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INDUSTRIAL DEVELOPMENT REVIEW SERIES

CENTRAL AFRICAN REPUBLIC

Prepared by the
Regional and Country Studies Branch

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Preface

This series of industrial development reviews on developing countries is prepared within the framework of country studies by the UNIDO Regional and Country Studies Branch.

The reviews provide a survey and brief analyses of the respective country's industrial sector, as an information service to relevant sections within UNIDO and other international agencies as well as aid agencies in developed countries concerned with technical assistance to industry. It is expected that the reviews will prove a handy, useful information source also for policy-makers in the developing countries as well as for industrial entrepreneurs, financiers and economic researchers.

The reviews draw primarily on information and material available at UNIDO headquarters from national and international statistical publications as well as data contained in the UNIDO data base. Since up-to-date national statistical data usually are not complete, it is evident that the reviews will need to be updated periodically. To supplement efforts under way in UNIDO to improve the data base and to monitor industrial progress and changes on a regular basis, it is hoped that the appropriate national authorities and institutions in the respective countries and other readers will provide UNIDO with relevant comments and information. Such response will greatly assist in updating the reviews.

The present Review was prepared on the basis of information available at UNIDO headquarters in mid-1986. It is divided into two rather distinct parts. Chapters 1 and 2 are analytical in character, giving first a brief overview of the country's economy and its manufacturing sector and then a more detailed review of the structure and development of its manufacturing industries. Chapter 3 and 4 contain various kinds of reference material on national plans and policy statements relevant to industrial development, on the more important governmental and other institutions involved in industrial development and on the country's natural, human and financial resources for industrial development. The Review also contains relevant basic indicators and graphical presentation of manufacturing trends as well as statistical and other appendices.

It should be noted that the reviews are not official statements of intention or policy by Governments nor do they represent a comprehensive and in-depth assessment of the industrial development process in the countries concerned.

EXPLANATORY NOTES

Regional classifications, industrial classifications, trade classifications, and symbols used in the statistical tables of this report, unless otherwise indicated, follow those adopted in the United Nations *Statistical Yearbook*.

Dates divided by a slash (1984/85) indicate a crop year or a financial year. Dates divided by a hyphen (1984-85) indicate the full period, including the beginning and end years.

References to dollars ($) are to United States dollars, unless otherwise stated.

In tables:

A series of dots (...) indicates that data are not available or not separately reported;

A series of dashes (---) indicates that the amount is nil or negligible.

The following abbreviations are used in this document:

BEAC	Banque des Etats de l'Afrique Centrale
CAR	Central African Republic
CFAF	CFA Franc (currency) (African Financial Community Franc)
DMEC	Developed Market Economy Country
GDP	gross domestic product
GNP	gross national product
ILO	International Labour Organization
IMF	International Monetary Fund
MPSCI	Ministère du Plan, des Statistiques et de la Coopération Internationale
MVA	manufacturing value added
OECD	Organization for Economic Cooperation and Development
SMI	Small and Medium-Scale Industries
UDEAC	Union Douanière des Etats de l'Afrique Centrale
UNDP	United Nations Development Programme

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The economy

GDP:	\$636.5 million (1985)[a]
GDP per capita:	\$244 (1985)[a]
Population:	
Total:	2.6 million (1985)[a]
Density:	4.0 inhabitants per sq. km. (1983)
Labour force:	1.3 million (1980)
Average annual growth of population (per cent):	2.3 (1973-83)

Structure of production:[b] (percentage share)

	1979	1984
Agriculture	37.0	36.7
Manufacturing	7.8	7.3
Mining	8.6	5.6
Services (incl. other)	46.6	50.4

Average annual GDP growth:

1960-70	1970-80	1981	1982	1983	1984	1985[c]
1.5	0.9	-6.5	0.4	-2.3	3.6	2.5

Rate of inflation:[d]

1973-83	1982	1983	1984
14.4	13.1	13.2	12.4

Exchange rates (averages): (CFA Franc per \$1)

1982	1983	1984	1985
328.6	381.1	437.0	449.3

a/ Estimates.
b/ Calculated from GDP at current prices.
c/ Official estimate.
d/ Consumer price index.

BASIC INDICATORS 2
Resources and transport infrastructure

Resources
(production levels in thousands of tons)

Main crops (1984/85):	Cotton (62.5), coffee (19), cassava, ground-nuts, millet and sorghum
Mining (1984):	Diamonds (337,000 carats)
Energy (1984):	Electricity (73 million kwh)
Share of total energy consumption (1983):	Oil - 78 per cent Hydroelectricity - 22 per cent

Transport

Roads:	9,000 km (classified) 11,000 km (unclassified)
Main ports:	Bangui
Main airports:	Bangui

BASIC INDICATORS 3
Foreign trade and balance of payments

Merchandise exports (1984):

Total value:	$115 million
Main commodities:	Diamonds ($32 million), coffee ($24 million), timber ($23 million) and cotton ($21 million)
Main destinations:	Belgium, France and Japan

Merchandise imports (1984):

Total value:	$143 million
Main commodities:	Petroleum products, machinery and transport equipment, chemicals and consumer goods
Main origins:	France, Japan, Zaire and Federal Republic of Germany
Trade deficit:	$50 million (1982) $39 million (1983) $29 million (1984)
Balance of payments: (current account deficit)	$54 million (1982) $35 million (1983) $32 million (1984)

	1974	1982	1983	1984
Public/publicly guaranteed disbursed debt ($ million):	63	209	216	224

Debt service:	1974	1982	1983	1984
as percentage of GNP:	1.6	0.7	2.7	1.8
as percentage of exports:	5.9	3.0	11.3	8.1

International liquidity: (reserves less gold)	$53 million (end-1984)

BASIC INDICATORS 4

The manufacturing sector

Manufacturing value added: (at 1980 prices)	\$85 million (1975) \$65 million (1982)
MVA per capita: (at 1975 prices)	\$24 (1975) \$22 (1981) \$19 (1983)
Average annual growth of MVA: (per cent)	1960-70: 8.2; 1970-80: 1.6; 1981: -9.8; 1982: -5.4; 1983: 1.4; 1984: 1.4; 1985 a/: 1.5
Manufactured exports: (1984-CFAF millions)	Paper products (915), cut diamonds (729), highly processed wood (707), cigars and cigarettes (575) and motorcycles (356)
Manufactured imports: (1982-CFAF millions)	Plant and machinery (7,774), minerals, including petroleum (7,231), transport equipment (5,953), chemicals (4,848) and food, drink and tobacco products (4,246)
Employment in manufacturing sector:	4,500 persons (1984)
Wages and salaries:	CFAF 4,100 million (1984)
Gross output:	CFAF 23,300 million (1984)
Value added:	CFAF 10,600 million (1984)
Main sub-sectors:	Textiles, food products and tobacco

a/ Preliminary estimate.

BASIC INDICATORS 5
Inter-country comparison of selected indicators

	Unit	Cameroon	Central African Republic	Congo	Zaire
1. Demographic indicators					
Population (mid-1984)	million	9.9	2.5	1.8	29.7
Population growth (1973-84)	per cent per year	3.1	2.3	3.1	3.0
Infant mortality (1984)	per 1,000	116	138	78	103
Area	Thousands of km^2	475	623	342	2,345
Density	Inhabitants per km^2	21	4	5	13
2. Economic indicators					
GDP (1983)	millions of $	7,800	560	2,110	4,700
GNP per capita (1984)	$	800	260	1,140	140
Growth of GDP (1973-83)	per cent per year	7.1	0.7	8.1	-1.0
Agriculture (1983)	per cent of GDP	22	39	5.8	36
Industry (1983)	per cent of GDP	35	20	47.9	20
Manufactures (1983)	per cent of GDP	11	8	8.3	2
Services (1983)	per cent of GDP	43	40	46.3	44
Exports (1983)	per cent of GDP	32	23	55	33
Imports (1983)	per cent of GDP	17	22	38	18
Gross investment (1983)	per cent of GDP	27	11	46	24
Outstanding foreign public debt (1983)	per cent of GNP	23.2	37.1	76.2	132.0
3. Industrial indicators					
MVA (1982)	millions of 1975 $	715	47	191	168
Share of MVA in GDP	per cent	11	8	8.3	2
Growth of MVA (1973-83)	per cent per year	13.5	1.0	12.7	-2.0
MVA per capita (1983)	$	82.7	19.2	70.3	3.6
Share of manufactured exports in total exports a/ (1982)	per cent	7.4 b/	26.2 b/	6.7 b/	3.2 c/
Share of MVA in world MVA (1981)	per cent	0.02	...	0.01	0.01

a/ SITC 5-8 less 68.

b/ 1980.

c/ 1979.

Executive Summary

The performance of the manufacturing sector in the Central African Republic (CAR) has been sluggish since the end of the 1970s. Since 1983 however there have been indications of a marked improvement. Long-term development has been hampered by a combination of external factors, such as unfavourable fluctuations in commodity prices, and internal factors connected with the Government's policy of intervention in the economy in the 1970s. The manufacturing sector has also to cope with the recurring problems of a landlocked country with inadequate transport links for the movement of goods.

The early signs of a stronger manufacturing performance have followed the introduction of very different government policies. These also had the effect of bringing regular IMF support and more co-operation from the CAR's external creditors. The Government has embarked on a wide ranging programme of privatization, public sector reform and restructuring of State enterprises. It now takes the view that industrial development should be primarily the responsibility of the private sector.

Manufacturing accounted for 7.8 per cent of GDP in 1979 and 7.3 per cent in 1984. The small size of the domestic market in a country with a population of less than 3 million and with employment in the modern sector of less than 100,000 acts as a major constraint to the sector. In terms of composition of MVA, there has been a noticeable shift from textiles to food, beverages and tobacco. The manufacturing sector is concentrated in the capital, Bangui. Ownership of the larger companies is mainly in foreign hands. Private domestic business is only growing slowly.

A provisional 1986-90 Plan has made a negligible allocation to industry and concentrates on investment in the rural economy and the infrastructure. The Plan establishes a target of average annual GDP growth of 3.0 per cent. With a predominantly agrarian economy, the priority accorded to rural development in the Plan is the clearest way of increasing purchasing power and hence demand for manufactures.

There certainly exists scope for increasing the level of processing of the CAR's resources. Sectoral value added reflects some degree of processing of both cotton and timber but on a scale that could be further expanded, particularly timber. Government policy now stresses the need and opportunities for increased processing, especially by the small-scale industries. Recent sugar and palm projects have been developed with the foreign exchange savings besides the employment considerations in mind.

Manufactures account for a small percentage of total exports. Some scope exists for higher earnings, notably with diamonds and timber, but high transport and fuel costs combine to make export promotion for the latter a difficult challenge. The emphasis in official industrial policy has moved from import substitution to the supply of basic domestic needs with local resources while continuing to enhance export performance.

Sommaire[a/]

L'industrie manufacturière de la République centrafricaine présente des résultats médiocres depuis la fin des années 70. Depuis 1983, toutefois, certains signes laissent prévoir une amélioration sensible. Le développement à long terme a été freiné par un ensemble de facteurs, les uns extérieurs (comme les fluctuations défavorables des cours des matières premières), les autres intérieurs (comme les mesures liées à la politique d'intervention du gouvernement dans l'économie au cours des années 70). Par ailleurs, les industries manufacturières se heurtent toujours aux problèmes que pose l'insuffisance des transports dans un pays sans littoral.

Par suite de l'adoption de nouvelles mesures gouvernementales, une reprise de la production a commencé à se faire sentir. Ces mesures ont permis en outre d'obtenir un soutien régulier du FMI et une coopération élargie de la part des créanciers du pays. Le gouvernement a lancé un vaste programme de privatisation, de réforme du secteur public et de restructuration des entreprises nationales. Il considère maintenant que le développement industriel incombe avant tout au secteur privé.

La production manufacturière a représenté 7,8 % du PIB en 1979 et 7,3 % en 1984. Son développement se heurte aux graves obstacles que constitue l'étroitesse du marché intérieur - le pays compte moins de 3 millions d'habitants - et la faiblesse de l'emploi dans le secteur moderne - moins de 100 000 personnes. En ce qui concerne la composition de la VAM, on constate une diminution sensible de la part des textiles au profit de celle des produits alimentaires, des boissons et du tabac. Les industries manufacturières sont concentrées à Bangui, la capitale du pays. Les grandes entreprises appartiennent essentiellement à des investisseurs étrangers. Les entreprises privées nationales ne se développent que lentement.

Le Plan intérimaire pour 1986-90 alloue des ressources négligeables à l'industrie et s'attache aux investissements dans l'économie rurale et l'infrastructure. Ce plan prévoit un taux de croissance annuel du PIB de 3,0 %. Compte tenu du caractère essentiellement agricole de l'économie centrafricaine, la priorité accordée dans le Plan au développement rural constitue le moyen le plus direct d'accroître le pouvoir d'achat et, partant, la demande d'articles manufacturés.

On pourrait certainement s'orienter davantage vers la transformation des ressources du pays. La valeur ajoutée, par secteur, montre que l'on s'est engagé dans cette voie pour le coton et le bois, mais on pourrait aller plus loin, dans le cas du bois surtout. Les pouvoirs publics soulignent maintenant la nécessité et les possibilités de développer les activités de transformation, surtout au niveau des petites entreprises. On prévoit de créer des usines de sucre et d'huile de palme, qui auraient le double avantage d'économiser les devises et d'offrir des emplois.

La production manufacturière représente une faible part des exportations. Il est possible d'accroître cette part, notamment pour les diamants et le bois; cependant, pour ce dernier produit, la tâche est rendue difficile par le coût élevé des transports et des carburants. Aujourd'hui, la politique industrielle officielle met moins l'accent qu'auparavant sur la substitution des importations et davantage sur l'exploitation des ressources locales pour satisfaire les besoins intérieurs essentiels; parallèlement, on s'efforce toujours de développer les exportations.

1. THE ECONOMY OF THE CENTRAL AFRICAN REPUBLIC

1.1 Recent economic trends

The Government in the CAR pursued an economic policy of intervention in the 1970s through centralized planning and public ownership. Agriculture was marked by an intensified cotton programme and directed by an ill-equipped state marketing agency and a growing dependence on administrative controls rather than market-induced producer prices. Real growth in GDP averaged 2.7 per cent in 1970-77 as agricultural production initially responded positively to the new policies and as commodity prices increased for all the CAR's principal exports.

Simultaneously the Government created a large parastatal sector with the establishment of new industrial and commercial enterprises. Industry's share of the two public investment plans in the 1970s was about 20 per cent: in terms of disbursements, industry received about 33 per cent of the total. Large payrolls and generally inadequate management prevented these new enterprises from fulfilling their allotted role in government economic strategy. They suffered increasingly from shortages of key imported spare parts and mounting repayment schedules on the foreign debt they had contracted at the outset. Tax revenue from the new parastatals was negligible: this accentuated the budgetary difficulties caused by a doubling of the public sector payroll in the two decades to 1980. The CAR's membership of a regional central bank, the Banque des Etats de l'Afrique Centrale (BEAC), prevented the Government from financing its deficits by means of a liberal credit and monetary policy. As a result external debt service and the payment of salaries to government employees became irregular. Sharply falling investment, the delayed effects of the 1974 petroleum price increase, political instability and lower agricultural output against a background of falling commodity prices in 1978 and 1979 prompted an abrupt change of policy.

