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NATIONAL ECONOMIC COUNCIL

ECONOMIC MISSION REPORT

Memorandum by the Federal Minister of Finance

As leader of the all-Nigerian Economic Mission, I submit for the information of the Council, the attached reports of the first and second stages of the Mission. Copies of these reports have already been forwarded to the Regional Governments.

2. The Council of Ministers have considered these reports and have taken the following action:-

- (i) Noted and expressed approval in principle for the two reports together with the accompanying appendices.
- (ii) Remitted the reports to a Co-ordinating Official Committee for examination and the necessary follow-up action. This official Committee to report to a Ministerial Committee
- (iii) Requested the Ministry of Foreign Affairs and Commonwealth Relations, in consultation with the Federal Ministry of Education to pursue the question of the various scholarships offered to Nigeria.
- (iv) Agreed that the Reports should be printed and made available to members of the public; and
- (v) Agreed that the Ministry of Foreign Affairs and Commonwealth Relations should address letters to the Governments of the Countries visited expressing the Federal Government's gratitude for the hospitality accorded to and the excellent arrangements made for the Mission.

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REPORT BY THE FEDERAL MINISTER OF FINANCE ON THE
FIRST STAGE OF THE TOUR OF THE NIGERIAN ECONOMIC MISSION

In this report, I summarise under each of the countries visited by the Mission the different matters and occasions of importance.

--- For ease of reference, I attach as Appendix I the itinerary of
--- the Mission during this tour, I also attach as Appendix II a list of the delegates.

CZECHOSLOVAKIA - PRAGUE

The Honourable Dipcharima and I preceded the main Mission by leaving for Prague on the 2nd June, 1961. The remainder of the delegation joined us on the 3rd June and the whole Mission remained in Prague until the 5th June.

The Mission visited the Slapy and Orlik High Dams and also held discussions with a Government delegation of the Czechoslovak Socialist Republic. The following points arose during these discussions :-

(i) Trade and Industry

Discussions on trade matters were based on an aide memoire which had been prepared during my visit to Prague on the 21st June, 1960. This aide memoire had already been submitted by me to the Council of Ministers on my return to Nigeria in June, 1960. Attached to that aide memoire were a list of goods which could be exported from Nigeria to Czechoslovakia and another list of equipment for small-scale industries which could be imported by Nigeria from Czechoslovakia. It was agreed during our discussions that additions could be made to these lists. It was also agreed that the exchange of these goods could be achieved through the conclusion of a long-term trade agreement.

Discussions were also held on the possibility of establishing a tannery and a boot and shoe factory or factories in Nigeria. It was agreed that the

Czechoslovak Government would arrange for an expert preliminary study to be made as soon as possible. If this survey proved that it would be economic to establish these factories in Nigeria, Czechoslovakia would consider sympathetically the supply of the necessary machinery and arrange the necessary technical, management and credit facilities.

(ii) Economic Development and Technical Assistance

Technical assistance could be provided by Czechoslovakia under an agreement on economic, scientific and technical co-operation. Under this agreement, Czechoslovakia would consider sympathetically any request for assistance from Nigeria in the fields of education, health and agriculture. During the discussions under this head, the Czechoslovak Government announced the offer of scholarships for up to fifteen Nigerian students to study in Czechoslovak Universities and other institutions. These scholarships would be available for the school year beginning on the 1st September, 1961.

The outline of the Development Programme for 1962/67 was examined by the Czechoslovak Government, who promised to communicate with the Nigerian High Commissioner in London by the 15th July, 1961, indications of the type of machinery and equipment and technical assistance with which the Czechoslovak Government would be prepared to assist Nigeria in the execution of the programme.

The Czechoslovak Government, as proof of the friendly relations between Nigeria and Czechoslovakia, presented to the Federation of Nigeria equipment for a dental consulting room, consisting of dental unit, dental operating chair, dental X-ray apparatus, hot-air steriliser, doctor's mobile stool and a set of dental instruments.

I attach as Appendix III a joint communique issued at the end of the Mission's visit to Czechoslovakia, an aide memoire and a presentation of the dental equipment.

SOVIET UNION - MOSCOW

The Mission arrived in Moscow on the 6th June and stayed until the 9th June, 1961. The Ministers were received by Mr. N.S. Krushchev, Chairman of the Council of Ministers of the U.S.S.R.

Meetings were also held with the Chairman of the State Committee of the Council of Ministers of the U.S.S.R. for External Economic Relations, the Acting Minister of Foreign Trade and the State Committee of the Council of Ministers of the U.S.S.R. for Cultural Relations with Foreign Countries.

(i) Trade and Industry

During discussions, we agreed that the development of direct trade relations between the two countries on the basis of equality and mutual benefit was essential. The Soviet Union expressed its desire to import from Nigeria, oil seeds and vegetable oil, cotton, raw hides, rubber, and cocoa beans. The Soviet Union was anxious to sell to Nigeria industrial equipment, tractors, motor cars, agricultural machinery, transport facilities, machinery tools and instruments, chemicals and drugs, construction materials (including cement), fabrics, sugar and various other consumer goods. It was hoped that discussions would be held at an early date on the possibility of concluding a trade agreement between the U.S.S.R. and the Federation of Nigeria.

Two Government agencies were responsible for the sale of ships and aircraft. Pseudo Exports was

responsible for the export of ships and Afto Exports for the sale of aircraft. Payments for ships and aircraft were usually subject to negotiations, although normally payments could be made over a period of five years. Technical assistance for the training of the necessary crew would be provided by the Soviet Union. Two types of aircraft were being sold by the Soviet Union - the two-engined I.L.14 which has a capacity of twenty-four passengers, and the four-engined I.L.18 jet-propelled with a capacity of eighty passengers. The Soviet Union were importers of some types of vessels but could sell trawlers and river vessels. The Soviet Union were not now in a position to sell passenger vessels because they were themselves building up their own fleet, which had suffered badly during the last war.

(31) Economic Development and Technical Assistance

During these discussions, the Soviet Union expressed its readiness to assist Nigeria with economic and technical assistance in establishing agricultural projects, food processing industry and the organisation of vocational training centres for training Nigerians in the field of industry and agriculture, as envisaged in the Economic Programme for 1962-67. Before doing this, however, the Soviet Union would like to send to Nigeria a team of Soviet experts who would work in conjunction with Nigerian experts with a view to assessing the scope and extent of Soviet assistance.

The sending out of a team of Soviet experts follows Soviet traditional methods of giving assistance to developing countries. The idea is that the Soviet team, after working in Nigeria and examining local conditions in conjunction with Nigerian experts and officials,

would present joint recommendations to the Nigerian Government. It is on the basis of these recommendations, as accepted by the Nigerian Government, that Soviet assistance would be made available. Soviet assistance is not confined to the provision of finance. Equipment required under development programmes may also be obtained from Soviet sources under extended credit arrangements at very low interest rates. However, the conditions attaching to these arrangements would be as agreed under an agreement of economic, technical and cultural co-operation. Where Nigerians were trained in the U.S.S.R., Nigeria would be expected to pay for only the transport of the trainees to and from the Soviet Union. All other expenses in Russia would be met by the Soviet Government.

