cost 350 million escudos).

In the first 6 months of 1969 a total of 243 new units representing a reported investment of 250 million escudos were established in Mozambique. 104 of these were in manufacturing industry.

In 1970 projects reported included a bicycle and moped factory, coconut processing, the expansion of cement production at two factories from 300,000 tons a year, a new brewery in the North and an electrode factory for Lourenco Marques.

It was also reported that the sisal bag factory would have its capacity raised from 7,000 to 12,000 tons a year and other projects included a new Kraft paper factory, a cashew nut decorticating plant of 15,000 tons, a new rice polishing plant, balanced feed for poultry (5,000 tons a year), margarine (500 tons a year) and a new tyre retreading plant.

At the end of 1970 there was further interest shown in the industrial utilisation of the eucalyptus and pine trees at Chicamba. This may be the site of the contemplated cellulose industrial complex and a potential investment of some 3,000 million escudos has been mentioned.

In 1971 new projects reported included a textile factory at Matola (cost 290 million escudos), a factory for prefabricated building material, a can making plant, processing of vegetables, a steel wire factory (5,200 tons) and soft drink plants. A match factory was due to be opened in 1972, a further cashew nut processing plant was inaugurated bringing the capacity to more than 200,000 tons, a steel works of 250,000 tons at Moatize was under investigation and chemical projects included a caustic soda, hydrochloric acid and chlorine plant, a pesticide and disinfectant factory and another for toilet preparations and soap.

In 1972 the following projects were reported:

Cement, a plant with a daily capacity of 2,000 tons was to be built at Matola.

Paper pulp, 650,000 contos was to be invested in a plant at Vila Pery.

Dry Cell Batteries, production at the rate of 10 million cells a year, the plant would be built by the end of 1972.

Tyres, an application was made by Firestone to build a factory to supply 90 per cent of Mozambique's needs, the factory would be built by 1973/74 and in 1973 it was reported to cost 350 million escudos and be in production in 1974.

Phosphoric acid, a new plant was to be built with 240,000 ton capacity.

Cotton mill, a new one was planned for Lourenco Marques.

Vegetable oil and Soap, a plant costing 500,000 contos was to be built in the Zambezia district.

Sugar mills, production capacity in two sugar growing areas was to be raised from 250,000 to 400,000 tons.

Textile factory, one was to be built at Nampula for 150 million escudos. A factory at Vila Pery was to double its output to about 500 million escudos by 1974, the extension is costing 250 million escudos.

Projects reported in 1973 included the following:-

Textiles; a spinning, weaving, bleaching, dyeing and finishing plant which will cost 250 million escudos and treat 1,500 tons of cotton a year. The Texlom factory at Matola was inaugurated, the cost is reported as 320 million escudos; production from 12,000 spindles and 270 looms would be 11 million metres a year rising later to 16 million metres.

Sugar; the Dingué sugar complex was to be developed near Beira for 1,600 million escudos and produce up to 200,000 tons of sugar a year, 8,700 workers would be employed, Two other sugar factories were scheduled to increase their production for an investment of 600 million escudos.

Cashew Nuts; a new installation at Nacala would have a capacity for 35,000 tons of nuts a year.

Cellulose; the Bandula project was mentioned, it would have 240,000 tons capacity and needs 50,000 hectares of eucalyptus from Chimoio and Manica areas. Production could be started in 1976.

Steel; a plant is to be built at Matundo where ore reserves exist in Tete 70 km from the site and the River Zambezi can be used for transport. Output will be 250,000 tons of billets a year.

Matches; the 500 million escudos plant at Lourenco Marques was scheduled to be inaugurated in June. Production would be half a million boxes a year.

Cement; the Matola plant was expected to produce 800,000 tons a year as soon as its expansion programme was completed.

Explosives; a plant of 2,500 tons capacity was to be built in Lourenco Marques.

Instant Coffee; plans had been drawn up for a plant costing 40 million escudos involving a Swiss Company and Nestles (Lisbon)

<u>Transport - Roads</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
		<u>(length in kilometres)</u>			
First class roads	4,011	4,022	3,620	3,599	3,833
Second class roads	7,811	7,811	7,797	7,802	7,472
Third class roads	14,844	14,762	14,613	14,621	14,285
Unclassified	11,495	11,495	11,495	11,495	11,495
Total	<u>38,161</u>	<u>38,090</u>	<u>37,525</u>	<u>37,517</u>	<u>37,085</u>
Road expenditure (million escudos)	139	123	179	183	216

There are very good roads linking Mozambique to Rhodesia and South Africa making it easy for tourists to visit Mozambique but a major boost to tourism was expected to follow the completion of the tarmac road link between Beira and Lourenco Marques. In 1972 there were 3,355 km of paved road in Mozambique and 7,000 km were expected by the end of 1975.