Since 1980 there has been a marked change in government economic policy, formalized in the 1982-85 Programme National d'Action (National Action Programme) with emphasis on an overhaul of the public sector, an improvement in budgetary discipline and a higher level of production in all sectors. It defined a new policy on public ownership: the State would only intervene and then, if possible, in partnership with the private sector, in strategic industries, such as electricity, water and mining, and in cases where private enterprise was unwilling to assume full financial responsibility for an agreed project. Only one company in the industrial sector has been defined as strategic, the Comptoir National du Diamant (CND), a diamond cutting and polishing business that is owned jointly by the Government and a private US company. In line with the new official thinking in the Programme, industry was the third beneficiary of actual public investment in 1980-84 with 22.0 per cent of the total after infrastructure (37.4 per cent) and agriculture (29.8 per cent). The Government now attaches considerable importance to the development of small- and medium-scale industries (SMI). The Programme also called for a greater use of the CAR's natural resources to boost MVA, such as sugar and palm oil, and a restructuring of the public corporations in the sector.

Output has apparently responded to the change in direction of policy. Production in the agricultural sector did fall sharply as a result of the severe drought in 1983 but real GDP growth of 3.6 per cent in 1984 and an estimated 2.5 per cent in 1985 suggests an upward trend. The rural economy seems to have benefited from an increase in producer prices. The reorganization (and diminution) of the public sector has already started. Three State-owned banks, the national transport company and a national housing agency have been closed and are in the process of being liquidated. SOCEFI, the State forestry company which had not operated since 1982, has been sold to the private sector. TOCAGES, the mixed enterprise responsible for the import and distribution of petroleum products, has signed a management contract with a private partner. At the same time private capital as well as management have been introduced into SICPAD (oil and soap production), UCATEX (textiles) and CENTRAPALM (palm oil).

The broad outlines of the 1982-85 Programme are to be pursued by the Government for the rest of the decade. The Ministère du Plan, des Statistiques et de la Coopération Internationale (MPSCI - Ministry of Planning, Statistics and International Cooperation), with the support of the UNDP, is currently working on a 1986-90 Economic and Social Development Plan, which will formally be adopted in November 1986. Provisional figures for sectoral allocations are highlighted in Table 1.

Table 1. Sectoral allocations in the 1986-90 public sector investment Plan[a/]

	Spending (CFAF billions)	Percent of total
Rural and regional development	90.7	34.7
Rural development	46.8	17.9
Regional development	43.9	16.8
Industry	6.6	2.5
Mining	6.0	2.3
Manufacturing	0.6	0.2
Infrastructure	144.0	55.1
Transport and telecommunications	90.2	34.5
Energy, water and urban programmes	53.8	20.6
Social services	20.1	7.7
Health	11.5	4.4
Education	8.6	3.3
Total	261.4	100.0

Source: Ministère du Plan, des Statistiques et de la Coopération Internationale.

a/ These are provisional statistics which will be finalized in November 1986.

It is anticipated that the Plan will establish three quantitative targets, average annual growth of 3.0 per cent in GDP in 1986-90, public investment at a level of 15 per cent of GDP by 1990 and a considerable improvement in the CAR's balance of payments through a stronger export performance and reduced dependence on external sources for services, particularly transport and insurance. Structural reforms sought in the Plan are likely to be decentralization in decision taking, substantial changes in the civil service, privatization, encouragement of Central African businesses and the development of the education system to meet economic needs. In addition, it is expected that the Plan will call for greater regional co-operation, improved planning capacity in government departments and investment in the infrastructure to widen the rural money economy. These priorities are reflected in the provisional allocations; 16.8 per cent of the total programme to regional development and 34.5 per cent to transport and telecommunications, notably an ambitious road building programme. Government economic policy for industry, characterized by the current programme of privatization and negotiated management contracts, may be seen in the provisional allocation of CFAF 6.6 billion for the entire sector, including mining (or just 2.5 per cent of the total). A more detailed examination of official thinking on industrial policy is to be found in Section 3.1.

The MPSCI (Ministry of Planning, Statistics and International Cooperation) projects internal sources provide CFAF27.8 billion (10.6 per cent) and external sources CFAF233.6 billion (89.4 per cent) of the provisional investment plan. External partners have already made grant commitments of CFAF34.6 billion and signed loan agreements for CFAF88.8 billion, leaving a need of CFAF110.3 billion from external sources to complete the funding of the programme. Budgetary constraints have limited the ability of the Government to finance the Plan. The MPSCI projects a pronounced improvement in revenue collection and a containment in public spending, especially in wages and salaries. The resulting trend of a surplus in the ordinary budget is not, however, strong enough to meet rising repayments of external debt principal. Multilateral and bilateral partners are likely to bridge the overall budget deficits and contribute towards the projected CFAF110.3 billion gap in Plan financing. The IMF sanctioned its fifth standby facility to the CAR in six years in September 1985. This was followed in November 1985 by the rescheduling by the Paris Club of OECD members of debts due between July 1985 and December 1986.

1.2 Economic structure

With GNP *per capita* estimated at $260 in 1983, the Central African Republic is among the least developed countries in the world. GNP *per capita* grew by an average of just 0.1 per cent annually in 1965-83, a period when national population growth on an annual basis was approximately 2.0 per cent. The series of inter-country comparisons (Basic Indicators 5) with three other African countries, Cameroon, Congo and Zaire, shows the CAR to be the least populated excepting Congo and to have the highest rate of infant morality. The services sector accounted for 40 per cent of GDP in 1983 when gross domestic investment, expressed as a percentage of GDP, was at 11 per cent, the lowest of the four countries. The comparisons also indicate that MVA per capita in 1983 was $19.2, the lowest with the exception of Zaire; as was MVA growth in 1973-83. External public debt, expressed as a percentage of GNP, was also the second lowest in 1983 at 37.1 per cent.

In terms of production, population and economic activity, there are very marked regional and sectoral imbalances in the CAR. An estimated 15 per cent of the population live in the capital, Bangui, where manufacturing activity, other than the processing of timber, and the large civil service is almost exclusively concentrated. While the north east and the east of the country are inhabited by less than three people per sq. km., the west of the CAR and the south central province of Basse Kotto, the most important areas for agricultural production, are more heavily populated with an average of more than five people per sq. km.

The industrial origins of GDP are highlighted in Table 2, revealing structural changes between 1979 and 1984. Agriculture accounts for more than 35 per cent of the total: in terms of employment, it is still more important since a substantial percentage of production in the subsistence sector is not marketed. The fall in the contribution of mining from 8.6 to 5.6 in the period reflects near static levels of diamond production and the continuing prevalence of unrecorded output. The share of manufacturing has hardly changed, decreasing slightly from 7.8 to 7.3 per cent of the total in 1984. The relatively high contribution of the transport and telecommunications sector, 3.9 per cent in 1984, is explained by the high costs of transportation in this large country with a small population and a generally poor infrastructure. The share of public services has grown, albeit marginally, over the period despite the policy of the Government since 1983 to reduce the size of its work force and the level of its intervention in the economy.

Four commodities, diamonds, coffee, cotton and timber, each provide more than 15 per cent of total export revenue. This diversity in the export structure gives the CAR a measure of security against the characteristically sharp price movements in the international markets. The export of manufactures provided 26.2 per cent of total exports in the early 1980s according to the "narrow definition" of manufactures (SITC 5-8 less 68) and 40.7 per cent according to a "broader definition" of manufactures (see Appendix Table

Table 2. Industrial origins of GDP (at current prices), 1979 and 1984
(value added in CFAF millions)

	1979	(Per cent)	1984	(Per cent)
Agriculture	55.8	(37.0)	95.5	(36.7)
Mining	13.0	(8.6)	14.6	(5.6)
Manufacturing	11.8	(7.8)	18.9	(7.3)
Water and Electricity	1.0	(0.7)	3.5	(1.3)
Construction and public works	6.4	(4.2)	12.5	(4.8)
Commerce	21.2	(14.0)	40.6	(15.6)
Transport and telecommunications	4.4	(2.9)	10.2	(3.9)
Public services	22.0	(14.6)	38.4	(14.9)
Private services	7.2	(4.8)	9.3	(3.6)
GDP at factor cost	142.8	(94.6)	243.5	(93.7)
Indirect taxes less subsidies	8.1	(5.4)	16.4	(6.3)
GDP at market prices	150.9	(100.0)	259.9	(100.0)

Source: Central African authorities.

A-3). There has not been a merchandise trade surplus since 1978. A recurring outflow of services, particularly transport and insurance, has not for many years been fully compensated by the inflow on net transfers, with the result that a trend of regular current account deficits has developed. However inflows of long term, mainly public capital have produced annual fluctuations in reserves with, for example, increases in 1980 and 1984 and decreases in 1981-83.

1.3 Overview of the manufacturing sector

The manufacturing sector achieved average annual growth in terms of MVA of 5.4 per cent in 1965-75 and of only 0.2 per cent in 1976-81. As already observed above, economic performance in all sectors was poor at the end of the 1970s for a variety reasons; low investment levels, falling commodity prices and the increased cost of oil imports. Lower agricultural production reduced purchasing power and therefore demand for manufactures. The manufacturing sector accounted for 7.3 per cent of GDP at current prices in 1984.

Nor is manufacturing a major employer in the CAR. Table 3 shows employment by sector in 1981. A rough estimate of employment in the modern sector can be reached by subtracting the figures for agriculture and mining from the total to give about 55,000 people or less than 5 per cent of those in work. Public services were the second source of employment (2.3 per cent), dwarfed in importance by agriculture (93.7 per cent). The already low figure for manufacturing, 10,800 people, is inflated by the inclusion of forestry. A separate survey, undertaken by the MPSCI (Ministry of Planning, Statistics and International Cooperation), shows employment in industry and commerce, exclusive of banking and insurance, at the end of 1982 at 20,500 people. The same source showed employment in manufacturing at 3,350 led by food and drinks production (1,510) and textiles and leather goods (690). This detailed breakdown does not cover SMIs for which there are currently no available figures.

Table 3. Employment by sector, 1981
('000)

		Percent of total
Agriculture	1,100.0	93.7
Mining	18.6	1.6
Manufacturing a/	10.8	0.9
Water and electricity	0.6	0.0
Construction and public works	1.4	0.1
Commerce	5.4	0.5
Transport and telecommunications	1.9	0.2
Public services	26.5	2.3
Private services	8.5	0.7
Total	1,173.7	100.0

Source: Central African authorities.

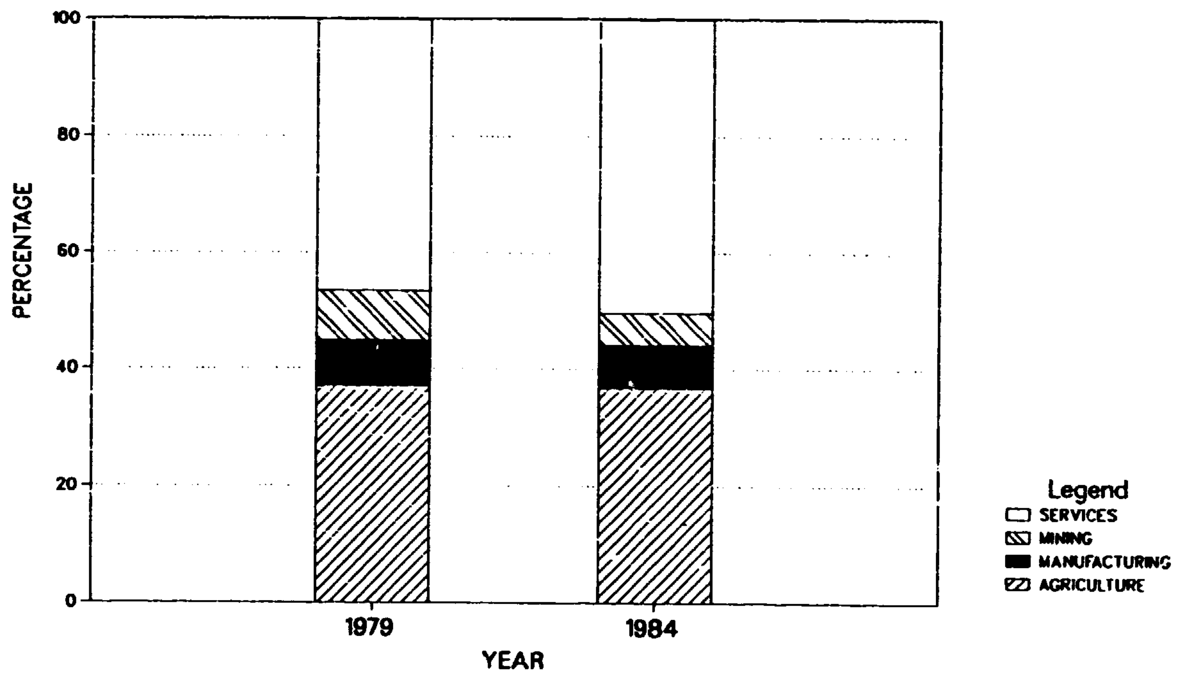
a/ Inclusive of forestry.

Ownership of the larger companies is dominated by foreign, especially French interests, both companies and individuals. The Investment Code, amended in 1982, is the principal vehicle for the government's industrial promotions. The response to the Code has been no more than satisfactory in spite of a package of liberal incentives. The Government is placing its hopes for the future of industry on the expansion of SMI to use domestic resources to meet established domestic needs in the small money economy. The absence of a development bank to provide loans to emergent businesses is one of the major constraints to industrial development.