The State Committee of the Council of Ministers of the U.S.S.R. for Cultural Relations with Foreign Countries announced the award to Nigeria of forty-four scholarships beginning with the academic year commencing on the 1st of September, 1961. Thirty-nine of these scholarships would be financed from Soviet public funds and the remaining five through funds provided by the Soviet Ministry of Higher Learning. It was revealed that these five scholarships could be increased to ten if other countries were unable to take up the scholarships offered to them by the Soviet Union. There were already studying in various Russian universities twenty-seven Nigerian students. The State Committee also explained that the number of scholarships awarded to Nigeria was small because distributions for the academic year 1961 had already been made and because no Cultural Agreement had been concluded with Nigeria under which scholarships were made by the Soviet Union to developing countries.

The Soviet Union was already making a substantial contribution to U.N.E.S.C.O. but they had repeatedly expressed their dissatisfaction at the way funds were distributed by U.N.E.S.C.O. to developing countries. They would favour more expenditure on training institutions and such other concrete things instead of on a multiplicity of committees and conferences which tended to yield nothing beneficial to developing countries. The Soviet Union was anxious to build polytechnical institutions, laboratories, etc. For example, they had already built and equipped laboratories in India. The Committee explained that in addition to Soviet contributions to U.N.E.S.C.O. the Soviet Government was prepared to enter into a bi-lateral agreement for additional assistance to developing countries.

I attach as Appendix IV the joint communique and an aide memoire which were prepared at the end of the Mission's visit to Moscow.

POLAND - WARSAW

The Mission stayed in Warsaw from the 10th to the 13th of June, 1961, and was able to participate in the Opening Ceremony of the Thirtieth International Posnan Fair. The Mission was received by the Deputy Chairman of the Polish Council of State, the Prime Minister, the Acting Minister of Foreign Affairs and other leading personalities of the Polish People's Republic. The Mission expressed the view that it would be of considerable advantage to both countries if the Prime Minister of the Polish People's Republic found it possible to visit Nigeria.

(1)

Trade and Industry

Great stress was laid by the Polish Government on the need for direct trade with Nigeria as it was thought that there existed great opportunities for increased trade between the two countries. In this connection, two lists were prepared - one list showing Nigerian exports which Poland would be prepared to purchase, and the second list showing Polish exports which Nigeria would be interested in purchasing. It was considered that it would be useful if Nigerian and Polish representatives could meet at an early date to negotiate the conclusion of a trade agreement covering these two lists.

Discussions were also held with Messrs. Cekop, the Polish Government agency responsible for the export of industrial plant and equipment. During these discussions, it was revealed by the Director of Messrs. Cekop that Poland would be interested in the implementation of a number of industrial projects based upon Polish technical "know-how", machinery and equipment and technical services. These industrial projects would include, to name only a few, glass manufacture, a sugar industry, a steel industry, the distillation of spirits and the manufacture of paper. Before taking part in any industrial project, Messrs. Cekop would be prepared to send out to Nigeria a team of experts who would carry out investigations on the spot and prepare feasibility reports. Such a team would include qualified engineers and economists. Messrs. Cekop has promised to send to the High Commissioner of Nigeria in London at an early date a list of the specialists who would come out to Nigeria, with a view to obtaining the necessary entry permits. The supply of machinery and equipment would be on an extended credit basis, the actual details of which would be subject to negotiation.

(ii) Economic Development and Technical Assistance

In the field of economic development, the Polish Government expressed its readiness to assist in the following fields :

- | | | |
|----------------|---|--|
| Agriculture | - | Production of fertilizers, irrigation. |
| See fishing | - | organisation of fishing, deliveries of equipment and fishing units, designing and construction of ports and fish processing factories. |
| Mining | - | geological researches, designing and construction of mines. |
| Shipping | - | deliveries of coastal and ocean-going vessels, designing and construction of ports and shipyards. |
| Land transport | - | deliveries of rolling-stock and railway equipment, construction of roads and bridges. |

In the field of technical assistance, the Polish Government expressed its willingness to receive trainees in Polish universities and technical institutions and during discussions an award of fifteen scholarships to Nigerians was announced. The Polish Government would also consider sympathetically the provision of technical experts to Nigeria in various fields. The Polish Deputy Prime Minister, on behalf of the Polish People's Republic, presented to the Mission a fully-equipped carpenter-and-locksmith workshop as a gift for a Nigerian secondary technical school.

It was considered during the discussions that it was essential to strengthen personal contacts between

representatives of commercial and industrial interests in Nigeria and Poland. To do this, it was agreed that each party to the discussions should recommend to its respective Government the granting of the necessary facilities for visits of commercial and technical representatives, the speeding-up of the processing of applications for visas, the establishment of trade representatives, the attendance and participation in the international fairs and exhibitions of both countries and the holding of periodic meetings between the representatives of commercial and industrial interests in both countries.

I attach as Appendix IVA copies of the joint communique and the aide memoire prepared at the end of the Mission's visit to Poland.

THE PEOPLE'S REPUBLIC OF CHINA - PEKING

The Mission arrived in Peking on the 15th instead of the 14th June, as it was necessary the flight over Eastern Liberia to stop over at a place called Irkutsk. It was therefore necessary, on our arrival in Peking, to speed up our discussions to make up for the lost time. The Mission remained in Peking until the 19th June.

During the visit, the Mission was received by Comrade Chou En-Lai, Premier of the State Council, and Li Hsien-Nien, Vice Premier of the State Council of the People's Republic of China.

(i) Trade and Industry

The Chinese Government laid stress on the need to develop direct trade between China and Nigeria on the basis of equality and mutual benefit. There were many commodities which could be exchanged between the two countries and for this purpose two lists were prepared

- one showing commodities which China could export to Nigeria and the other list showing Nigerian commodities which could be imported by China. It was also considered that as a means of promoting economic and cultural relations between the two countries, Nigerian and Chinese representatives should participate in the trade fairs and exhibitions of both countries.

The Chinese Government expressed its willingness within its own capabilities to supply complete sets of industrial and agricultural equipment under extended credit payments. Actual lengths of repayments and interest rates, where applicable, would be subject to negotiations as specific cases came forward.

(ii) Economic Development and Technical Assistance

Although it could not provide direct financial assistance to Nigeria, the Chinese People's Republic expressed its willingness to assist in any way possible with the execution of the 1962/67 Economic Programme. In the field of technical assistance, the Chinese Government would be prepared to receive Nigerian students for training in Chinese universities and technical institutions.

The Chinese Government expressed its deep appreciation for the stand taken by the Honourable Prime Minister in his now-famous speech in New York, advocating the admission of the Chinese People's Republic into the United Nations Organisation. The Chinese Government also expressed its belief that, in order to develop further friendly and co-operative relations between Nigeria and China, steps should be taken to establish diplomatic relations and the exchange of diplomatic representatives of ambassadorial rank at an early date. The establishment of commercial representation in both countries would also facilitate the development of economic and trade relations.

PAKISTAN - KARACHI

The Mission arrived in Karachi on the 21st June after a long and tedious journey through Rangoon and Calcutta. The Mission remained in Karachi until the 23rd June.

(i) Trade and Industry

During discussions, the Mission made the point that trade between Pakistan and Nigeria was small and that there appeared to be considerable scope for increased commercial relations. As a means of increasing this trade, an examination was carried out of the commodities which could be exchanged between these two countries, as a result of which two lists were prepared - one list showing those commodities which could be imported from Pakistan by Nigeria and a second list showing commodities which could be exported from Nigeria to Pakistan. It was also considered that, in order to improve the trade situation between the two countries, the following measures should be adopted:

- (a) the visits of businessmen and trade delegations to each country should be encouraged;
- (b) commercial offices should be established;
- (c) Shipping services between the two countries should be improved, and
- (d) participation in trade fairs and exhibitions of each country should be encouraged.