During the development plan 1968 to 1973 roads and a new bridge across the Zambezi River at Tete will be required as part of the Cabora Bassa scheme. Construction of the road was actually started in 1967 and construction of the bridge over the Zambezi near Tete was reported to be starting in 1968 (and to be finishing by March 1971). A further bridge over the Save River was expected to be finished by June 1970.

Work on the Inchope-Save section of the new road being built between Beira and Lourenco Marques was resumed in 1967 and the road was expected to be open to traffic by 1970. In 1969 the tarmac road stretched for about 650 kilometres north of Lourenco Marques and was expected to be completed to Beira by July 1970.

A further report in 1968 indicated that a new road between Tete and Fingal (on the left bank of the Zambezi) was being constructed for 77 million escudos and in 1970 there was a reference to the highway between Tete and Salisbury being widened and reinforced for heavy traffic.

The total road programme for 1969 was reported to cost 1,210 million escudos and reports in 1970 referred to (a) a 116 km tarred road to be built to link Lourenco Marques and the Natal border (to start in 1972/3) and (b) a road of 150 km from Moatize-Songo (for 272 million escudos) to link up with the Cabora Bassa Dam site. The Beira-Rhodesia road was being improved and a tamacadamising of this international road was expected to be completed in 1972.

Another road project referred to in 1971 was the Mutoro-Montepuez road of 115 km to cost 48 million escudos. In 1972 tenders were called for a 1,000 km road from the Centre to the North East of Mozambique, the overall cost of this road has since been reported as 1,347 million escudos.

A report late in 1973 mentioned the Trans-North Highway to be built from from Antonio-Enes South of Mozambique to Port Arroio on Lake Malawi. It would be 925 km long and tarred.

<u>Road Motor Vehicles in Use</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
Light vehicles	47,300	51,183	55,779	59,857	64,222	70,733
Lorries	8,500	8,741	9,019	9,386	9,826	10,575
Tractors	...	3,724	4,179	4,559	5,050	5,836
Motor cycles	...	3,550	3,610	3,624	3,614	3,729
Total		<u>67,198</u>	<u>72,587</u>	<u>77,426</u>	<u>82,712</u>	<u>90,873</u>

Rail transport, the rail network in Mozambique connects with systems in South Africa, Rhodesia and Malawi. Most of the rail traffic of Rhodesia and much of that from Malawi moves to the Port of Beira. Rhodesia makes use of both Beira and Lourenco Marques but the latter port is also used by South Africa and Swaziland. Part of Zambia's trade also passes over the Mozambique rail system.

In 1967 the Portuguese Government purchased the railway line between Beira and Malawi and also the line between the Zambezi River and Vila Nova da Fronteira.

For Malawi and the North of Mozambique a new line was constructed to link the Malawi railway system with Nova Freixa and thence to the coast at Nacala. In 1970 it was reported that Vila Cabral the capital of the North was directly linked by rail to Nacala.

In 1969 a rail spur of 88 kilometres was opened to connect Marroneu to the railway system at Inhamitanga.

A survey for a rail link between Tete and Cabora Bassa was reported in 1968 and in 1969 reference was made to a rail link which would eventually connect Cabora Bassa and Nacala. In 1973 work was projected to extend the railway which links Quelimane and Mocimboa do Batuque and for the construction of a link between Umtali and Caldes Xavier to join up with Nacala. Two other smaller links of 30 km and 36 km were proposed for mineral traffic between mines and loading quays. Railway electrification from Lourenco Marques to the South African border was a further project reported in 1973:

<u>Rail statistics</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	
Railway line (km)	3,562	3,522	3,589	3,599	3,703	
In use (")	2,600	2,673	2,696	2,764	2,843	
Locomotives	270	271	284	289	288	
Carriages	208	207	211	210	211	
Vans	150	150	150	146	141	
Wagons	6,457	6,666	7,181	7,194	7,677	
	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>
Passengers carried ('000)	...	...	4,220	4,392	4,941	5,281
Passenger/km						
(million)	216	238	253	256	280	315
Freight transported						
('000 tons)	12,463	13,433	14,490	15,175	15,530	16,874
Freight ton/km						
(million)	2,400	2,408	2,719	2,676	2,758	2,957

In 1973 reports refer to the purchase in 1974 of 15 coaches and 340 trucks plus a possible 10 locomotives. A further 22 locomotives would be delivered late in 1973.