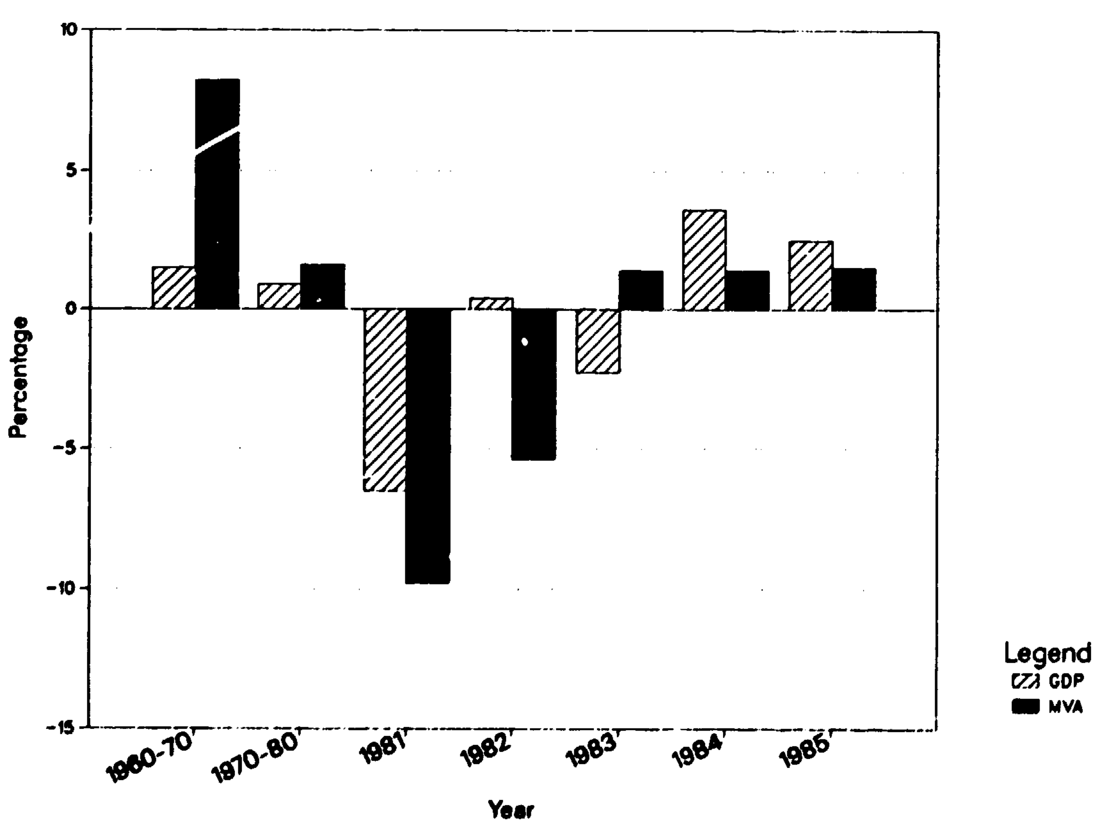
Manufacturing currently generates only little foreign exchange. International trade is hindered by the high costs of transporting merchandise to and from the Atlantic ports and of fuel. The sector is certainly a net user of foreign currency. The regional markets are not all in a healthy state: among BEAC (Bank of Central African States) members, Cameroon and the Congo are the most promising. The emphasis in official policy on industry in these circumstances has moved, not surprisingly, from import substitution to the supply of basic domestic needs with local resources while continuing to enhance export performance and to search for solutions to the recurring problems of exporters.

MANUFACTURING TRENDS

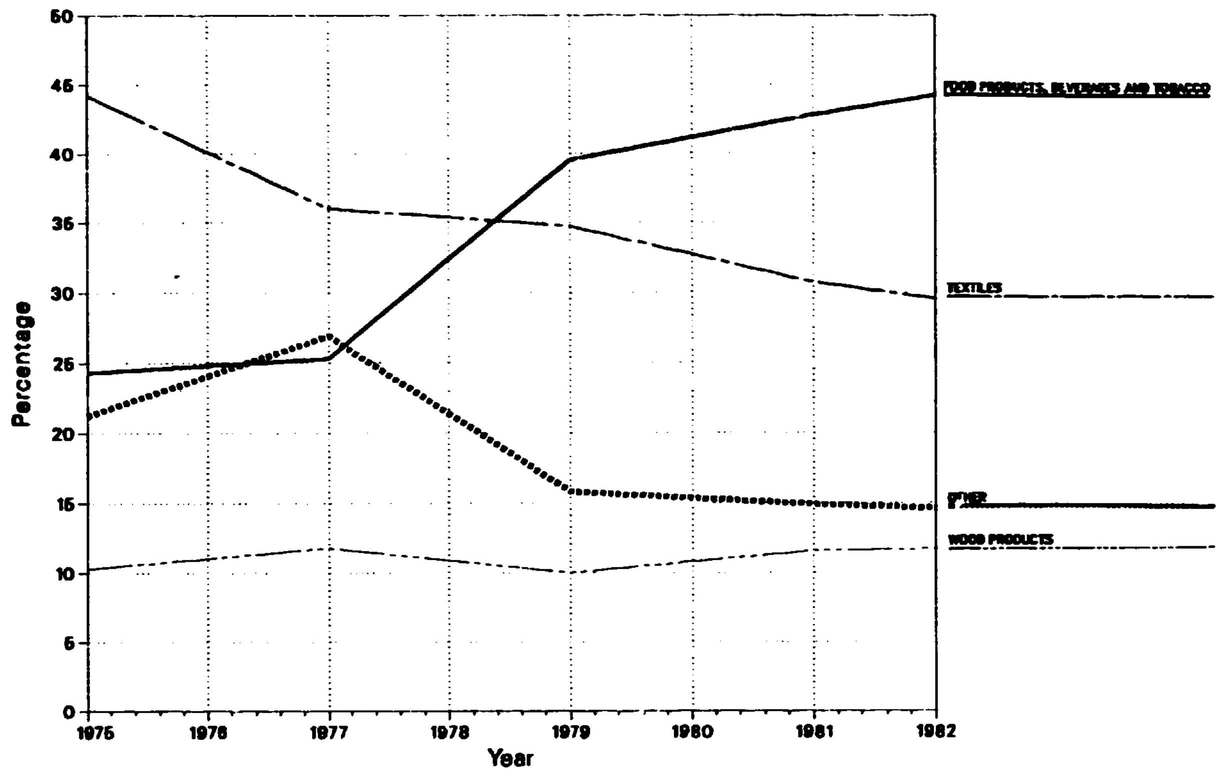
DISTRIBUTION OF GDP BY SECTOR OF ORIGIN, 1979 AND 1984



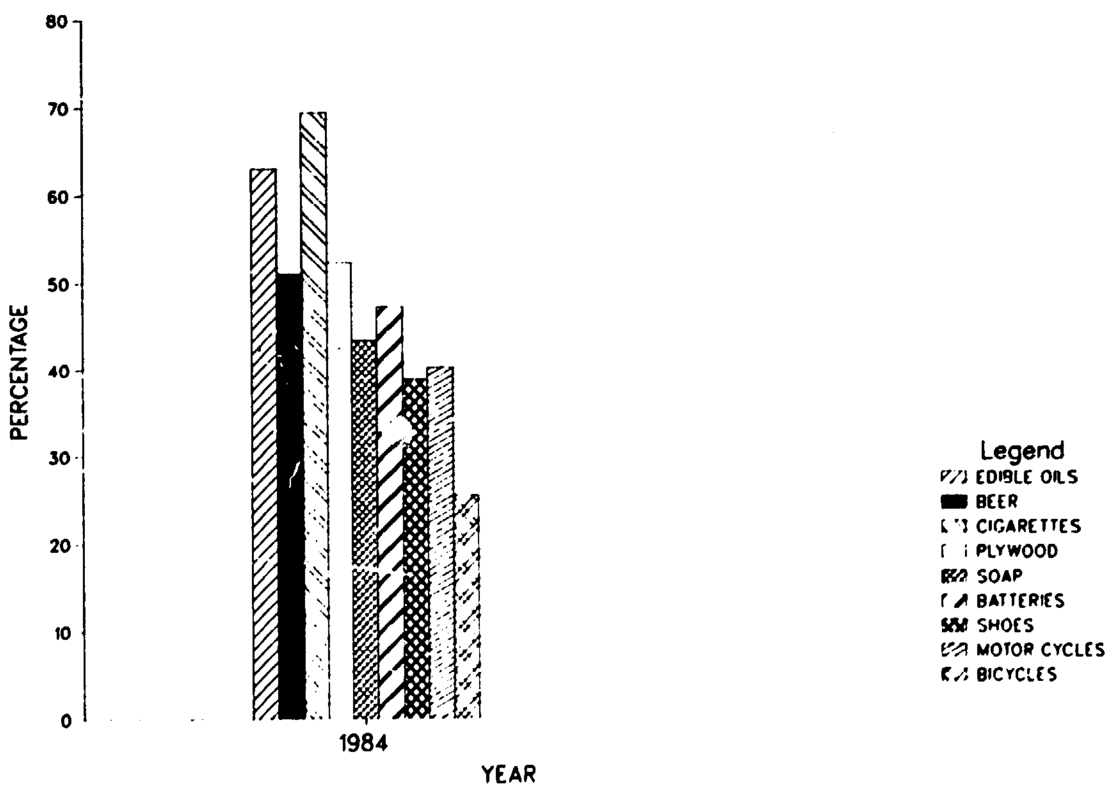
REAL GROWTH RATES OF GDP AND MVA, 1960-85



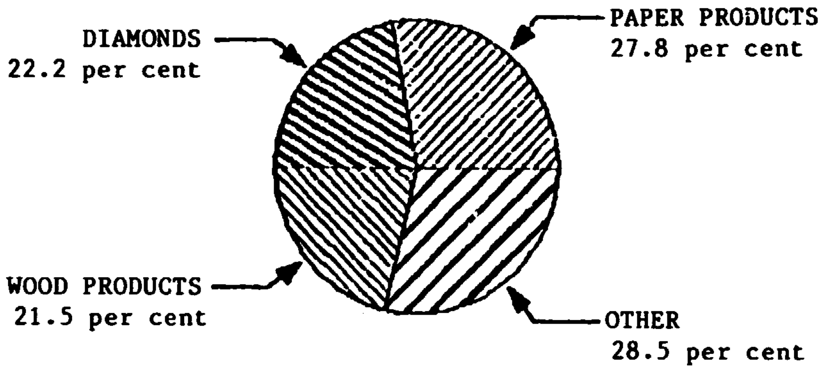
SHARES OF SELECTED INDUSTRIES IN MVA, 1975-1982



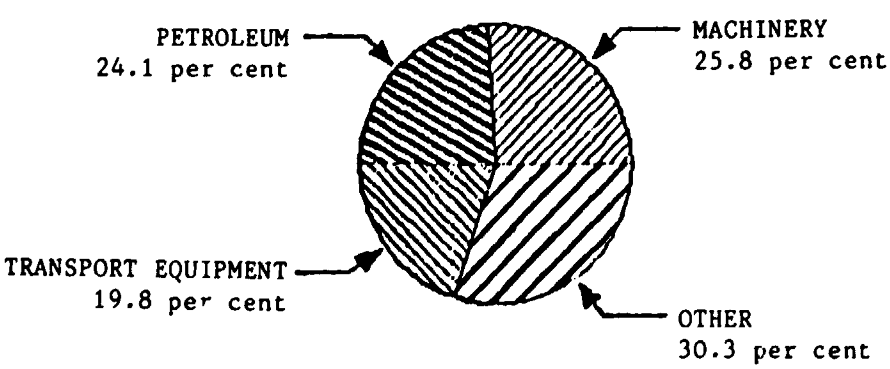
RATES OF CAPACITY UTILIZATION, SELECTED PRODUCTS, 1984



COMPOSITION OF MANUFACTURED
EXPORTS



COMPOSITION OF MANUFACTURED
IMPORTS



2. STRUCTURE AND PERFORMANCE OF THE MANUFACTURING SECTOR

2.1 Growth and structural change

The performance of MVA relative to GDP is indicated in Table 4. Calculated in current prices, its contribution towards the total has fallen from 7.8 per cent in 1979 to 7.3 per cent in 1984. After falls in 1980 and 1981, it returned to its 1979 level in 1982 but has subsequently decreased once more. Real growth in MVA in 1983 and 1984 was insufficient to increase the sectoral value added's share of GDP.

Table 4. Manufacturing value added, 1979-84
(CFAF billions at current prices)

	1979	1980	1981	1982	1983	1984
MVA	11.8	11.4	13.2	16.9	17.2	18.9
GDP at market prices	150.9	168.4	188.8	216.5	230.2	259.9
MVA/GDP (per cent)	7.8	6.8	7.0	7.8	7.5	7.3
Real growth of MVA (per cent)	---	-2.4	-9.8	-5.4	1.4	1.4

Source: Central African authorities.

The average annual growth rate of MVA was just 0.2 per cent in 1976-81. Different trends in the sub-sectors in 1975-84 show that value added increased by more than 5 per cent annually in beverages and tobacco in response to new investment (Annex Table A-1). It decreased by almost 10 per cent annually in textiles and clothing: cotton production has still not returned to the levels of the 1974-75 season (47,500 tons) although the current restructuring programme in the cotton industry has started to improve the supply of raw materials to the textile companies. Negative growth in value added in the chemicals, metal products and the electrical machinery sub-sectors may be explained by shortages of foreign currency for the import of raw materials and key spare parts.

The composition of MVA is illustrated in Annex Table A-2. The combined contribution of food products, beverages and tobacco rose from 24.3 per cent in 1975 to 44.2 per cent in 1982. In spite of the decrease of MVA, the value added of the three sub-sectors in the period still increased in constant prices from $20.5 to $28.6 million. At the same time the share of textiles fell sharply from 44.2 to 29.5 per cent of the total and from $37.4 to $19.1 million at constant prices. Apart from the problems with cotton production, the Annex Table points tc other examples of the underutilization of the CAR's natural resources. Wood products accounted for 11.7 per cent of MVA in 1982 but the contribution of non-metallic furniture was nil. Twelve companies currently have licences to operate in the CAR's forests but only three have the capacity to produce veneer, boards and plywood. An estimated 90 per cent of timber processing takes the form of sawn wood, 2 per cent boards and 8 per cent plywood. The same conclusion may be drawn from diamond production: in 1984 the output of raw diamonds was 337,000 carats and of cut diamonds from the CND plant only 4,000 carats. A second clue to the nature of the sector lies in the relatively low share of capital goods industries which accounted for less than 5 per cent of MVA in 1982. A car assembly plant (GACOA), operational since 1978, was established with ambitious production targets for regional exports but has since produced at low levels (less than 150 units in 1984) for the domestic market. Similar ventures are unlikely to be encouraged in the 1986-90 Plan.