Pakistani officials also made reference to complaints of the failure of certain Nigerian importers to pay for Pakistani goods imported into Nigeria. To these, the Mission replied that it was essential for Pakistani exporters to exercise due commercial prudence before making exports to Nigeria. In this connection, the Mission also recommended that the Federal Ministry of Commerce and Industry should be approached in doubtful cases to verify the antecedents, reliability and status

of Nigerian importers. Where specific cases of fraudulent practices were known, particulars should be sent to the Federal Ministry of Commerce and Industry for investigation.

Generally, there appeared to be some keenness on the part of Pakistanis to see the trade between the two countries considerably expanded.

In the field of industrial development, the Pakistani Government expressed its keen desire to assist Nigeria in any way possible to help in her attempts to industrialise the country. In this connection, industrial development in Pakistan was geared towards using up all available local raw materials, saving foreign exchange and earning foreign exchange. The Government of Pakistan had taken the following steps :

(a) Small Scale Industries

Top priority was given to the development of small and cottage industries on account of the greater employment opportunities which they provide as compared with the bigger industries. This was particularly important in a country with limited resources and an abundant labour force, such small industrial enterprises offered the largest employment potential. Allied to the encouragement given to the small and cottage industries, the Government had evolved a technical advice scheme which included Small Industry Service Centres and Field Extensions, Production Services through Common Facility Centres, design centres, credit facilities and Industrial Estates. To have an oversight over the development of small and cottage industries, the Government of Pakistan had set up a Small Industries Corporation in Karachi. The need to preserve traditional arts and crafts which were fast dying out led to the

plan to encourage cottage industries. Great emphasis was laid on the need to provide credit to small entrepreneurs as it was realised that the development of small industry depended very much on the availability of finance. Such credit can be obtained from the co-operative banks, the State Bank of Pakistan and agricultural and co-operative banks. Funds could also be made available by the Pakistan Industrial Credit and Investment Corporation.

(b) The Pakistan Industrial Development Corporation

Until some thirteen years ago, large-scale industry was non-existent or of insignificant importance in Pakistan. The position has now been considerably improved as a result of both private enterprise and public effort made through the Pakistan Industrial Development Corporation. It is important to note that the P.I.D.C. combines Government initiative and finance with private enterprise.

The P.I.D.C. was established primarily with the objects of promoting industrial enterprises which other industrialists were either unable or unwilling to undertake and the policy of the Corporation is to supplement rather than to displace private enterprise. The Corporation had, therefore, refrained from setting up industries which were adequately served by private investors. The second point of importance is that the Corporation lays emphasis on the promotion, not the ownership, of industries. The Corporation makes every effort to attract private capital into these projects and, where private participation is not forthcoming at the beginning, to transfer the completed project

to private management at the earliest opportunity.

Generally, the Corporation operates in the following manner. After carrying out a preliminary survey for which the Corporation is provided with a revolving fund, a project report and pro-forma are submitted to the Pakistani Ministries of Industries and Finance and the State Planning Commission. An effort is then made to associate private capital at the outset. If such private participation is not forthcoming at that stage, the project is carried out by the Corporation. When the project is ready, renewed effort is made to attract private capital. Again, if there is no success at that stage, the project is converted into a joint stock company and the shares placed on the market with the managing agency vested in the Pakistan Industrial Development Corporation.

Apart from substantial contributions by the Pakistani Government the capital of the P.I.D.C. is made up of subscriptions from various bodies, including the World Bank. The P.I.D.C. has, since it came into being in 1950, completed over sixty projects. Some of these include the setting-up of jute mills, establishment of a large paper mill, a cardboard mill, a strawboard mill and a newsprint factory, the setting-up of an integrated iron and steel mill, the building of two shipyards, the setting-up of heavy chemicals factories, fertilizer factories and the development of the sugar, cement and chemicals industries.

(c) Pakistan Industrial Credit and Investment Corporation

As a further step towards assisting the industrial development of Pakistan in the private sector, the Pakistani Government in 1957 established the

Pakistan Industrial Credit and Investment Corporation. The World Bank and the United States Development Loan Fund have made substantial loans to the Corporation. The Government of Pakistan has also made substantial interest-free loans to the Corporation. In addition to providing finance for private industrialists, the P.I.C.I.C. has also undertaken some promotional work. The Corporation has sanctioned a large number of loans to a variety of industries, such as the refining of sugar, cotton ginning, crushing and refining of oil seeds, copra, coir and coconut, cold storages, fisheries and the manufacture of textiles. In the field of industrial promotion, the P.I.C.I.C. recently invited a team of American consultants to carry out surveys in respect of certain industries and to prepare feasibility reports. In the processing of applications for loans, the Corporation gives preference to those enterprises which are import saving, export earning or are based on local raw material.

(d) Investment Promotion Bureau

As a further step towards the encouragement of industrial development in Pakistan, the Government in 1959 set up the Investment Promotion Bureau. The Bureau's main task is to promote foreign as well as local private investment in industry with a view to realising the targets of Pakistani's development plans in the private sector. The Bureau is also intended to be the clearing-house for all problems which investors may face. The idea is that there should be established a Central Office to which investors could refer not only their investment proposals but also their difficulties, without having to go from one agency of the Government to another.

There exists in the Bureau a Central Permission Committee which receives applications in respect of cases involving foreign investment, partial or total, and also local investment cases relating to the Karachi area. This Central Permission Committee consists of representatives of the Ministries of Industry, Finance, Commerce, the Projects Division and an observer from the State Planning Commission. In addition, the Bureau has brought out a number of publications, e.g. Guide to Investment in Pakistan, Industries for Foreign Investment, and Investment Opportunities in Pakistan.

(ii) Economic Development and Technical Assistance

Pakistan was itself engaged upon a series of development plans and was, therefore, not in a position to provide Nigeria with any direct financial assistance. However, Pakistan would willingly, within its own resources, provide technical assistance to Nigeria in the form of training facilities in various Pakistan institutions. For example, Pakistan would be prepared to consider providing training facilities in agriculture, industry, telecommunications, railway signalling and operating course, medical and health services, education, scientific and technical, banking industrial organisation and finance and development planning.

Attached as Appendix VI are copies of the joint communique and the aide memoire prepared at the end of the Mission's visit to Pakistan.

INDIA - NEW DELHI

The Mission arrived in New Delhi, India, on the 24th June and left on the 28th June. The Mission called on the Vice-President of India and the Ministers and businessmen were entertained to lunch by the Prime Minister.

Members of the Mission also met the Finance Minister, Mr. Desai.

(1) Trade and Industry

It was agreed that there was a need to promote and expand trade between the two countries on the basis of equality and mutual benefit. In particular, the Government of India showed interest in buying non-ferrous metals from Nigeria. It was also recognised that there was scope for the importation from India into Nigeria of some manufactured goods and machinery. The Government of India expressed the view that it would be possible for suitable credit arrangements to be for the purchase of Indian machinery and equipment for the establishment of new industries in Nigeria.