2.2 Performance and efficiency

Statistics on the production of principal manufactures up to 1984 presented in Table 5 allow a comparison of actual output with each sector's optimal capacity. The 1984 production figures indicate that actual output in each sub-sector was far below the optimal capacity. The food, drink and tobacco industries have experienced mixed fortunes. Rising production of oil (as also of soap) reflects the reopening in 1982 of the SICPAD plant under private management after several years when it was barely functioning. Beer output responded to the opening of a new plant in 1982 but had not returned to its 1980 level by 1984. As for wood products, it was noted in Section 2.1 that the companies with processing capacity concentrate their efforts on the production of sawn wood rather than the more complicated - and more rewarding in terms of value added - transformation of timber to veneer, boards and plywood. A decrease in the output of plywood and sawn wood was matched by a

Table 5. Production of principal manufactures, 1980-84 and national capacity, 1984

	Production					Capacity
	1980	1981	1982	1983	1984	1984
Food, drink and tobacco						
Oil ('000 litres)	...	...	140	433	406	640
Beer ('000 litres)	24,032	20,330	18,717	21,072	21,777	42,000
Cigarettes (millions)	41	48	38	33	34	49
Cigars (mn. packets)	20	22	22	20	21	23
Timber industries						
Plywood (cu. m)	4,252	4,881	8,460	8,374	5,230	10,000
Sawn Wood (cu. m)	70,587	69,097	63,184	61,056	57,659	85,000
Chemical products						
Soap (tons)	...	...	506	625	1,429	3,300
Oxygen (cu. m)	39,356	39,237	42,416	35,754	35,830	200,000
Acetylene (cu. m)	11,748	12,195	13,765	11,796	14,044	16,400
Paints and varnishes (tons)	428	486	475	462	557	1,200
Batteries (units)	---	---	1,863	4,190	4,717	10,000
Plastic shoes ('000 pairs)	473	381	367	266	582	1,500
Miscellaneous						
Motor cycles (units)	6,620	6,109	7,464	5,610	4,020	10,000
Bicycles (units)	3,840	3,697	2,843	2,939	3,045	12,000

Source: Bulletin de l'Afrique Noire.

fall in the production of logs from 325,000 to 265,000 cu. m. in 1980-84. Two significant increases in output in this period, indicated in Table 5, are explained by new investment, the establishment of a new chemical plant for the manufacture of car batteries and the start-up of a plastic footwear factory. By contrast, the production of leather shoes fell from 381,000 pairs in 1981 to 266,000 pairs in 1983 as a result of problems with raw material supplies at BATA, the manufacturer. The statistics tend to confirm the picture of at best sluggish performance in the sector.

Corporate profitability has not been a recent hallmark of the sector. The MPSCI's survey of industry and commerce has shown that the 46 principal manufacturing companies produced a combined net loss of CFAF1.8 billion on turnover of CFAF20.6 billion in 1982. The three leading manufacturing sub-sectors produced poor financial results in 1982. The first, food production, did manage a profit before depreciation but lost CFAF0.4 billion on sales of CFAF11.3 billion. The second, textiles and leather goods, reported a net loss of CFAF1.0 billion on turnover of only CFAF3.7 billion: its value added was even negative in 1982 (CFAF0.2 billion) and its performance further reduced by contributions for personnel costs, interest expense and depreciation. The third, mechanical and electrical goods, registered a net loss of CFAF0.2 billion on sales of CFAF2.4 billion. Not one sub-sector recorded a significant net profit in 1982. The overall sectoral picture, revealing value added of CFAF4.6 billion (only 22 per cent of turnover), suggests market constraints that have negatively affected corporate pricing policy, possibly a combination of demand restraint and government controls.

Productivity trends do not show growing sectoral efficiency. Employees in manufacturing, including forestry, as shown in Table 3, accounted for only 0.9 per cent of the total in 1981 and produced 7.4 per cent of total value added in the same year. The MPSCI survey indicates that labour productivity in the manufacturing sector in 1982 was lower than that in construction, transport, water and electricity, commerce and private services. Manufacturing value added per capita has fallen since 1980 and amounted to $19.2 in 1983. This development may be connnected with apparent movements in wages and prices. In the private sector the Ministry of Labour fixes a minimum wage, the SMIG (Salaire Minimum Interprofessionnel Garanti): this was unchanged in 1980-84 at CFAF13,000 for a monthly salary and CFAF500 for a daily wage. Although it is estimated that wage rates may generally exceed the SMIG by perhaps 40-60 per cent, increases in retail prices of roughly 50 per cent over the period suggest a sharp fall in workers' purchasing power. Prices of all products are theoretically controlled at the wholesale and retail levels but only basic goods, such as bread and petroleum products, are effectively monitored.

2.3 Exports and imports of manufactures

It was observed in Section 1.2 that manufactures account for a small proportion of total exports. Annex Table A-3 demonstrates that manufactured exports (SITC 5-8 less 68) increased from $11.2 million in 1975 to $29.1 million in 1980. In terms of percentage shares, this represented an increase from 23.7 to 26.2 per cent. These figures, however, include cotton and wood that has been shaped or simply worked. According to a different definition of manufactures by the Central African authorities, total exports amounted to $115 million in 1984: once diamonds, coffee, cotton, timber and tobacco are excluded, the balance of other exports amounts to no more than $12 million. A more detailed breakdown of exports by the MPSCI provides an indication of manufactures exported. Earnings from cigars and cigarettes in 1984 totalled $1.2 million, motor cycles $0.8 million, cut diamonds $1.6 million, highly processed wood (such as veneer and boards) $1.6 million and miscellaneous industrial products $1.3 million. The same source gives an estimate of export revenue lost through the unofficial movement of goods. It calculated unrecorded exports of diamonds at $22 million and of cattle at $5 million.

Annex Table A-3 reveals that the share of manufactures in total imports fell from 81.3 per cent in 1975 to 74.6 per cent in 1980 while the cost of manufactured imports increased in the same period from $55.4 to $60.0 million. Machinery and transport equipment accounted for 38.9 per cent of the total in 1975 and 35.2 per cent in 1980. The Annex Table, however, shows no substantial changes in the product mix of imports over the period. More detailed and recent data, provided by the BEAC but using different definitions of traded goods, show that machinery and equipment amounted to 18.8 per cent of imports in value terms in 1982, minerals, including petroleum products, 17.5 per cent, transport equipment 14.4 per cent, chemicals 11.7 per cent, and food, drink and tobacco products 10.3 per cent. The food products, beverages and tobacco sub-sectors which produced 44.2 per cent of MVA in 1982 (Annex Table A-2) appear to require less imports than heavy industries such as chemicals and transport.

As for the level of processing, Annex Table A-4 supplies further confirmation of a profile of the CAR as predominantly an exporter of non-processed goods and an importer of processed goods for final use. The share of non-processed goods for further processing increased from 91.8 per cent of total exports in 1970 to 92.9 per cent in 1980. Processed goods for final use accounted for only 1.4 per cent of exports in 1980. At the same time, the share of processed goods for final use rose from 79.4 per cent of total imports in 1970 to 83.1 per cent in 1980. Non-processed goods for further processing amounted to only 3.2 per cent of imports in 1980.

Only 2.0 per cent of the CAR's manufactured exports in 1980 were directed to developing countries (Annex Table A-5) and the figure for highly processed manufactures was still lower at 0.6 per cent. Developed market economy countries (DMECs) absorbed 97.9 per cent of the CAR's total exports in 1980. Over the past decade France has been the principal destination for the CAR's exports on account of investment and historic ties although Belgium is an important market for unprocessed diamonds which are cut, polished and marketed in Antwerp.

Annex Table A-6 shows that developing countries supplied only 8.2 per cent of the CAR's manufactured imports in 1980 and only 7.7 per cent of highly processed manufactured imports in the same year. The corresponding share of DMECs was 90.6 and 91.1 per cent respectively. In value terms, imports from developing countries were only important in non-metallic mineral manufactures ($2.1 million in 1980). France consistently provides more than 50 per cent of the CAR's imports.

The limited role of the developing countries in the CAR's foreign trade may seem surprising, given its membership of UDEAC (Union Douanière des Etats de l'Afrique Centrale - the Customs Union for States in Central Africa) which provides an enlarged market and harmonized tariffs and investment policies. Also the CAR has a convertible currency which simplifies some of the regular barriers to external trade. However, Cameroon and the Congo are currently the only promising markets within UDEAC for the CAR's exports. Opportunities do exist and are being exploited: SEGA, a State-owned abattoir company which has recently been operating at far less than full capacity due to a shortage of spare parts, is to be restructured to supply the domestic market as well as Gabon and the Congo. The Government is looking for support for CIOT, a Bangui-based textile enterprise which has ceased to operate but which has proven export potential.

The CAR's landlocked position is a formidable obstacle to all its foreign trade movements. Bangui is more than 1,000 km. by road from the Atlantic port of Point Noire in the Congo and almost the same distance by road and rail from

Douala in Cameroon on the Gulf of Guinea. The Oubangui river, used for the import of petroleum products, is only navigable in the second half of the year, so the Government has to accumulate considerable stocks and meet the ensuing costs. Statistics from TOCAGES have analysed the cost of a CFAF330 per litre of petrol at garages in Bangui in June 1984: the litre cost CFAF104 at the Atlantic ports, to which were added charges for transport to Bangui (CFAF33), taxes and customs levies (CFAF117), other costs and the profit margin at the retail outlet. The CAR's ability to compete with its major partners within UDEAC is therefore handicapped by its physical location and its imported fuel costs.

2.4 Ownership and investment patterns

In terms of ownership, the modern sector of the CAR's economy is dominated by foreign, particularly French interests. Annex Tables A-7 and A-8, illustrating the ownership of the leading companies, first in all sectors of the economy and then within industry by sub-sector, draws on the MPSCI's survey of the 287 principal enterprises, of which 46 were in the manufacturing sector. It has revealed that foreign enterprises accounted for 74.2 per cent (CFAF91.4 billion) of their combined turnover in 1982: French companies alone produced 34.9 per cent (CFAF43.0 billion) of the total. In the manufacturing sector, the presence of foreign, and especially French interests was even more pronounced: the figures were 80.2 and 53.0 per cent respectively. Sub-sectors in which the percentages of total manufacturing turnover in 1982 reflected higher than average contributions from foreign enterprises were food and drink products (86.2 per cent), chemicals (93.1 per cent) and mechanical and electrical goods (93.6 per cent). The small scale of the domestic market has led to the fact that the dominant foreign businesses in the sector are not controlled by well known multinationals (with few exceptions like BATA) but by individuals and medium-scale companies.

Public companies, either fully or partly owned by the State, represent the second force in the modern sector. They accounted for 17.5 per cent (CFAF21.5 billion) of its turnover in 1982. In the manufacturing sector their sales accounted for 14.4 per cent of the total. There were two public enterprises, ICA (printing) and SEGA, and five mixed ownership companies, CENTRACUIR (leather goods), CICI (mechanical and electrical goods), MANUCACIG (cigars), CMD and SICPAD. The only two sub-sectors in which public companies produced more than a quarter of total turnover in 1982 were textiles and leather goods (36.5 per cent) and wood products and printing (31.9 per cent). Given the Government's determination to pursue its current policy of privatization, it seems likely that the relative importance of the public sector in manufacturing will decline. As was noted earlier, the Government considers that only one company in the sector, CMD, is strategic.

Private Central African businesses emerged as the third force in the MPSCI survey. Their turnover in 1982 amounted to 8.3 per cent (CFAF10.3 billion) of the total in the modern sector. In manufacturing the figure was only 5.4 per cent. They produced more than one tenth of the sales in just one sub-sector, wood products and printing (17.5 per cent). Of course the survey understates the contribution of private Central African businesses because it excludes SMIs. Some of the financial constraints to increasing their share of economic activity will be examined in Section 3.1.

As a percentage of expenditure on GDP at current prices, gross domestic investment increased from 7.0 per cent in 1980 to 11.9 per cent in 1984. In the same period the share of public consumption fell from 15.1 to 12.7 per cent. The 1986-90 Plan is expected to set as one of its targets public investment at 15 per cent of GDP by 1990, so the encouraging trend will need to be maintained. The MPSCI survey shows that gross investment by the 46 leading companies in the sector amounted to CFAF2.4 billion out of a total of CFAF7.5 billion in 1982. Funds invested by the sector were directed principally to machinery and equipment (CFAF764 million), intangible assets (CFAF603 million) and transport needs (CFAF216 million). Gross investment by the sector reached 24.1 per cent of its value added in 1982.

2.5 Manufacturing activity by size and geographical distribution

Manufacturing employment, including forestry, was around 10,800 in 1981. It was noted that the MPSCI survey showed employment in the principal manufacturing companies at 3,350 in 1982. It is necessarily to the same source that this review must turn to provide more detailed analysis, given its base of the 46 leading companies and given the absence of data on the SMIs. The survey indicated that twelve of the companies achieved turnover in excess of CFAF100 million in 1982, four over CFAF200 million and just one above CFAF500 million. In terms of employment, eleven of the enterprises had labour forces of more than 100 and only two of more than 200 in 1982.

Government industrial policy is now concentrated on utilizing the potential that SMIs offer by way of employment and output. This was clearly demonstrated in a Government decree of December 1985 which created the office of a High Commissioner for SMIs under the direct authority of the Presidency. It is likely that the Plan will consider the opportunities for larger companies which are generally constrained by the small domestic market in the CAR. Clearly, SMIs have several advantages in the prevailing conditions. They are well suited to attract private Central African investment, they offer attractive employment possibilities, they require relatively uncomplicated technology and a limited injection of capital, they could contribute to a decentralization of economic activity and they can be developed without a substantial investment in the infrastructure. The importance of SMIs in the manufacturing sector, which cannot be quantified due to inadequacies in national statistics, will probably increase with the active promotion by the Government.

As for the geographical distribution of the manufacturing sector, it is characterized by a heavy concentration in the capital. Industry is entirely located in and around Bangui with the exception of the timber-processing companies. This pattern is likely to remain in the case of the larger enterprises. One reason is that Government departments provide only a limited service outside the capital where decision making is concentrated. Another reason is that by far the largest domestic market for sectoral output is Bangui itself with an estimated 15 per cent of the population. Moreover, banking outlets outside the capital are scarce.

2.6 Recent developments and prospects

There are currently indications of a sustained improvement in the performance of the manufacturing sector. While MVA expanded by an annual average of just 0.2 per cent in 1976-81, it increased in real terms after a reverse in 1982 by 1.4 per cent in both 1983 and 1984. This upward trend appears to have been maintained in 1985. The export possibilities for the sector are limited because of high transport costs and substantial prices for imported fuel that tend to make the pricing of the CAR's manufactures uncompetitive in the regional markets. Processed timber is probably one of the few promising areas for exports. Growth prospects thus rest largely on the development of the domestic market. In a predominantly agricultural economy, development of the rural areas is the major means for increasing demand for manufactures. Accordingly the provisional 1986-90 Plan allocates 34.7 per cent of the public sector investment programme to rural and regional development. Higher producer prices would also increase farming incomes and hence purchasing power. Another means to expanding the money economy is investment in infrastructure. To this end 55.1 per cent of the resources in the provisional Plan are directed towards infrastructure.

Four projects inaugurated during the 1982-85 National Action Programme illustrate the current government policy of reducing import dependence, encouraging a greater use of local resources and identifying regional markets. Firstly, the Bossongo palm project started with the clearing of 2,750 hectares for planting in 1983 and the production of palm oil is scheduled to start before the end of 1986. Secondly, at Bambari in Ouaka province, planting of sugar cane was the first step in 1985 in a CFAF10 billion project, financed by bilateral partners and commercial banks, that is expected to support a community of 10,000 people and produce 6,000 tons of white sugar annually by the end of 1987. Output on this scale would meet the CAR's domestic requirements. Thirdly, the creation of UCATEX in 1983 out of the state-owned ICAT textile company (which was dissolved in 1979) points to another trend in official policy, namely the shift from a dominant government role in the manufacturing sector towards more private initiative and management. Fourthly, in 1985 UDEAC sponsored a feasibility study on the manufacture of watches and watch components at an existing workshop in Bangui. The workshop has currently a capacity of 32,000 watches annually and UDEAC envisages an increased level of 100,000 per year in the preliminary stage with exports to markets in the sub-region.

3. INDUSTRIAL DEVELOPMENT POLICIES, STRATEGIES AND INSTITUTIONS

3.1 Industrial development policies and strategies

The changing patterns of industrial investment during the investment plans in the 1970s were characterized by the establishment of a series of parastatal companies. The CAR's external partners, particularly the French government, were the main sources of funding for investment. The share of industry in total investment rose from CFAF11.4 billion in 1971-75 to CFAF18.1 billion in 1976-80, raising from 29 per cent to 36 per cent of total expenditure.

During the 1982-85 National Action Programme the sector still received almost 20 per cent of the total investment (CFAF24.1 out of CFAF122.4 billion). In this period, however, the Government attempted to rehabilitate the existing industrial units and to increase the utilization capacity. The restructuring of ICAT into UCATEX and the introduction of fresh capital into SICPAD reflected the policy and the need to make use of the CAR's natural resources. A preliminary study reveals the possibilities of manufacturing pharmaceutical products using local medicinal plants. Sugar and palm oil projects have already been initiated.

The new Economic and Social Development Plan (1986-90), presently being finalized, is expected to take into account the objectives of the Structural Adjustment Programme, currently being negotiated between the Government and the World Bank. The medium-term objectives of the Plan highlight: regional development, State withdrawal from non-strategic sectors, improvement of State management tools and of the educational system as well as improvement of the production system particularly in regard to integrated rural development and incentives for small- and medium-scale enterprises. To achieve these objectives structural measures and industrial policies are expected to emphasize *inter alia* a reorganization of the semi-public sector and a revival of private sector production. In support hereof the Structural Adjustment Programme will aim at agricultural-based growth, contraction of the semi-public sector, as well as financing and mobilization of resources both public and private.

The provisional Economic and Social Development Plan for 1986-90 projects a substantially lower allocation to industry, CFAF6.6 billion or just 2.5 per cent of the provisional public sector investment programme. The figure falls to CFAF0.6 billion or 0.2 per cent if mining is excluded. This change is not a result of Government funding difficulties since the CAR's external partners still finance the greater part of the programme (89 per cent of the total according to the projections) but of a change in policy. The targeted average annual economic growth rate of 3 per cent is to be attained through a greater contribution from the already predominant agricultural sector. It is expected that an increase in farmers' living standards and purchasing power would stimulate demand for manufacturing output including tools and fertilizers and that higher output from the agriculture and forestry sectors would raise the availability of raw materials for industrial processing. Besides concentrating developmental efforts on agriculture, the Government has also adopted the policy to let the private sector play the major role for the development of industry. To this end foreign businesses are encouraged through the Investment Code and national SMIs are promoted.

The Investment Code,[1/] amended in 1982, offers a package of incentives. These are available for new investments in all sectors other than commerce and to companies already operating in the country provided that their additional investment involves an injection of capital at least twice in real terms that of their original venture. Those successful applicants with an established presence within UDEAC, which operates a common policy on investment and tariffs, are those firms which meet the UDEAC criteria for investment. They receive priority in the allocation of foreign exchange for the import of equipment and raw materials, pay a maximum rate of 5 per cent in import duty on essential goods for the increase of production levels and are covered by a clause that protects them from any subsequent legislation that erodes the advantages granted to them under the Code. In return, they must make use, wherever possible, of the CAR's natural resources, introduce training programmes designed to prepare Central Africans for management responsibilities and frame their statutes to allow nationals of UDEAC countries to acquire equity. However, the UDEAC criteria do not reflect the specific

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1/ Ordonnance No. 80/039 and Ordonnance No. 82/039.

conditions of the CAR. National small-scale enterprises usually do not qualify for tax benefits. The Government introduced a Commission to consider applications for renewal from companies that benefit from the Code.

The response to the Investment Code has not been very positive although the terms are generous by most standards. This could suggest that the scope for further large-scale import substitution in the sector, such as breweries and manufacturers of soap, bicycles, aluminium products and shoes, is reaching its limit. The attention of the Government has therefore been drawn instead to the prospects offered by the SMIs. Recognizing the constraints that face the SMIs, the provisional Plan is to provide funds to projects in the health, education and the infrastructure sectors that would improve the environment for the development of SMIs. Another major obstacle is the limited access of the SMIs to credit. As in many other countries the commercial banking sector is reluctant to lend to the SMIs because of inappropriate credit applications, and uncertainty in terms of the means of repayment and the value of security held against loans. The Plan calls for multilateral and bilateral development agencies to provide funds to the commercial banks in the CAR for loans on concessionary terms to the SMIs.

3.2 Industrial development institutions

The institutional framework for industrial development is generally weak in CAR. However, the Government uses a public promoting agency, investment code and price policy as direct instruments to promote manufacturing, particularly private foreign investment in CAR.

Agence de Développement Caféière (ADECAF) (National Coffee Development Agency) offers financial aid and training in improved farming methods which addresses directly the supply constraints and attempts to revitalize coffee production. Société Centrafricaine de Développement Agricole (SOCADA), founded in 1964 and restructured in 1980, is partly owned by the Government. It facilitates the production of cotton oil and groundnut oil. Société Centrafricaine des Palmeraies (CENTRAPALM) (development of palm products) was established in 1975 with a view to promote the production of palm oil products. Société Centrafricaine des Tabacs (SCAT) provides technical assistance to collecting and curing of tobacco and thus indirectly helps enterprises engaged in the production of tobacco.

In 1977, the Government created a public office for the promotion of small- and medium-sized enterprises. Although it was partly affiliated to the Ministry of Commerce and Industry, it enjoyed financial autonomy. Its activities were constrained by lack of funds, lack of qualified personnel to evaluate projects and by the reluctance of local banks to finance projects. Financial and technical assistance provided by the European Community and International Labour Organization (ILO) was discontinued as a result of its poor operational efficiency. In 1984 the office was replaced by Centre d'Assistance aux PME Centrafricaines (CAPMEC). The Government attempts to restructure CAPMEC with the assistance from UNDP, ILO and the World Bank to make its organizational structure more suited for promoting private enterprises in CAR.

Fiscal incentives codified in the investment code have not been very successful in promoting small enterprises as these enterprises generally do not satisfy the criteria stipulated in the system of incentives. The industrial development administration today calls for result-oriented measures. These measures could be supported by concerted efforts with the aid of competent staff and adequate means. It implies an attempt to train the national staff with a view to qualifying them for preparing, evaluating and implementing projects with follow-up actions. These efforts could be supplemented by international technical and financial assistance. The endeavour towards rapid industrialization could essentially aim at creating a favourable institutional framework for promoting investments, notably private investments in the industrial sector. The general administration and para-public organizations concerned with industrialization could improve their functions in pursuit of resolving problems of industrial development in CAR.

Apart from an improved institutional set-up required for financing and assisting industrial enterprises, the existing commercial apparatus is to be restructured for creating a reliable and diversified system of distribution. It is essential to create a network in the interior of the country to assure efficient distribution of industrial products as well as to promote commercial attitude and assure a stable market for manufactured goods.

Yet another area requiring the attention of the Government is the information for industrialists and promoters on technology, markets and suppliers. Activities concerning industrial information could be improved with a view to making the promotion of projects more dynamic. In this regard, it would appear to be of high priority to:

- introduce institutional arrangements for promoting industries which have already been identified and judged feasible;
- improve the efficiency of CAPMEC activities;
- design an attractive guide for investors; and
- use appropriate information channels for promotion of industrial investment.

4. RESOURCES FOR INDUSTRIAL DEVELOPMENT

4.1 Human resources

A detailed analysis of the CAR's population is provided in Annex Table A-9. In 1975 (the latest year for which disaggregated figures are available) the national population was 2 million of which 26 per cent was urban and 74 per cent rural. Other than the capital, there are no towns with populations in excess of 50,000 inhabitants. The east and north-east of the CAR are sparsely populated while the west of the country and the south central province of Basse Kotto, areas of significant labour intensive agricultural activity, have notably higher population densities.

In mid-1983 the national population was estimated at 2.5 million and that of Bangui at 400,000. The provisional Plan's projections are based on an estimated population of 2.6 million at the end of 1985 (whereof 0.84 million urban and 1.76 million rural). Forecast for the year 2000 is a total population of 3.78 million (whereof 1.60 million urban (42.3 per cent) and 2.18 million rural (57.7 per cent)). This trend towards urbanization would presuppose a substantial expansion of the modern sector with an improved infrastructure.

In 1982 seventy per cent or the relevant age groups were at primary school and 14 per cent receiving secondary education. One per cent of the university age group was benefitting from higher education. Overall the educational sector has been well supported. In 1983 25 per cent of ordinary budget spending was allocated to education. However, 90 per cent of this allocation was salaries and scholarships, with the small balance divided between construction, maintenance and teaching materials. The rather low level of support for the purchase of teaching materials could have had a negative effect on the teaching. Indeed, the educational system was centred on the teaching of general curricula and did not prepare students effectively for productive employment. In May 1984 the Government adopted far reaching reforms with particular application in rural areas. As a result, the first ten years of a student's education, four years at a primary school and six years in the lower secondary cycle, will be based around a practically orientated curriculum with subjects relevant to village life. Admission to the higher secondary cycle will be restricted to the best students. Once implemented, the reforms should yield a more cost effective education system suited to the development needs of the CAR.

4.2 Natural resources

The CAR is endowed with mineral and agricultural resources. The production of diamonds in alluvial fields in the provinces of Haute Kotto and Haute Sangha started on a commercial basis in the 1930s. It currently provides employment for an estimated 15,000-20,000 diggers. Production has recently consisted of a higher than average percentage of high quality gem stones. A diamond cutting company, CMD, has been established. Limited financial resources for the purchase of stones have restricted CMD's volume of operations and processing has run at 3,000-6,000 carats per year although the Government had originally set a target of 40,000 carats annually for this joint venture. Total output reached a peak of 636,000 carats in 1968 but has since fallen with the apparent growth in unrecorded diggings. The loss of export earnings and tax revenue prompted the Government to reduce the diamond export levy from 20 to 14 per cent in 1983. Table 6 shows an increase in output of 14 per cent in 1984. Production in the first five months of 1985 amounted to 179,000 carats.

The only other mineral to be produced on a commercial basis is gold. In terms of export earnings (CFAF611 million in 1984), gold is almost peripheral to the export economy of the CAR although the incidence of unrecorded production is again a factor. The creation of a gold-buying office was partly

Table 6. Mineral production, 1980-84

	1980	1981	1982	1983	1984
Diamonds ('000 carats)	374.7	331.8	276.5	295.3	337.1
Gold (kg)	537.5	43.1	31.1	77.5	216.0

Source: BEAC.

responsible for the growth in production to 216 kg in 1984 and 156 kg in the first five months of 1985. A US mining company signed an agreement with the Government for prospecting for gold and associated minerals in 1985. Uranium reserves of up to 20,000 tons have been identified near Bakouma in the province of Mbomou but the essential investment in the infrastructure and start-up costs in an isolated region have discouraged commercial operations. Satellite earth resource surveys in 1976 located important reserves of copper, manganese and iron ore. International market prices for these commodities have not justified the development of the reserves.

Favourable soil and climatic conditions in the CAR combine to make food production the most suitable sector for expanding both monetary incomes and additional employment. An increasing urban population requires higher production levels if food imports are not to absorb a growing percentage of scarce foreign exchange reserves. The provisional Plan actually attaches considerable importance to rural and regional development. Table 7 illustrates output levels of export and basic food crops. Cotton production, introduced in the 1920s, was for long the principal source of agricultural export earnings and still creates employment for about 180,000 rural families. Output fell steadily from the late 1960s to 1981-82 as a result of declining yields, deteriorating levels of research, mismanagement at the parastatals established in the agrarian reforms of the 1970s and growing farmer resentment towards the Government's somewhat autocratic cotton programme. Steady increases in cotton producer prices have helped to reverse the trend. Coffee has become the principal export crop of the last decade. It is grown by about 50,000 smallholders and on 50 industrial estates, the former accounting for about 75 per cent of the annual harvest. Yields remain relatively low by African standards in spite of applied research and technical assistance. The crop is predominantly a high quality robusta for which there is an established export market. Since 1983 tobacco growing has been restricted to the quality "de cape" variety which is used for cigars and is easily sold. Growers are supported by SCAT, a mixed enterprise company which finances research and organizes the collection, processing and export of the crop. Palm oil and sugar are being developed primarily for the domestic market.

Table 7. Production of export and basic food crops, 1979/80 to 1984/85
('000 tons)

	1979/80	1980/81	1981/82	1982/83	1983/84	1984/85
Export Crops						
Seed cotton	27.8	22.6	17.3	28.0	33.4	45.5
Ginned cotton	10.4	6.4	6.5	10.2	12.1	17.0
Coffee ('000 bags of 60 kg)	218	221	254	334	257	317
Tobacco	1.8	1.2	1.0	0.7	0.7	0.8
Basic Food Crops						
Cassava	237.0	257.7	272.5	272.1	208.0	...
Ground-nuts	121.9	123.5	124.6	126.6	130.0	...
Maize	33.7	40.9	46.1	48.2	33.5	...
Sorghum and millet	47.0	46.1	54.7	57.0	57.0	...

Source: La Zone Franc en 1984.

The statistics for the production of basic food crops should be treated as no more than very rough guidelines, but they do give a picture of little overall change over a five year period with a growing population. The cassava crop, the basic staple food, fell in 1979-84. Producer prices were raised in 1980-81 for the first time in three years: from CFAF60 to 75 for one kg of paddy rice, CFAF30 to 35 for one kg of millet and sorghum, CFAF30 to 40 for one kg of maize and CFAF20 to 30 for one kg of cassava. For paddy rice, millet and sorghum and maize they have since been raised at least once. Food aid was supplied in large quantities after the 1983 drought.

Tropical forests cover 3.4 million ha or 5.5 per cent of the CAR's surface area. Little more than one third of the forests have been surveyed for commercial development. Production averaged 100,000 cu. m. in logs annually in the early 1960s and reached a peak of 399,000 cu. m. in 1973. By 1984 output had slipped to 260,000 cu. m. in logs while production of sawn wood at 58,000 cu. m. in 1984 was at its lowest level for ten years. Timber is mainly exported by river and therefore subjected to seasonal patterns as the Oubangui river is only navigable for part of the year. The limited level of processing and its concentration on the manufacture of sawn wood rather than products with higher value added, such as veneer, boards and plywood, is noted.