The Mission visited industrial establishments and the Central Cottage Emporium. Various Indian industrial interests showed keenness in coming out to Nigeria. In this connection, the Mission gave details of some of the industries which the Nigerian Governments were interested in establishing in Nigeria, particularly textiles, iron and steel, plastics, etc.

Small-Scale Industries

Like Pakistan, the Indian Government attached the greatest importance to the development of small and cottage industries in India. As a means of ensuring the even distribution of small-scale industry throughout the whole of India, the Indian Government had set up a Central Small Industries Organisation. Like Pakistan, the Indian Government had long recognised the fact that the small and cottage industries provide greater employment opportunities as compared with the bigger industries, particularly when it is remembered that India had an abundant labour force.

Some of the measures taken by the Indian Government to ensure an even spread of small industries to the

under-developed and undeveloped areas of the country include preferential treatment, like the regular supply of raw materials, assistance in the matter of import licences for essentially required components, spare parts and equipment, concession in freight charges, low rentals for factory buildings and workers' housing, and tax relief for specific periods. In addition, some of the States participate in the capital structure of small-scale units in the under-developed and undeveloped areas. The Indian Government recognised long ago that small industries were faced with a number of problems of finance, technical advice, marketing problems, and organisational difficulties. To meet these problems, both the Federal and State Governments have provided facilities for making loan money available to approved small industries. A central body had also been set up to supply machinery on a hire purchase basis. In addition, Government had provided industrial estates. To meet the technical difficulties of small industries the Central Small Industries Organisation had created an "Industrial Extension Service", the object of which was to provide to small industrial units facilities such as technical advice, advice on the use and procurement of correct raw materials, efficient methods of production, advice on marketing problems, supply of designs, information and guidance on the latest advances in science and technology, management and distribution. Training at various levels was also provided for artisans, foremen and managers.

National Industrial Development Corporation

As a means of securing a balance of integrated development of industries in both the private and public sectors of the Indian economy, the Government of India set up in 1954 the National Industrial Development Corporation for the promotion and

development of industries in the country. The primary object of the Corporation was to develop those industries which were necessary to fill up gaps in the country's industrial structure. The Corporation would plan and formulate projects for setting up new industries or developing new lines of production. In carrying out this task, the Corporation would ensure the maximum possible use of industrial equipment, experience and skill available in the country. In the second Plan, the N.I.D.C. was to concentrate efforts on projects relating to -

- (a) the manufacture of industrial machinery in the field of heavy engineering; and
- (b) some crucial industrial materials like raw film, aluminium and synthetic rubber primary intermediates for the drug, dyestuffs and plastic industries.

The projects to be established under the N.I.D.C. may have their capital wholly from Government, although it was envisaged that it would be possible to associate private enterprise.

The Industrial Credit and Investment Corporation of India Limited.

As a further means of promoting and assisting industrial development in India, the Government of India in 1955 established the Industrial Credit and Investment Corporation, as a result of an international co-operative effort to foster private industrial investment in India. British and American investors joined about 2,000 Indian investors and subscribed the initial equity capital. To this, the Government of India provided an interest free loan from the counterpart funds of United States aid. The World Bank also granted an initial credit loan in foreign currencies.

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The I.C.I.C.'s main task was to provide finance - medium and long term loans in both local and foreign currencies. The primary purpose for which the I.C.I.C.I. made funds available was for the purchase of capital assets in the form of land, buildings and machinery, but in suitable cases applications for additional permanent working capital were favourably considered. The I.C.I.C.I. has also provided financial assistance in under-writing public and private issues and offers of sale of industrial securities. The I.C.I.C.I. was also prepared to assist clients in the preparation of investment proposals and to make available or to find technical and managerial service and services both in India and abroad.

(ii) Economic Development and Technical Assistance

The Government of India was itself engaged upon a series of development plans and was, therefore, not in a position to give direct financial assistance to Nigeria in the execution of its 1962/67 Development Programme. However, in spite of the acute shortage of technical personnel, the Government of India agreed to make every endeavour to assist Nigeria in the training of Nigerians in India. Since Nigeria was engaged in a technical manpower survey, it was agreed during discussions that Nigeria should make available to the Indian Government, as soon as this survey was completed, its more detailed requirements. It was noted that India had already sent a railway team to help re-organise the Nigerian railway system. In this connection, the Government of India expressed the view that they would be quite willing to send out experts in the field of irrigation, agriculture, etc.

National Savings Organisation

In the formulation of a series of development plans, the Indian Government long ago realised the importance of mobilising to the full its own local resources. As a major step towards the effort of mobilising local resources, the Indian Government launched the National Savings Organisation. Under this Organisation, a small savings scheme was introduced. Particulars of the various investments are given below:-

(1) Post Office Savings Bank

Like our own Post Office Savings Bank, this form of investment is particularly suitable for those who, in order to meet unforeseen demands, wish to have the facility of being able to draw at any time on their principal and accrued interest. The minimum deposit for opening an account is made small enough to enable the small wage-earner to take advantage of this scheme. Withdrawals can also be made from an account twice a week and interest is paid at the rate of $2\frac{1}{2}$ per cent per annum on stated balances. The interest earned on an account is free of income tax and supertax and is not taken into account in determining the rate of income tax on total income.

(2)(a) Twelve-year National Plan Savings Certificates

The second form of investment is the twelve-year National Plan Savings Certificate, which can be purchased at all Post Offices transacting Savings Bank business. This form of investment is particularly suitable for those investors who can wait for some years both for their capital and the interest accruing thereon. Certain limits are stated as to the number of

certificates that can be purchased by an adult.

The certificates are made out in various denominations ranging from Rs. 5 to Rs. 5,000. Charitable, educational and religious institutions, co-operative societies, registered firms and local bodies take advantage of this form of investment. Certificates can be encashed at any time after the expiry of one year. The interest accruing on such investment is free of income tax and supertax and is not taken into account in determining the rate of income tax on total income.

(b) Savings Stamps

To meet the requirements of those who are unable to purchase even a 5-Rupee certificate at a time, and to encourage the good habit of saving in children, savings stamps in very small denominations are sold at Post Offices. These stamps are pasted on a savings card, obtainable free from the Post Office. When the total value of the stamps pasted on the card becomes Rs. 5 or more, the card can be exchanged for a National Plan Savings Certificate of that amount.

(c) Gift Coupon Scheme

The Gift Coupon Scheme was introduced as a means of popularising the presentation of savings certificates as gifts on the occasion of social ceremonies such as marriages, birthdays, etc. It is considered that these would help to curb the tendency towards extravagance in cash generally on such occasions. The scheme enables a person to purchase attractive gift coupons of given denominations in attractive envelopes to present to the donee, who can have them exchanged into Twelve-Year National Plan Saving Certificates of like denomination.

(3) Ten-Year Treasury Savings Deposit Certificates

This form of investment was introduced to meet the requirements of those who want to keep their capital intact for some years but wish to draw regular annual income therefrom. Charitable institutions may also make investments in these certificates. Withdrawals may be made from these accounts at the end of ten years from the date of deposit. In exceptional cases, withdrawals may be made after twelve months, subject to a charge of small discounts. No income tax or supertax is levied on the interest upon such certificates nor is it taken into account in determining the rate of income tax on the total income.