4.3 Energy resources

The energy requirements of the subsistence sector are met by the supply of wood and charcoal. Estimates in the provisional Plan suggest that the combined use of these sources amounted to 2.44 million tons of wood equivalent and represented 88 per cent of total energy consumption in the CAR in 1985. The use of traditional fuels is not restricted to rural regions. A recent survey put daily consumption of charcoal in Bangui at 12 tons.

Table 8 shows the supply and demand balance for commercial energy in 1983. The share of petroleum products in total consumption was 78 per cent and that of hydroelectricity 22 per cent. Electricity is supplied by two hydroelectric plants at Boali in the province of Ombella Mpoko with a combined capacity of 19 mw and by a 13 mw thermal plant at Bangui. Another eleven small thermal plants in the provinces have a total capacity of 34 mw. Capacity at Boali should rise to 30 mw by the end of 1986 with the expected completion of an extension programme at the second plant, funded by the French government. Consumption is overwhelmingly concentrated at Bangui which accounts for more than 95 per cent of the total: 100 out of 6,200 subscribers in the capital use about 50 per cent of all electricity used nationally.

Exploration for petroleum near the border with Chad has been carried out since the 1970s. A five year permit was granted to a consortium of multinational oil companies in 1973 and has since twice been renewed. With Exxon as the lead operator, drilling started on a test basis in December 1985.

Table 8. Commercial primary energy balance, 1983
('000 tons coal equivalent)

Supply		Demand	
Production from hydroelectricity	29	Liquid fuel consumption	91
Imports of petroleum products	101	Hydroelectric consumption	29
		Bunkers	10
Total supply	130	Total demand	130

Source: UN Yearbook of World Energy Statistics, 1984.

4.4 Financial resources

The particularly small financial sector in the CAR is a major constraint to industrial development. Three commercial banks, one of which is nominally a development institution, are based in Bangui and have only one outlet outside the capital. The network of Post Office branches has a greater representation in the provinces but offers only basic, patchy services. The credibility of the sector still suffers from the collapse of the state development bank and the failure of the Government to repay vouchers issued to cotton farmers in 1973-74. This helps to explain why time and demand deposits as a percentage of GDP declined in importance from 8.0 per cent in 1974 to 5.5 per cent in 1983, although there appears since to have been a recovery, with the volume of time and demand deposits expanding from CFAF13.2 billion in December 1983 to CFAF18.4 billion in September 1985. Another reason would be that deposit rates of interest have not recently provided investors with a real return after inflation. In September 1985 the maximum annual rate for a three month deposit of less than CFAF15 million was 6.5 per cent. For longer term deposits, the rates appeared less attractive, given the average annual rate of inflation of 14.4 per cent in 1973-83. A new depositor was only paid 9.5 per cent annually on a five year bon de caisse (cash voucher) in September 1985. The obvious difficulty of the commercial banks in attracting deposits to match their risk assets was one reason for the liquidation of three state financial institutions in the past three years.

At the same time, private sector credit has been virtually stagnant. Short term commercial bank lending increased from CFAF20.3 billion in June 1981 to CFAF24.2 billion in June 1984: in the same period medium term loan outstandings grew from CFAF1.7 to 2.7 billion. Lending ceilings, established by the BEAC, for short and medium term bank lending, in June 1984 were CFAF34.4 and 3.5 billion. It is unclear how this unutilized lending capacity should be explained. The commercial banks have traditionally been uneasy about loans to SMIs. Programmes to improve the financial management of the public sector appear to have resulted in a lower level of credit demand. The private sector seems to have entered a phase of consolidation. The limited financial resources that are available are apparently not being used to their maximum by the larger enterprises. The provisional Plan has called for the disbursement of fresh funds by the CAR's external partners to meet the special needs of the SMIs.

4.5 The role of technical co-operation in industrial development

The CAR actively seeks technical and financial assistance for industrial development as available domestic resources are quite inadequate for the task. The changing industrial strategy in pursuit of abandoning government intervention and a thorough reform of the public sector spells out a clear need for technical assistance in industrial planning for efficient use of the country's natural resources. Projects in oil and sugar have already been started. Limestone, clay and granite resources are virtually unutilized. The CAR's forests offer probably the clearest and most accessible opportunities for an increase in value added through greater processing by operating companies engaged in the production of logs and sawn wood, leading to the manufacture of veneer, boards and plywood.

External technical assistance provided to the industrial sector in CAR has remained rather modest. Annex Table A-10 reveals that in 1984 the industry sector received around $181 million, representing less than 1 per cent of total external assistance to CAR from UNDP, other multilateral and bilateral sources. Of this amount UNDP provided $2 million, bilateral co-operation, mainly from France, provided $176 million while around $3 million was made available from other sources. Details of technical and financial assistance to industry are given in Annex Tables A-11 and A-12. The completed and ongoing technical assistance programmes of UNIDO are listed in Annex B. Currently UNIDO is providing assistance in the formulation of industrial policy and in the field of terra-cotta production.

In the sphere of restructuring public enterprises, several initiatives have already been made through SICPAD and CENTRAPALM. Technical support is required to continue these efforts. Among particular financing needs is the establishment of an institutional structure to provide assistance and credit to SMIs, given the reluctance of the commercial banks to operate in this field. In the absence of a national development bank, the SMIs have no obvious source of credit at concessionary terms. Banking facilities are extremely centralized with a scarcity of outlets outside Bangui. An expansion of the banking network would be a step towards the Government's target of a decentralization of manufacturing activity.

Another area requiring technical assistance could be data collection and analysis. Gaps in national statistics would need to be filled through direct technical assistance programmes and relevant training.

Annex A

STATISTICAL TABLES

Table A-1: Growth of MVA by branch of manufacturing, 1975-82

Description (ISIC)	Growth of value added at 1980 prices 1975-1984
Food products (311)	1.86
Beverages (313)	5.89
Tobacco (314)	5.97
Textiles (321)	-9.30
Wearing apparel, except footwear (322)	-9.30
Leather products (323)	...
Footwear, except rubber or plastic (324)	-8.96
Wood products, except furniture (331)	-2.72
Furniture, except metal (332)	...
Paper and products (341)	...
Printing and publishing (342)	...
Industrial chemicals (351)	-4.27
Other chemicals (352)	-6.23
Petroleum refineries (353)	...
Misc. petroleum and coal products (354)	...
Rubber products (355)	...
Plastic products (356)	...
Pottery, china, earthenware (361)	...
Glass and products (362)	...
Other non-metallic mineral products (369)	...
Iron and steel (371)	...
Non-ferrous metals (372)	...
Fabricated metal products (381)	-6.36 a/
Machinery, except electrical (382)	...
Machinery, electric (383)	-6.36 a/
Transport equipment (384)	1.83
Professional and scientific equipment (385)	...
Other manufactured products (390)	...

Source: Statistics and Survey Unit, UNIDO. Based on data supplied by the UN Statistical office, with estimates by the UNIDO secretariat.

a/ 1975-1981.

Table A-2: Composition of MVA (at 1980 prices), 1975-82
(percentages)

Description (ISIC)	1975	1976	1977	1978	1979	1980	1981	1982
TOTAL MANUFACTURING	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Food products (311)	2.2	2.2	2.0	2.4	2.2	2.3	3.0	3.2
Beverages (313)	10.6	11.1	14.9	19.7	17.9	19.7	19.0	19.7
Tobacco (314)	11.5	12.0	16.1	21.3	19.4	21.3	20.8	21.3
Textiles (321)	44.2	45.7	36.0	24.9	34.7	27.9	30.7	29.5
Wearing apparel, except footwear (322)	6.6	6.8	5.4	3.7	5.2	4.2	4.6	4.4
Leather products (323)	...	...	...	...	...	0.7	...	...
Footwear, except rubber or plastic (324)	7.4	6.8	7.7	8.6	4.8	4.9	5.0	6.0
Wood products, except furniture (331)	10.3	10.1	11.8	12.9	10.0	9.3	11.6	11.7
Furniture, except metal (332)	...	...	...	...	...	0.9	...	...
Paper and products (341)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Printing and publishing (342)	...	...	...	...	...	2.1	...	...
Industrial chemicals (351)	1.5	1.5	1.4	1.4	1.6	1.2	1.3	1.6
Other chemicals (352)	2.8	2.6	2.4	2.7	2.1	2.3	2.3	2.3
Petroleum refineries (353)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Misc. petroleum and coal products (354)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Rubber products (355)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Plastic products (356)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Pottery, china, earthenware (361)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Glass and products (362)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Other non-metallic mineral products (369)	...	...	...	...	...	0.7	...	...
Iron and steel (371)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Non-ferrous metals (372)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	...
Fabricated metal products (381)	2.3	0.8	1.8	1.8	1.6	1.2	1.2	...
Machinery, except electrical (382)	...	...	...	...	...	...	...	...
Machinery, electric (383)	0.4	0.2	0.3	0.3	0.3	0.2	0.2	...
Transport equipment (384)	0.2	0.2	0.2	0.3	0.2	0.2	0.3	0.3
Professional and scientific equipment (385)	...	...	...	...	...	0.4	...	...
Other manufactured products (390)	...	...	...	...	...	0.4	...	...
TOTAL MANUFACTURING IN THOUSANDS US $	84542	89018	92496	83699	81923	91000	72712	64651

Source: Statistics and Survey Unit, UNIDO. Based on data supplied by the UN Statistical office, with estimates by the UNIDO secretariat.

Note: TOTAL MANUFACTURING is the sum of the available components and does not necessarily correspond to ISIC 300 total.

Table A-3. Product mix of traded manufactured goods, 1975 and 1980*/

SITC	DESCRIPTION OF TRADE GOODS	EXPORTS (percent) 1975 IN TOTAL MANUFACTURES	EXPORTS (percent) 1980 IN TOTAL MANUFACTURES	IMPORTS (percent) 1975 IN TOTAL MANUFACTURES	IMPORTS (percent) 1980 IN TOTAL MANUFACTURES
01	Meat and meat preparations	...	...	0.687	0.976
02	Dairy products and eggs	...	...	1.675	2.583
032	Fish n.e.s. and fish preparations	...	...	1.513	0.571
0422	Rice, glazed or polished not otherwise worked	...	...	0.055	...
046	Meal and flour of wheat or of meslin	...	0.011	3.952	4.662
047	Meal and flour of cereals, except above	...	...	0.115	0.151
048	Cereals preparat. & starch of fruits & vegetab.	...	0.005	2.564	2.010
052	Dried fruit	...	...	0.003	0.005
053	Fruit, preserved and fruit preparations	...	...	0.109	0.111
055	Vegetables, roots and tubers, preserved or prepared	...	...	0.338	0.379
06	Sugar, sugar preparations and honey	0.041	...	0.542	1.161
0713	Coffee extracts, essences, concentrates & similar	...	0.001	0.042	0.051
0722	Cocoa powder, unsweetened	...	...	0.000	...
073	Chocolate and related food preparations	...	...	0.086	0.045
074	Tea and mate	...	0.002	0.014	0.018
081	Feeding-stuff for animals	0.087	...	0.065	0.056
09	Miscellaneous food preparations	...	...	0.403	0.622
11	Beverages	...	0.088	3.021	5.664
122	Tobacco manufactures	0.623	2.944	0.202	0.593
231	Crude rubber, synth. & reclaimed (excl. SITC 2311)	0.000	0.000	0.002	0.003
243	Wood, shaped or simply worked	17.964	12.820	...	...
251	Pulp and waste paper	...	...	0.000	...
263	Cotton	34.438	19.090	...	0.003
266	Synthetic and regenerated (artificial) fibres	...	...	...	...
267	Waste materials from textile fabrics (incl. rags)	...	0.002	0.298	0.808
332	Petroleum products	0.006	...	0.736	1.525
4	Animal and vegetable oils and fats	0.446	0.751	0.189	0.517
411	Animal oils and fats	...	...	0.007	0.002
421	Fixed vegetable oils, soft (incl. SITC 422)	...	...	0.165	0.503
431	Animal and vegetable oils and fats, processed	0.446	0.751	0.017	0.013

Table A-3 (continued)

SITC	DESCRIPTION OF TRADE GOODS	EXPORTS (percent) 1975 IN TOTAL MANUFACTURES	EXPORTS (percent) 1980 IN TOTAL MANUFACTURES	IMPORTS (percent) 1975 IN TOTAL MANUFACTURES	IMPORTS (percent) 1980 IN TOTAL MANUFACTURES
5	Chemicals	6.890	0.138	11.927	12.247
51	Chemicals elements and compounds	6.335	0.064	1.120	0.837
52	Tar and chemicals from coal, petroleum, nat. gas	...	...	0.001	...
53	Dyeing, tanning and colouring materials	0.410	...	0.795	0.185
54	Medicinal and pharmaceutical products	0.010	0.055	2.824	5.912
55	Essential oils and perfume materials	0.115	0.019	1.459	1.202
56	Fertilizers, manufactured	...	...	0.291	0.216
57	Explosives and pyrotechnic products	...	...	0.106	0.064
58	Plastic materials, regenerated cellul. & resins	...	...	1.236	0.636
59	Chemical materials and products n.e.s.	0.000	...	4.096	3.194
6	Manufactured goods classified by material	39.275	63.926	25.033	19.768
61	Leather manufactured n.e.s. & dressed fur skins	0.083	0.000	0.310	0.044
62	Rubber manufactures n.e.s.	0.552	...	2.364	1.965
63	Wood and cork manufactures (excl. furniture)	0.014	0.070	0.148	0.030
64	Paper, paper board and manufactures thereof	...	...	2.320	2.336
65	Textile yarn, fabrics, made-up articles	0.327	...	5.839	3.250
66	Non-metallic mineral manufactures, n.e.s.	38.269	63.844	4.731	4.404
67	Iron and steel	...	...	2.569	1.530
68	Non-ferrous metals	...	0.003	0.148	0.132
69	Manufactures of metal, n.e.s.	0.030	0.009	6.605	6.077
7	Machinery and transport equipment	0.064	0.217	38.873	35.151
71	Machinery, other than electric	0.010	0.028	15.892	11.242
72	Electrical machinery, apparatus and appliances	0.049	0.153	8.253	6.962
73	Transport equipment	0.006	0.036	14.728	16.948
8	Miscellaneous manufactured articles	0.167	0.004	8.554	10.317
81	Sanitary, plumbing, heating & lighting fixtures	...	...	0.508	0.592
82	Furniture	...	...	0.323	0.329
83	Travel goods, handbags and similar articles	...	...	0.102	0.237
84	Clothing	0.147	...	1.377	1.850
85	Footwear	0.013	...	0.966	1.874
86	Professional, scient. & controll. instruments	0.003	...	1.427	1.354
89	Miscellaneous manufactured articles, n.e.s.	0.003	...	3.820	4.046
	TOTAL MANUFACTURES (1000 US$)	24134	45278	65782	77609
	TOTAL: SITC 5-8 LESS 68 a/	11197	29106	55414	60031
	TOTAL TRADED GOODS: SITC 0-9	47181	111237	68190	80461

Note: Data and SITC descriptions refer to SITC revision 1

*/ This table is based on the definition of trade in manufactures covering a list of 148 specifically identified SITC 3-digit or 4-digit codes comprising a wide range of processing stages of manufactured goods.

a/ Definition of trade in manufactures SITC 5-8 less 68 is one of the most often found. It covers only items recognized as exclusively manufactured goods, i.e. with a high level of manufacturing content.

Source: UNIDO data base; information supplied by the United Nations Statistical Office.

Table A-4. Shares of exports and imports classified according to level of processing, 1970 and 1980, and trend growth rates, 1970-75 and 1975-80

CLASSES	EXPORTS: CLASS SHARE OF TOTAL (PERCENTAGE) 1970	EXPORTS: CLASS SHARE OF TOTAL (PERCENTAGE) 1980	EXPORTS: CLASS GROWTH RATE (PERCENTAGE) 1970-1975	EXPORTS: CLASS GROWTH RATE (PERCENTAGE) 1975-1980	IMPORTS: CLASS SHARE OF TOTAL (PERCENTAGE) 1970	IMPORTS: CLASS SHARE OF TOTAL (PERCENTAGE) 1980	IMPORTS: CLASS GROWTH RATE (PERCENTAGE) 1970-1975	IMPORTS: CLASS GROWTH RATE (PERCENTAGE) 1975-1980
A : Non-processed goods for further processing	91.84	92.93	8.17	17.16	4.56	3.22	3.65	-3.49
B : Processed goods for further processing	3.83	5.55	45.58	-1.68	14.41	12.20	18.57	-0.73
C : Non-processed goods for final use	0.11	0.11	-19.12	52.75	1.64	1.46	4.26	7.31
D : Processed goods for final use	4.23	1.40	-17.16	24.29	79.39	83.13	17.18	5.10
		1970		1980		1970		1980
Sum of classes: A+B+C+D in 1000 current US$		30579		111237		31622		80196
Total trade SITC 0-9 in 1000 current US$		30579		111237		31622		80461

SOURCE: UNIDO data base;Information supplied by the United Nations Statistical Office,with estimates by the UNIDO Secretariat.

Note:Calculations are based on current us dollar prices.
Sum of classes and Total trade figures should be identical.Discrepancies or zero values are due to lack of countrys" trade reporting in general,but especially at the 3-,4- and 5-digit SITC level.

Table A-5. Destination of exports of manufactures by branch, 1980*/

SITC	DESCRIPTION OF TRADE GOODS	WORLD TOTAL (1000 US$)	DEVELOPING COUNTRIES (PERCENT)	DEVELOPED MARKET ECONOMIES TOTAL (PERCENT)	DEVELOPED MARKET ECONOMIES USA (PERCENT)	DEVELOPED MARKET ECONOMIES EEC (PERCENT)	DEVELOPED MARKET ECONOMIES JAPAN (PERCENT)	CENTRALLY PLANNED DEVELOPED COUNTRIES (PERCENT)
046	Meal and flour of wheat or of meslin	5	100.00	0.00	0.00	0.00	0.00	0.00
048	Cereals preparat. & starch of fruits & vegetab.	2	100.00	0.00	0.00	0.00	0.00	0.00
0713	Coffee extracts,essences,concentrates & similar	0	100.00	0.00	0.00	0.00	0.00	0.00
074	Tea and mate	1	100.00	0.00	0.00	0.00	0.00	0.00
11	Beverages	40	100.00	0.00	0.00	0.00	0.00	0.00
122	Tobacco manufactures	1333	2.13	97.87	0.00	97.87	0.00	0.00
231	Crude rubber,synth. & reclaimed(excl.SITC 2311)	0	0.00	0.00	0.00	0.00	0.00	0.00
243	Wood,shaped or simply worked	5805	11.53	86.54	0.00	38.59	0.00	1.93
263	Cotton	8644	0.00	100.00	0.00	100.00	0.00	0.00
267	Waste materials from textile fabrics(incl.rags)	1	100.00	0.00	0.00	0.00	0.00	0.00
4	Animal and vegetable oils and fats	340	0.00	100.00	0.00	100.00	0.00	0.00
431	Animal and vegetable oils and fats processed	340	0.00	100.00	0.00	100.00	0.00	0.00
5	Chemicals	63	100.00	0.00	0.00	0.00	0.00	0.00
51	Chemicals elements and compounds	29	100.00	0.00	0.00	0.00	0.00	0.00
54	Medicinal and pharmaceutical products	25	100.00	0.00	0.00	0.00	0.00	0.00
55	Essential oils and perfume materials	8	100.00	0.00	0.00	0.00	0.00	0.00
6	Manufactured goods classified by material	28945	0.14	99.86	16.06	52.93	0.56	0.00
61	Leather manufactured n.e.s. & dressed fur skins	0	100.00	0.00	0.00	0.00	0.00	0.00
63	Wood and cork manufactures(excl.furniture)	32	94.01	5.99	0.00	5.99	0.00	0.00
66	Non-metallic mineral manufactures,n.e.s.	28908	0.03	99.97	16.08	52.98	0.56	0.00
68	Non-ferrous metals	1	100.00	0.00	0.00	0.00	0.00	0.00
69	Manufactures of metal,n.e.s.	4	0.00	100.00	0.00	100.00	0.00	0.00
7	Machinery and transport equipment	98	64.61	35.39	0.00	35.39	0.00	0.00
71	Machinery,other than electric	13	12.85	87.14	0.00	87.14	0.00	0.00
72	Electrical machinery,apparatus and appliances	69	66.67	33.33	0.00	33.33	0.00	0.00
73	Transport equipment	16	97.07	2.93	0.00	2.93	0.00	0.00
8	Miscellaneous manufactured articles	2	100.00	0.00	0.00	0.00	0.00	0.00
81	Sanitary,plumbing,heating & lightning fixtures	2	100.00	0.00	0.00	0.00	0.00	0.00
	TOTAL manufactures	45278	2.02	97.73	10.27	61.58	0.36	0.25
	TOTAL: SITC 5-8 LESS 68 a/	29106	0.57	99.43	15.97	52.75	0.56	0.00
	TOTAL traded goods: SITC 0-9	111237	1.79	97.54	4.27	76.37	0.15	0.66

Note:Data and SITC descriptions refer to SITC revision 1

*/ This table is based on the definition of trade in manufactures covering a list of 148 specifically identified SITC 3-digit or 4-digit codes comprising a wide range of processing stages of manufactured goods.

a/ Definition of trade in manufactures SITC 5-8 less 68 is one of the most often found. It covers only items recognized as exclusively manufactured goods,i.e. with a high level of manufacturing content.

Source: UNIDO data base;Information supplied by the United Nations Statistical Office.

Note: Percentages may not add to 100.0 due to the fact that countries report trade to/from "unspecified areas".

Table A-6. Origin of imports of manufactures by branch, 1980*/

SITC	DESCRIPTION OF TRADE GOODS	WORLD TOTAL (1000 US$)	DEVELOPING COUNTRIES (PERCENT)	DEVELOPED MARKET ECONOMIES TOTAL (PERCENT)	USA (PERCENT)	EEC (PERCENT)	JAPAN (PERCENT)	CENTRALLY PLANNED DEVELOPED COUNTRIES (PERCENT)
01	Meat and meat preparations	758	0.51	99.49	0.00	87.07	0.00	0.00
02	Dairy products and eggs	2005	0.17	99.83	1.77	96.87	0.11	0.00
032	Fish n.e.s. and fish preparations	443	21.54	78.46	0.00	43.88	0.95	0.00
046	Meal and flour of wheat or of meslin	3618	14.93	85.07	3.74	81.32	0.00	0.00
047	Meal and flour of cereals, except above	117	0.00	100.00	68.98	31.02	0.00	0.00
048	Cereals preparat. & starch of fruits & vegetab.	1560	0.46	99.53	0.00	98.81	0.00	0.00
052	Dried fruit	4	0.00	100.00	0.00	100.00	0.00	0.00
053	Fruit, preserved and fruit preparations	86	3.85	90.14	0.00	61.97	0.00	6.01
055	Vegetables, roots & tubers, preserved or prepared	294	8.63	64.08	0.00	61.39	0.00	27.29
06	Sugar, sugar preparations and honey	901	28.87	71.13	0.00	71.05	0.00	0.00
0713	Coffee extracts, essences, concentrates & similar	39	40.92	59.08	0.00	59.08	0.00	0.00
073	Chocolate and related food preparations	35	0.00	100.00	0.00	94.70	0.00	0.00
074	Tea and mate	14	13.94	86.06	0.00	84.19	0.00	0.00
081	Feeding-stuff for animals	44	39.38	60.62	0.00	60.62	0.00	0.00
09	Miscellaneous food preparations	483	2.50	97.50	0.00	97.07	0.00	0.00
11	Beverages	4396	1.90	97.02	0.08	61.63	0.00	1.08
122	Tobacco manufactures	461	0.57	99.43	11.13	75.50	0.00	0.00
231	Crude rubber, synth. & reclaimed (excl. SITC 2311)	3	0.00	100.00	0.00	100.00	0.00	0.00
263	Cotton	3	0.00	100.00	0.00	100.00	0.00	0.00
267	Waste materials from textile fabrics (incl. rags)	627	0.00	100.00	52.30	47.70	0.00	0.00
332	Petroleum products	1184	44.86	53.78	0.12	47.86	0.19	0.00
4	Animal and vegetable oils and fats	402	42.41	57.59	21.37	34.75	0.00	0.00
411	Animal oils and fats	2	0.00	100.00	0.00	100.00	0.00	0.00
421	Fixed vegetable oils, soft (incl. SITC 422)	390	43.64	56.36	21.99	32.87	0.00	0.00
431	Animal and vegetable oils and fats processed	10	0.00	100.00	0.00	100.00	0.00	0.00

Table A-6 (continued)

SITC	DESCRIPTION OF TRADE GOODS	WORLD TOTAL (1000 US$)	DEVELOPING COUNTRIES (PERCENT)	DEVELOPED MARKET ECONOMIES TOTAL (PERCENT)	USA (PERCENT)	EEC (PERCENT)	JAPAN (PERCENT)	CENTRALLY PLANNED DEVELOPED COUNTRIES (PERCENT)
5	Chemicals	9505	6.24	93.13	0.09	91.46	0.01	0.12
51	Chemicals elements and compounds	650	0.00	92.68	0.76	88.95	0.00	0.00
53	Dyeing,tanning and colouring materials	144	0.64	99.36	0.00	66.08	0.34	0.00
54	Medicinal and pharmaceutical products	4588	1.63	98.37	0.05	98.31	0.00	0.00
55	Essential oils and perfume materials	933	1.12	97.61	0.04	91.59	0.03	1.27
56	Fertilizers,manufactured	167	0.00	100.00	0.00	100.00	0.00	0.00
57	Explosives and pyrotechnic products	50	0.00	100.00	0.00	100.00	0.00	0.00
58	Plastic materials,regenerated cellul. & resins	494	0.48	99.52	0.00	99.16	0.00	0.00
59	Chemical materials and products n.e.s.	2479	20.36	79.64	0.02	78.56	0.02	0.00
6	Manufactured goods classified by material	15342	16.52	82.46	1.76	73.55	3.64	0.69
61	Leather manufactured n.e.s. & dressed fur skins	34	0.00	100.00	0.00	100.00	0.00	0.00
62	Rubber manufactures n.e.s.	1525	1.20	98.61	2.61	92.42	0.68	0.18
63	Wood and cork manufactures(excl.furniture)	23	0.00	100.00	0.00	100.00	0.00	0.00
64	Paper,paper board and manufactures thereof	1813	1.21	98.75	0.38	96.28	0.34	0.00
65	Textile yarn,fabrics,made-up articles	2523	8.23	89.33	0.04	80.78	7.47	1.96
66	Non-metallic mineral manufactures,n.e.s.	3418	61.52	37.35	0.58	27.11	0.51	0.27
67	Iron and steel	1187	0.01	99.99	0.72	80.56	16.69	0.00
68	Non-ferrous metals	103	0.00	100.00	0.00	99.66	0.00	0.00
69	Manufactures of metal,n.e.s.	4716	3.89	94.99	4.12	85.84	2.93	0.93
7	Machinery and transport equipment	27280	2.33	96.51	5.61	69.83	18.84	0.86
71	Machinery,other than electric	8725	0.58	98.45	9.90	68.90	16.31	0.44
72	Electrical machinery,apparatus and appliances	5403	7.58	91.67	4.49	76.30	6.04	0.05
73	Transport equipment	13153	1.33	97.20	3.22	67.78	25.79	1.46
8	Miscellaneous manufactured articles	8007	10.69	86.87	2.66	77.89	1.32	0.20
81	Sanitary,plumbing,heating & lightning fixtures	459	2.19	96.02	0.10	77.48	0.15	1.80
82	Furniture	256	0.00	100.00	3.88	95.56	0.00	0.00
83	Travel goods,handbags and similar articles	212	20.94	42.52	0.00	35.18	4.20	2.32
84	Clothing	1436	30.20	68.07	0.04	58.58	0.97	0.00
85	Footwear	1454	19.28	79.77	0.00	72.22	0.00	0.00
86	Professional,scient. & controll. instruments	1051	0.26	99.74	16.84	74.92	2.08	0.00
89	Miscellaneous manufactured articles,n.e.s.	3140	2.71	95.03	0.81	91.84	1.91	0.09
	TOTAL manufactures	77609	8.24	90.63	3.53	74.86	7.49	0.64
	TOTAL: SITC 5-8 LESS 68 a/	60031	7.69	91.09	3.37	75.23	9.67	0.61
	TOTAL traded goods: SITC 0-9	80461	9.74	89.17	3.45	73.49	7.23	0.62

Note:Data and SITC descriptions refer to SITC revision 1

*/ This table is based on the definition of trade in manufactures covering a list of 148 specifically identified SITC 3-digit or 4-digit codes comprising a wide range of processing stages of manufactured goods.

a/ Definition of trade in manufactures SITC 5-8 less 68 is one of the most often found. It covers only items recognized as exclusively manufactured goods,i.e. with a high level of manufacturing content.

Source: UNIDO data base;Information supplied by the United Nations Statistical Office.

Note: Percentages may not add to 100.0 due to the fact that countries report trade to/from "unspecified areas".