(4) Fifteen-Year Annuity Certificates

This scheme was introduced to enable a person to invest his accumulated savings to yield a regular monthly receipt for himself and dependants. The amount invested in these certificates is refunded together with compound interest at a given rate per annum by way of monthly payments spread over a period of fifteen years. The education of children has been provided for and people in non-pensionable service or in trade or business arrange for regular monthly receipts through this scheme. The amount paid each month is not liable to income tax and supertax and is not taken into account in calculating the total income for the purpose of income tax.

(5) Cumulative Time Deposit Scheme

This scheme was introduced to provide small savers with a facility for educating children, building a house and retiring in comfort. A monthly deposit of sums ranging from Rs. 5 to Rs. 200 at a Post Office for a period of five years or ten years secures a lump sum return at the end of five or ten years.

Attractive interests are paid on deposits and the interest earned is free of income tax and supertax.

It is important to note that 10 per cent of the total investment in the Indian Second Five-Year Plan was found from the Small Savings Organisation. Various Government organisations assist with the publicity given to this drive for small savings. Such publicity is given through the radio, films, posters, calendars, broadcasts and savings boxes.

A separate report on the work done by the Oil and Natural Gas Commission, the Indian Oil Company Limited and the Indian Refineries Limited, is being prepared and will be circulated for the information of Council.

The Indian Planning Commission agreed to prepare and forward a memorandum of its functions and working. I attach as Appendix VII a joint communique issued at the end of the Mission's visit to India.

HONG KONG

The Mission arrived in Hong Kong on the 28th June and departed for Japan on the 30th June. The Mission held discussions with Government officials and various industrial and commercial interests.

Trade and Industry

Keen interest was shown in the expansion of trade between the two countries. It was noted that there was considerable imbalance in favour of Hong Kong in the trade between the two countries. There appeared to be scope for the increased purchase by Hong Kong of such Nigerian products as cotton, groundnut oil, timber, rubber and minerals, provided the prices and qualities were competitive. In order to maintain closer trade relations, it was agreed that the Federal Ministry of Commerce and Industry in Nigeria and the Commerce and Industry

Department in Hong Kong should circularise trade enquiries from the two countries as quickly as possible. It was noted that Hong Kong would be a potential source of light machinery for industrial development in Nigeria. Large quantities of consumer goods were already being imported into Nigeria.

I attach as Appendix VIII a joint communique issued at the end of the Mission's visit to Hong Kong.

JAPAN - TOKYO

The Mission arrived in Tokyo on the 30th June and departed for the United States of America on the 4th July.

(1) Trade and Industry

Discussions in Tokyo began with a frank and blunt expression of Nigeria's dissatisfaction with the present imbalance of trade between Nigeria and Japan, which was heavily in favour of Japan. There were many restrictive measures which the Nigerian Government could take as a means of correcting this imbalance but she would only resort to these restrictions as an extreme measure. Although Nigeria believed in multilateral trade, she was prepared to consider entering into some form of bilateral trade arrangement if it was thought that such an arrangement would expand her trade and correct the adverse balance.

On the other hand, Japan was prepared to increase her importation of Nigerian products and goods, provided that these were competitive both in price and quality with the goods Japan was importing from other countries. Japan was also bound by certain most favoured nation agreements which she had entered into with other countries.

At meetings held with Japanese businessmen who represent the three most influential economic

organisations in Japan, the Japanese expressed their willingness to help correct this imbalance in trade and thereby contribute to the prosperity of the two countries. In particular, the Japanese businessmen stated that at the moment most of Nigeria's produce was being imported through London. If these products were bought direct from Nigeria, there would be a saving in freight charges which would lower the prices of Nigerian products, and thereby make them more competitive. It was also considered that permanent representatives of Japanese business firms in Nigeria would contribute to the direct purchase of these commodities.

At the end of the discussions on trade matters, the Japanese Government promised to send to Nigeria a Trade Mission before the end of the current year to make thorough studies of the market situation of Nigerian products. It is hoped that the result of the Mission's studies will be an increase in the quantity and value of Nigerian products and goods imported by Japan.

(ii) Economic Development and Technical Assistance.

Japan was not in a position to offer direct financial assistance to Nigeria. On the other hand, the Japanese Government expressed its willingness to provide technical assistance in various fields. In the current fiscal year ending in March, 1962, the Japanese Government would be prepared to finance the provision of two Japanese experts and the training of ten Nigerians in Japan. The Japanese Government expressed the view that it considered that the training of Nigerians in Nigeria through technical assistance provided by Japan would produce better results. It was felt that the training of nationals in their own surroundings and circumstances would result in more efficient administration and would also mean a saving in the amount of money that was

spent on passages and subsistence allowances. To this end, the Japanese Government would be interested in establishing a training centre in Nigeria, to be staffed by Japanese technical instructors. This scheme would be a joint effort by the Japanese Government and the Government of the Federation of Nigeria. The Japanese Government stated that it would be prepared to send out to Nigeria a Japanese survey team for the purpose of studying the most effective way of carrying out Japanese-Nigerian technical co-operation.

The Japanese financial assistance to developing countries was made through the agency of the Export/Import Bank of Japan. The capital of the Bank consists of earlier Government funds appropriated to it and borrowings from the Government. The Bank's operations include -

- (1) the financing of Japanese export of machinery and equipment required by developing countries;
- (2) financing of the supply of Japanese technical services;
- (3) financing of overseas investments; and
- (4) financing of development projects for foreign governments.

The longest time for which the Bank usually made loans was for ten years, although this could be extended to fifteen years in special cases. Loans had been made by the Bank to India, Paraguay and South Vietnam.

At the meeting with Japanese businessmen, the Japanese showed keenness in coming into co-operation with Nigerians in the establishment of certain industries and the supply of technicians. These included cotton spinning mills, mineral products, tin ore and iron ore.

Discussions were also held on the possibility of Japanese assistance in the establishment of a fishing industry in Nigeria. It was then revealed that the Japanese Government had under consideration an application from the Western Region of Nigeria for assistance in the establishment of a fishing industry. The Japanese shipping companies would be prepared to sell ships to Nigeria on a deferred payment basis. This would take the form of a thirty per cent cash down payment and the spreading of the balance over seven to ten years. The Japanese ship-building business could not offer financial assistance in the establishment of a ship-building industry in Nigeria, but it would be prepared to supply technical experts in planning, constructing and operating the industry. It would also be prepared to take on Nigerian trainees.

I attach as Appendix IX to this report a joint communique, aide memoire and a memorandum by Japanese businessmen, prepared at the end of the Mission's visit to Japan.

UNITED STATES OF AMERICA

The Mission arrived in New York on the 5th July and proceeded to Washington, where it was warmly received by the President, the Secretaries of State and Treasury, the Acting Secretary of Commerce and other high State officials. The Mission departed for Canada on the 12th.

(i) Trade and Industry

Discussions on trade and industrial co-operation between the two countries were held both in Washington and New York. The United States Government stated that it was well aware of the trading problems of African countries and that these problems were being actively considered in the formulation of United States policies.

The United States Government was in complete sympathy with the need of expanding trade between the two countries and increasing the entry of private American investment capital into Nigeria. To this end, the United States Government appropriate agencies were taking measures to interest American businessmen in the investment opportunities available in Nigeria. As a further means of interesting American capital in Nigerian investment opportunities, the U.S. Department of Commerce was sending a strong U.S. Trade and Investment Group to Nigeria for a period of eight weeks before the end of the current year. The United States also planned to establish a permanent Trade Centre in Lagos in 1962 for the purposes of introducing American products into Nigeria and providing an opportunity for Nigerian businessmen to obtain agencies for American products.