Table A-7. Ownership of leading companies by sector, 1982[a]
(Turnover in CFAF millions)

Sector	Foreign companies				National companies				Total
	Sub-total		(Of which French)		Public		Private		
	Turnover	Per cent	Turnover	Per cent	Turnover	Per cent	Turnover	Per cent	Turnover
Agriculture	1,865	77.3	1,641	68.0	99	4.1	449	18.6	2,413
Forestry	8,015	93.5	5,606	65.4	326	3.8	231	2.7	8,572
Industry	16,489	80.2	10,896	53.0	2,959	14.4	1,119	5.4	20,567
Water/Electricity	...	...	...	...	2,307	100.0	...	...	2,307
Construction	2,879	86.8	2,717	81.9	169	5.1	269	8.1	3,317
Public works	736	100.0	736	100.0	...	...	...	...	736
Commerce[b]	56,958	78.7	17,960	24.8	7,746	10.7	7,669	10.6	72,373
Transport	2,918	30.0	2,675	27.5	6,382	65.6	428	4.4	9,728
Post/ Telecommunications	...	...	...	...	1,220	100.0	...	...	1,220
Property	183	88.8	61	29.6	...	...	23	11.2	206
Services[c]	1,406	79.1	681	38.3	305	17.2	66	3.7	1,777
Totals	91,449	74.2	42,973	34.9	21,513	17.5	10,254	8.3	123,216

Source: Ministère du Plan, des Statistiques et de la Coopération Internationale.

a/ The table covers the 287 principal enterprises in 1982, as determined by turnover.

b/ Inclusive of hotels and restaurants.

c/ Exclusive of banking and insurance.

Table A-8. Ownership of leading industrial companies by branch of industry, 1982[a]
(Turnover in CFAF millions)

Sector	Foreign companies				National companies				Total
	Sub-total		(Of which French)		Public		Private		
	Turnover	Per cent	Turnover	Per cent	Turnover	Per cent	Turnover	Per cent	Turnover
Food/drink products	9,705	86.2	8,016	71.2	901	8.0	653	5.8	11,259
Textiles/leather	2,184	58.4	782	20.9	1,363	36.5	190	5.1	3,737
Printing/wood products	264	50.5	264	50.5	167	31.9	92	17.6	523
Chemicals	1,391	93.1	548	36.7	15	1.0	88	5.9	1,494
Mechanical/ electrical goods	2,205	93.6	1,152	48.9	71	3.0	80	3.4	2,356
Minerals	330	79.5	97	23.4	69	16.6	16	3.9	415
Other industries	410	52.4	37	4.7	373	47.6	...	...	783
Totals	16,489	80.2	10,896	53.0	2,959	14.4	1,119	5.4	20,567

Source: Ministère du Plan, des Statistiques et de la Coopération Internationale.

a/ The table covers the 46 principal industrial enterprises in 1982, as determined by turnover.

Table A-9. Population by provinces,[a/] 1975
('000)

Province	Rural	Urban[b/]	Total	Capital
Vakaga	21	----	21	Birao
Bamingui Bangoran	26	----	26	Ndele
Gribingui	61	12	73	Kaga Bandoto
Ouham	188	38	226	Bossangoa
Ouham Pende	197	13	210	Bozoum
Nana Mambere	137	30	167	Bouar
Haute Sangha	149	45	194	Berberati
Sangha	53	----	53	Nola
Lobaye	117	18	135	Mbaiki
Ombella Mpoko	95	14	109	Bimbo
Kemo Gribingui	52	13	65	Sibut
Ouaka	138	42	180	Bambari
Basse Kotto	150	12	162	Mobaye
Mbomou	90	22	112	Bangassou
Haute Mbomou	33	----	33	Obo
Haute Kotto	27	15	42	Bria
Bangui	----	280	280	-
Totals	1,534	554	2,088	

Source: Office of the High Commissioner for Planning and Economic Cooperation.

a/ There are sixteen provinces in the CAR. Bangui, the capital, is located within the province of Ombella Mpoko but is shown separately within the table.

b/ The urban population consists of capitals of provinces and of sub-provinces with more than 10,000 inhabitants.

Table A-10. External technical assistance by sector, 1984
(in US$)

Sector	Source of financing									
	UNDP	(Per cent)	Multilateral assistance other than UNDP	(Per cent)	Bilateral cooperation	(Per cent)	Other	(Per cent)	Total	(Per cent)
Political affairs										
General development, policies and planning	76,702	2,58	21,589	0,58	1572,662	7,62	51,785	12,61	1722,738	6,22
Natural resources	134,898	4,54	1261,700	34,10	349,278	1,69	56,791	13,83	1802,667	6,50
Agriculture, forestry and fisheries	1103,409	37,10	177,641	4,80	2012,496	9,75	39,886	9,71	3333,432	12,03
Industry	2,000	0,07			176,181	0,85	2,774	0,68	180,955	0,65
Transport and communication	367,491	12,35			2380,774	11,54	152,082	37,03	2900,347	10,46
International commerce and development finance					14,580	0,07			14,580	0,05
Population			48,861	1,32	82,462	0,40			131,323	0,47
Human settlements							71,235	17,35	71,235	0,26
Health	149,404	5,02	1409,578	38,10	3480,275	16,87	3,689	0,90	5042,946	18,19
Education	407,393	13,70	523,953	14,16	9973,573	48,34			10904,919	39,34
Employment	365,145	12,28	9,405	0,25	8,748	0,04	32,413	7,89	415,711	1,50
Humanitarian aid			246,800	6,67					246,800	0,89
Social conditions	368,072	12,37			152,852	0,74			520,924	1,88
Culture					73,340	0,36			73,340	0,26
Science and technology					355,278	1,72			355,278	1,28
Total	2974,514	100	3699,527	100	20632,499	100	410,655	100	27717,195	100
Total assistance in percentage		10,73		13,35		74,44		1,48		100

Source: Programme des Nations Unies pour le Développement, République Centrafricaine: Rapport sur la Coopération pour le Développement, 1984, Octobre 1985.

Table A-11. Technical assistance projects for the industrial sector, 1984
(in US$)

Project, activity, title and number	Source of assistance	Duration of project		Total assistance to project	Annual expenses		Nature of assistance
		Beginning	End		Actual 1984	Future 1985	
CAF/84/009 Seminar SSI	UNDP/Government	03/84	03/84	2,000	2,000	0	Seminar
CAF/84/004 Promotion of SSI	UNDP/ILO	1985	1986	144,500	0	144,500	Establishment of a centre for assistance to SSI. Elaboration of statutes. Rehabilitation of industrial estate of Bérengo. Preparatory assistance in 1985. Start of production in 1986.
Technical assistance	France	1984	on-going	123,692	123,692		Financing of 3 development assistance volunteers for commerce and industry.
Fellowship programme	France	1984		52,489	52,489		Fellowships: 6 mechanical, 6 electricity, 1 tourism, 4 physical & electronic measurement, 1 food industry.
4100.015.17.25 Bangui Slaughterhouse	EEC	1980	1984	126,822	2,774		1 Expert in refrigeration.

Source: Programme des Nations Unies pour le Développement, République Centrafricaine: Rapport sur la Coopération pour le Développement, 1984, Octobre 1985.

Table A-12. External capital investment assistance to industry, 1984
(in US$)

Title of project or activity	Source of investment	Date of agreement	Capital pledged 1984 Loans/credit	Capital pledged 1984 Subsidies	Capital pledged 1984 Participants	Observations
Refinancing contribution of state capital in SCAI	France/EEC	1984	810,185	0	0	30 years of which 10 years deferment. 1.5 per cent interest until 31 October 1994. 2.0 per cent from 1 November 1994. Restructuring of production machinery.
Renovation of Hotel Safari, Bangui	France/EEC	1984	694,444	0	0	15 years of which 5 years deferred. 5 per cent interest annually. Loan to the Société Centrafricaine d'Equipement Touristique.
Textile factory UCATEX	EEC		0	0	0	Total assistance: 959,722. 25 years with a maximum grace period of twenty years; 2 per cent interest; co-financed by EEC development fund; renovation and starting-up of textile factory.
Textile factory UCATEX	EEC		933,882	0	0	Total assistance: 3,119,097. 15 years with a 4-year grace period; co-financed by EEC development fund; renovation and starting-up of textile factory.

Source: Programme des Nations Unies pour le Développement, République Centrafricaine: Rapport sur la Coopération pour le Développement, 1984. Octobre 1985.

Annex B

The completed and on-going projects of UNIDO

A: Completed projects since 1972

Backstopping Responsibility (Spec.Act.Code)	Project Number	Project Title
IO/PLAN (31.2.A)	DP/CAF/74/005	Industrial planning and promotion
IO/PLAN (31.2.A)	DP/CAF/78/008	Industrial planning and promotion, phase II
IO/PLAN (31.2.A)	RP/CAF/77/003	Industrial planification and promotion
IO/PLAN (31.2.A)	TF/CAF/77/004	Industrial plannning and promotion
IO/PLAN (31.2.A)	TF/CAF/79/001	Planification and industrial promotion, phase II
IO/INFR (31.4.00)	IS/CAF/71/805	Development of small-scale industries
IO/INFR (31.4.01)	RP/CAF/74/001	Promotion of small-scale industries
IO/INFR (31.3.D)	RP/CAF/78/001	Centre for the promotion of small-scale industries
IO/INFR (31.3.D)	TS/CAF/77/007	Centre for promotion of small- and medium-sized industries, preparatory assistance mission
IO/INFR (31.3.L)	RP/CAF/84/002	Séminaire sur les petites et moyennes entreprises industrielles
IO/TRNG (31.5.B)	RP/CAF/77/005	Industrial training: elaboration et evaluation des projets industriels
IO/TRNG (31.5.B)	RP/CAF/77/006	Project elaboration, small-scale enterprises
IO/TRNG (31.5.B)	SI/CAF/77/802	Co-operation among developing countries: study tour in soap manufacturing
IO/FEAS (31.6.A)	SI/CAF/80/801	Etude de faisabilité d'une usine de chaux
IO/AGRO (30.6.00)	RP/CAF/75/001	Fellowships in light industries
IO/AGRO (31.7.A)	RP/CAF/79/001	Development of low-cost prefabricated modular wooden bridges
IO/AGRO (31.7.A)	RP/CAF/81/001	Development of low-cost prefabricated modular wooden bridges
IO/AGRO (31.7.A)	RP/CAF/82/001	Wooden bridge construction
IO/AGRO (31.7.A)	RP/CAF/84/001	Wooden bridge construction (continuation of RP/CAF/82/001)

Annex B (continued)

Backstopping Responsibility (Spec.Act.Code)		Project Number	Project Title
IO/AGRO	(31.7.B)	SI/CAF/82/801	Evaluation of offers to rehabilitate a textile enterprise: Industries Centrafricaine de Textile (ICAT)
IO/MET	(31.8.D)	SI/CAF/79/802	Market survey of foundry products
IO/ENG	(00.0)	TS/CAF/70/001	Explanatory and advisory mission on industrial and repair problems
IO/ENG	(30.1.03)	DP/CAF/72/001	Assistance to watchmaking industry
IO/ENG	(30.1.03)	IS/CAF/72/001	Assistance to watchmaking industry
IO/ENG	(31.9.C)	VC/CAF/74/022	Mobile maintenance and repair workshops
IO/ENG	(31.9.Z)	TF/CAF/76/001	Maintenance and repair workshop (interpreter)
IO/ENG	(31.9.Z)	SI/CAF/74/804	Maintenance and repair workshop
IO/CHEM	(32.1.B)	IS/CAF/73/002	Feasibility study for the establishment of a factory manufacturing ceramic tiles
IO/OD	(32.4.B)	SI/CAF/81/801	Exploratory mission: development of non-conventional sources of energy
CPE/REL	(70.3.Z)	RP/CAF/83/001	Visit of the Director of Industry, Ministry of Industry, Government of the Central African Republic

B: The on-going and approved projects

IO/IIS/PLAN	J12413	Seminar on industrial strategies within the framework of the Industrial Development Decade for Africa (IDDA)
IO/IT/CHEM	J13419	Assistance in terra-cotta production

* Large-scale project (= total allotment $150,000 or above)
** Total allotment $1 million or above

Annex C

Leading industrial companies, 1985

The following are some of the largest companies in terms of either capital investment or employment.

Comptoir National du Diamant (CND): f. 1964; cap. 100m. francs CFA, 50 per cent state-owned; production of diamonds; entreprise prioritaire.

Entreprise Forestière des Bois Africains Centrafrique (EFBACA): f. 1969; cap. 259m. francs CFA; exploitation of forests and wood processing.

Industrie Centrafricaine du Textile (ICAT): f. 1965; cap. 586m. francs CFA; govt-owned; textile complex.

Manufacture Centrafricaine de Cigares (MANUCACIG): f. 1976; cap. 163m. francs CFA; processes locally grown tobacco leaf; capacity 38m. cigars per annum.

Motte-Cordonnier-Afrique (MOCAF): f. 1951; cap. 660m. francs CFA; production of beer, soft drinks and ice.

Société Centrafricaine de Cigarettes (SOCACIG): f. 1970; cap. 300m. francs CFA; cigarette mfrs; entreprise prioritaire.

Société Centrafricaine de Déroulage (SCAD): f. 1972; cap. 450m. francs CFA; exploitation of forests, manufacture of plywood, sawmill.

Société Centrafricaine de Développement Agricole (SOCADA): f. 1964; cap. 1,000m. francs CFA; 75 per cent state-owned, 25 per cent Compagnie Francaise pour le développement des fibres textiles, (France); cotton ginning at 20 plants, production of cotton oil at 2 refineries and groundnut oil.

Société Centrafricaine d'Exploitation Forestière et Industrielle (SOCEFI): f. 1947, nationalized 1974; cap. 880m. francs CFA; turnover 800m. francs CFA (1975); timber industry.

Société Centrafricaine des Hydrocarbures (CENTRA-HYDRO): f. 1974; cap. 152m. francs CFA; 60 per cent state-owned, 40 per cent Transworld Energy Ltd (Bermuda); storing and distribution of petroleum products.

Société Centrafricaine du Sac (SACAF): f. 1968; cap. 50m. francs CFA; manufacture of bags and sacks.

Société Centrafricaine des Tabacs (SCAT): f. 1966; cap. 1,050m. francs CFA; 66 per cent state-owned, 33 per cent by SEITA (France); technical supervision of plantations; collecting and curing of tobacco; entreprise prioritaire.

Société Industrielle Centrafricaine (SICA): f. 1967; cap. 200m. francs CFA; sawmill at M'baiki in the Lobaye area, annual capacity 18,000 cu m; entreprise prioritaire.

Société Industrielle Centrafricaine des Produits Alimentaires et Dérivés (SICPAD): f. 1967; cap. 150m. francs CFA; mfrs of soap, flour, edible oils and animal feed.

Sociéte de l'Uranium Centrafricain (URCA): f. 1975; cap. 45m. francs CFA; owned jointly by the govt (33 per cent), the French Atomic Energy Commission, the French Uranium Mineral Co, and Alusuisse; research and development of uranium deposits at Bakouma.

Source: Africa South of the Sahara, 1986, Europa Publications Ltd.

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