Great stress was laid by the Americans on the need for the conclusion of an agreement between Nigeria and the United States, whereby the United States Government would guarantee American business interests in Nigeria against the following risks -

- (1) Inconvertibility of foreign currency receipts into dollars;
- (2) Loss through expropriation or confiscation;
- (3) Loss from damage to fiscal assets caused by war.

The existence of such an agreement would greatly facilitate the easy flow of American private capital into the Nigerian economy.

Production and price developments in the world cocoa market as well as the present activities of the Food and Agricultural Organisation's Cocoa Study Group were discussed. This was in connection with the possibility of an International Cocoa Agreement. Certain activities

of the United States Food and Drug Administration with regard to the lowering of tolerance for mouldy and wormy cocoa beans were examined.

The United States representatives raised the question of the recent imposition by the Federal Government of a customs duty on flour and questioned why this duty had been imposed eighteen months prior to the completion of a flour mill in Nigeria. This imposition of duty by the Federal Government at that time was to make it impossible for those people in the flour business who had known of Government's intentions to make substantial personal gains. It was also important that the Federal Government should give the industrialists investing in the flour project a concrete assurance of Government's intention to protect them. Also, if the imposition of protective duty had been delayed until the local flour industry was about to start, there would have been an immediate increase in the price of the imported product and this would have given the local industry a bad start. By imposing the duty at that time, the local product would come on to the market at a lower price and the success of the local industry would be the greater.

(ii) Economic Development and Technical Assistance

Long discussions were held under this heading. The Americans re-affirmed their willingness, within the framework of Congressinnal appropriation and legislation, to continue to give strong support to the efforts of the Nigerian Governments to carry out successfully their various development plans. In this connection, the recent United States Economic Team, now commonly referred to as the Rivkin Mission, had reported to President Kennedy that the situation in Nigeria as to sound planning, the capacity to absorb foreign assistance, self-help and social justice in the

taxation system, accorded with the conditions attaching to President Kennedy's new proposals for aid to developing countries. It is totally impracticable to embark upon a soundly constructed development programme with carefully evaluated priorities unless at the outset assurances can be given of the total amount of external assistance which will be forthcoming towards the total cost of the programme throughout the period. Hitherto, external assistance has too often been on a year to year basis. President Kennedy has taken this point by seeking the approval of Congress to enter into long-term commitments assuring recipient countries of assistance over a longer period than the one financial year which has been the practice hitherto. This is essential for Nigeria - as for India and other countries at a similar state of development. The Mission was assured that the American authorities would increase substantially American aid to Nigeria, although at the time of the Mission's discussions it was impossible for the President to say in specific terms the scope and extent of such United States Assistance. However, it was hoped that by the time Congress had approved the allocation of funds to Nigeria the Nigerian Government would have finalised its preparation of the 1962/67 Development Programme.

Mention was made by the United States Government of the possibility of the formation of a consortium of aid for Nigeria on the lines of the "Aid India Club". The Americans expressed the view that such a consortium gave Nigeria better hopes of obtaining substantially greater foreign aid. Although the Mission considered that this idea merited further close examination, it was agreed that such a consortium would not preclude the Nigerian Government from entering into bilateral

aid arrangements with individual members of the consortium on specific projects.

It was agreed that when the Nigerian Governments had completed work on their development plans, further discussions should take place with the American Government.

Visits were also paid by leading members of the Mission to the International Bank, the International Monetary Fund, the New York Stock Exchange, the Ford Foundation, the Carnegie Corporation and various other United States aid agencies.

I attach as Appendix X to this report a joint communique and two copies of the aide memoire prepared at the end of the Mission's visit to the United States of America.

CANADA

The Mission arrived in Ottawa on the 12th July and, after visiting Toronto and Montreal, departed for London on the 15th July.

During the Mission's stay in Canada, its leading members were received by the Prime Minister of Canada at his office at the House of Commons on the morning of the 13th July. The Mission was also present at the Opening Session of the House of Commons, where they were warmly welcomed by the Prime Minister and the leaders of the opposition parties.

(1) Trade and Industry

Discussions were held with Government officials and various Canadian exporters, bankers, investment dealers, shipping interests, in Ottawa, Toronto and Montreal. Lively interest was shown by the Canadians in the possibility of increasing trade with Nigeria. In 1960, Canada's purchases from Nigeria totalled 4,400,000 Canadian dollars, mainly cocoa beans and crude rubber. The Mission expressed its desire to

see Canadians buy more Nigerian primary products such as groundnuts and groundnut oil, palm oil, palm kernels, hardwoods, etc. A great factor which limited the importation by Canada of Nigerian exports was the high freight charges. However, Canada was also interested in diversifying and increasing their exports to Nigeria, which were at the moment mainly flour and vehicles. To this end, Canada hoped to undertake a major trade promotional effort in Nigeria early in 1962, when it was hoped up to 100 Canadian firms would display a wide variety of capital and consumer goods.

(ii) Economic Development and Technical Assistance

Canadian assistance to developing countries is given under the special Commonwealth African Assistance Programme. For the next three years economic assistance to Commonwealth countries in Africa by Canada would amount to 10.5 million Canadian dollars. Of this total, 3.5 million Canadian dollars had been included in the Canadian Estimates for the current fiscal year. Aid given by Canada under this scheme would be on a grant basis and it was Canada's intention that any projects financed by them should have Nigerian counterpart contributions. This would enable Canadian funds to be spent on the provision from Canada of goods and services which were not available in Nigeria. Nigeria would then provide the necessary funds to meet local costs such as labour and materials. At the time of the Mission's visit to Canada, the Canadian Government announced its participation in the serial mapping project in Nigeria to the tune of 1,337,000 Canadian dollars.

An examination of the outline of projects which it was envisaged would feature in the next Development Programme was made. The Canadians expressed the view that they would be willing to help in the fields of

agriculture, fisheries, industrial development, power, mineral development, transportation, education, health and communications.

On the 13th July, the Mission saw a display by the De Havilland Aircraft Company of three of their special type aircraft - the Beaver, the Otter and the Caribou. These planes require only a minimum of preparation of landing surface as they can use very small areas of grass, sand, earth or natural clay, and are known to be particularly suitable in tropical climate and under all conditions. The Mission was informed that the Nigerian Honourable Minister of Defence had already been acquainted with the financial arrangements under which these planes could be sold to Nigeria. It was interesting to note that the Beaver and the Otter aircraft were operated in substantial numbers in India, Burma, Ghana, Malaya and Sierra Leone.

I attach as Appendix XI the joint communique and the memorandum prepared at the end of the Mission's visit to Canada.

UNITED KINGDOM - LONDON

I preceded the main Mission on its first visit to London and had discussions with the British Chancellor of the Exchequer. The purpose of this preliminary meeting was to acquaint the British Government with the aims and objectives of the Economic Mission, to prepare the ground for the Mission's return to London in July and to try and draw up a programme of work for the Mission. On the 30th May, Nigerian officials on the Economic Mission held preliminary discussions with British officials. It was necessary to hold these preliminary discussions so that the British officials could be made aware of the size and magnitude of the 1962/67 programme as it was then known.

This would enable Government opinion to be formed as to the scope and extent of assistance which Nigeria may expect to receive from the United Kingdom.

One important point came out of these discussions. It was clear that, irrespective of the size of Nigeria's next Development Programme, the amount which the United Kingdom Government could offer as assistance would be conditioned by what that Government could afford. The United Kingdom Government lending powers were contained in Section 3 of the Export Guarantees Act, under which loans were tied to U.K. goods and services and the interest rate was calculated on the basis of the rate at which the United Kingdom Government herself could borrow plus $\frac{1}{4}$ per cent. There would be an important difference between the 1960 £12 million loan and any future loans in that the United Kingdom Government would wish to discuss with the appropriate Nigerian authorities for what purposes any such new loans would be used.

(i) Trade and Industry

Discussions under this head were held under the auspices of the Federation of British Industries. These discussions took the form of "The Second Session of the Nigerian Industrial Development Conference". The intention was that these conferences should continue the good work already carried out by the first conference which was held in Lagos in January, 1961. It was also intended that these discussions should provide another opportunity for Nigerian Ministers and businessmen to meet important personalities of the Federation of British Industries and to enable frank and useful exchanges of views to be made. A highly successful luncheon party at the Claridges Ballroom Suite was also given by the Federation of British Industries to the Mission.

(ii) Economic Development and Technical Assistance

Discussions with the British Chancellor of the Exchequer were resumed on the 17th July. During these discussions, the United Kingdom Government announced that it had been decided that the £5 million already promised as capital assistance towards the Ashby Educational Programme would now be in the form of a grant instead of a loan. This was a highly exceptional arrangement as capital assistance from Britain to independent Commonwealth countries was normally by loan. This assistance would be made available to Nigeria over a period of about seven years, beginning in 1962.

The United Kingdom Government would continue, as at present, to provide technical assistance to Nigeria by way of experts and advisory services, post-graduate training for Nigerians in technical subjects in Britain, and the supply of equipment for technical training or applied research. In addition, assistance would be available to Nigeria through scholarships awarded under the Commonwealth Scholarships and Fellowship Plan, teacher training bursaries and U.K. financial assistance for promoting recruitment for teaching services in the Commonwealth.

The British Chancellor also referred to the possibility of forming a consortium of aid to help Nigeria with financing the next Development Programme. He expressed the view that through a concerted international approach to Nigerian development Britain would play her part as far as her resources permitted. It was the Chancellor's belief that consortium aid offered the best prospects of increasing the amount of development assistance which Nigeria could attract from

outside, although such a consortium would not prevent Nigeria from entering into bilateral aid arrangements with individual members of the consortium.

The main Mission left London for Lagos on the 19th July. I remained in London until the 25th July.

I attach as Appendix XII the joint communique and the memoranda prepared at the end of the Mission's visit to the United Kingdom.

Economic Mission Itinerary - 1st Stage

<u>Departure</u>	<u>Duration of Stay</u>	<u>Arrival</u>
Lagos	28/5/61	London
	5 days	29/5/61
		in London
London	3/6/61	29/5/61 - 2/6/61
	3 days	Prague
		3/6/61
		In Prague
Prague	5/6/61	3-5/6/61
	5 days	Moscow
		5/6/61
		In Moscow
Moscow	10/6/61	5-9/6/61
	3 days	Warsaw
		10/6/61
		In Warsaw
Warsaw	13/6/61	10-13/6/61
	10.40 p.m.	Peking
	5 days	14/6/61 - 2.30 p.m.
		In Peking
Peking	19/6/61	14-18/6/61
	1 day	Kunming
		19/6/61
Kunming	20/6/61	
	8.20 a.m.	Rangoon
	1 day	20/6/61 - 12.05 p.m.
Rangoon	21/6/61	
	3.15 p.m.	Calcutta
		21/6/61 - 5.30 p.m.
Calcutta	21/6/61	Karachi
	7.45 p.m.	21/6/61 - 10.45 p.m.
	3 days	In Karachi
		21-24/6/61
Karachi	24/6/61	New Delhi
	5.0 p.m.	24/6/61 - 7.50 p.m.
	4 days	In New Delhi
		24-27/6/61
New Delhi	28/6/61	
	6.20 a.m.	Hong Kong
	2 days	28/6/61 - 5.50 p.m.
		In Hong Kong
		28-30/6/61
Hong Kong	30/6/61	Tokoyo
		30/6/61 - 10.50 p.m.
	3 days	In Tokoyo
		30/6/61 - 4/7/61
Tokoyo	4/7/61	New York
		4/7/61 - 12 midnight
	9 days	In New York
		4/7/61 - 12/7/61
New York	12/7/61	Ottawa via
		Montreal
	4 days	12/7/61
		In Ottawa
		12-15/7/61
Montreal	15/7/61	London
		16/7/61
	4 days	In London
		16-19/7/61
London	19/7/61	Lagos
		20/7/61

Appendix II

ECONOMIC MISSION -
COMPOSITION

Ministers

- Hon. Chief F.S. Okotie-Eboh, C.M.G., M.P.,
Federal Ministry of Finance. Leader of Mission
- Hon. Z.B. Dipcharima, M.P.,
Federal Minister of Commerce & Industry.
- Hon. J.C. Obande, M.P.
Federal Minister of State
Ministry of Economic Development.
- H.E. Abdul Maliki, High Commissioner
in London - (Moscow - Tokoyo)
- Hon. Chief A.O. Adeyi, M.H.A.,
Minister of Trade and Industry,
Western Region of Nigeria.
- Dr. the Hon. A.N. Obonna, M.H.A.,
Minister of Economic Planning,
Eastern Region of Nigeria.
- Hon. Alhaji Mohamadu Basher Wamban Daura,
Minister of Local Government,
Northern Region of Nigeria.

Businessmen

- Alhaji Aminu Dantata - Northern Region
- Alhaji S.O. Ghadamosi - Western Region
- Chief S.I. Nwoke - Eastern Region
- Mr. M.N. Ugochukwu - Federal Territory

Officials

- Mr. H.O. Omenai, Acting Deputy Permanent Secretary,
Federal Ministry of Finance,
(Secretary to the Mission)
- Mr. S. D. Adebisi Legal Adviser
- Dr. E.O. Iwuagwu Federal Ministry of Economic
Development.
- Mr. O.O. Duke Assistant Secretary,
Federal Ministry of Finance.
i/c Bookings, Finance and other
Administrative matters for the
Mission.
- Mr. Ukegbu Ministry of Foreign Affairs and
Commonwealth Relations.
- Mr. N.O. Farinde Acting Chief Commercial Officer,
Federal Ministry of Commerce &
Industry.
- Mr. J. O. Marsh Press Officer to the Mission.

Joint Communique on the Visit of the Government Delegation of the Federation of Nigeria in the Czechoslovak Socialist Republic

At the invitation of the Czechoslovak Government, the delegation of the Federation of Nigeria, headed by the Federal Minister of Finance, Chief Festus Sam Okotie-Eboh, paid a visit to the Czechoslovak Socialist Republic in the days from June 3 - 5, 1961.

The Government Delegation of the Federation of Nigeria visited Praha the Capital of Czechoslovakia, the Slapy and Orlik High Dams and met everywhere with friendly reception.

The Government Delegation of the Federation of Nigeria was received by the President of the Czechoslovak Socialist Republic, Antonin Novotny. On this occasion the President of the Czechoslovak Socialist Republic and the Head of the Government Delegation of the Federation of Nigeria, the Federal Minister of Finance, Chief Festus Sam Okotie-Eboh, exchanged views on the present international situation and on the possibilities of the development of mutual co-operation between the Czechoslovak Socialist Republic and the Federation of Nigeria.

The Government Delegation of the Federation of Nigeria was also received by the Prime Minister of the Czechoslovak Socialist Republic, Viliam Siroky.

During the visit talks were held between the representatives of the Governments of the two countries.

Participating in the talks were:

On the Nigerian side:

Chief the Hon. Festus Sam Okotie-Eboh, C.M.G., M.P., Federal Minister of Finance.

The Hon. Zanna Bukar Dipcharima, Federal Minister of Commerce and Industry,

The Hon. Obande, Federal Minister of State, Ministry of Economic Development,

Chief the Hon. A. O. Adeyi, Minister of Trade and Industry, Western Region of Nigeria,

The Hon. A. N. Obonna, Minister of Economic Planning, Eastern Region of Nigeria,

The Hon. Bashar, Minister of Northern Region of Nigeria.

On the Czechoslovak side:

Ing. Otakar Simunek, Deputy Prime Minister and President of the State Planning Commission,

Vaclav David, Minister of Foreign Affairs,

Frantisek Krajcir, Minister of Foreign Trade,

Julius Duris, Minister of Finance.

The talks were held in a cordial atmosphere of friendly co-operation and mutual understanding; in the course of the talks useful exchanges of opinion took place on principal problems concerning mutual economic and cultural relations, and the problems of the international situation.

The two Delegations shared the view that the application of the principles of peaceful coexistence is to the benefit of all nations and creates favourable conditions for peaceful solution of all the outstanding international problems.

In discussing the questions of mutual economic and cultural relations, the two Delegations emphasized that there exists between our countries a friendly co-operation furthering the long tradition of constantly growing trade relations.

Both Parties agree that the establishment of diplomatic relations and mutual exchange of Ambassadors between the Federation of Nigeria and the Czechoslovak Socialist Republic will greatly contribute to the further deepening of such mutual relations between the two countries.

The Delegations came to the conclusion that there exist great prospects of mutual co-operation in the economic fields.

Czechoslovakia is ready to contribute in compliance with the needs of Nigeria to the development of its economy especially in the following sectors; agriculture, industry, mining, power, transport and communications and health.

Both Delegations expressed their conviction that a long-term stabilization of the mutual commercial and economic relations will contribute to the efficiency and constant strengthening of the co-operation between the two countries. Within its possibilities Czechoslovakia is ready to assist Nigeria in its industrial development mainly by deliveries of complete industrial plants and equipments for processing Nigerian raw-materials which may accelerate the diversification of the Nigerian economy and foreign trade.

Czechoslovakia is ready, on the other hand, to conclude long-term contracts on imports of various Nigerian goods according to its needs and the possibilities of the Nigerian economy on the basis of direct contacts eliminating intermediaries wherever possible.

The Delegations agreed that a long-term trade agreement, an economic agreement and an agreement on scientific, technical and cultural co-operation should be negotiated as soon as possible. It was agreed to this end a Czechoslovak Government Delegation will be sent to Nigeria this year for the purpose of the negotiations of the said agreement.

The Nigerian Government Delegation noted the proposal of the Czechoslovak Government Delegation to negotiate an air line connecting Prague and Lagos via Kano.

The Czechoslovak Government Delegation expressed pleasure at the invitation to participate at the Lagos Trade Fair which will be held in 1962 and informed the Nigerian Delegation that Czechoslovakia will examine the possibilities of such a participation.

The visit of the Government Delegation of the Federation of Nigeria symbolized the friendly relations existing between people of Czechoslovakia and Nigeria and confirmed wide possibilities of further deepening of peaceful co-operation.

- 3 -

At the termination of the visit, the Government Delegations of the Federation of Nigeria and of the Czechoslovak Socialist Republic expressed the conviction that the fruitful results of mutual talks will contribute to the beneficial co-operation between both countries, serve the prosperity of the people, and thus contribute to the strengthening of peaceful coexistence between nations.

Prague, June, 5, 1961.

(Sgd.)

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A I D E M E M O I R E

On the occasion of the visit of Government Delegation of the Federation of Nigeria headed by the Federal Minister of Finance, Chief Festus S. Okotie-Eboh which had talks with a Government Delegation of the Czechoslovak Socialist Republic headed by the Deputy Prime Minister and President of the State Planning Commission Ign. Otakar Simunek, both Parties thoroughly studied possibilities of further development of mutual economic relations.

Both Parties confirmed the principles embodied in the Aide Memoire of 21st June, 1960 together with the annexes already accepted in principle by the Federal Government of Nigeria and stated that the achievement of independence of Federation of Nigeria created conditions for full implementation of the mentioned principles. It was noted that additions could be made to the annexes to the Aide Memoire. Both Parties further stated that natural and economic conditions as well as the programmes of economic development of both countries create favourable conditions of the largest possible.

- increase of the exchange of goods
- development of economic, scientific and technical co-operation
- co-operation in the field of education, culture and health.

The Czechoslovak Party declared in principle its willingness to assist Nigeria in her economic development in consistence with the economic development programmes of the Federation of Nigeria and according to her needs and requirements, especially

- by deliveries of complete industrial plants and equipment accompanied by the necessary technical assistance
- by concluding of long-term contracts on deliveries of Nigerian commodities in compliance with the needs of the Czechoslovak economy
- by sending out to Nigeria of technicians and specialists e.g. for preliminary preparation of projects (consulting activity), geological research, water management and power, agriculture, transport and other problems
- by training of Nigerian technicians and other specialists in all sectors of production, in finance, commerce including marketing, culture, education and health.

The exchange of views between the two Parties resulted in a conviction that a long-term arrangement to materialize the wide co-operation should be made, especially by

- concluding a long-term trade agreement
- concluding an agreement on economic, scientific and technical co-operation
- concluding an agreement on co-operation in the field of education, culture and health
- concluding an agreement on air traffic between Praha and Lagos.

Both Parties recommended that the economic co-operation between the two countries should be further strengthened by the establishment of diplomatic relations and exchange of diplomatic and commercial missions.

The Nigerian Party asked the Czechoslovak Party to consider favourably their request to grant a long-term credit at a lowest possible rate of interest. The Czechoslovak Party declared itself prepared, in accordance with its possibilities, to consider favourably the request of the Nigerian Party concerning the credit facilities on deliveries of complete plants and equipment, in consistence with the economic development programme of the Federation of Nigeria. The terms of credits would be included in an economic agreement to be negotiated between the two countries. The credit facilities would be for a period exceeding five years where the nature of project makes it desirable at the most favourable rate of interest.

The Nigerian Party informed the Czechoslovak Party of the intention of their Governments to establish a tannery and a boot and shoe factory or factories in Nigeria and requested the Czechoslovak Party to arrange an expert preliminary study as soon as possible. The Nigerian Party agreed that if this study indicates that it will be economic to establish such a factory or factories Czechoslovakia will be requested to supply machinery and arrange credit, technical and management facilities.

Both Parties having in view the conclusion of an agreement of co-operation in the fields of education, culture and health in the near future between the Governments of both countries, the Czechoslovak Party expressed in principle its consent to receive at the official request of the Nigerian Government for the school year beginning on 1st September 1961 up to 15 Nigerian students for studies at Czechoslovak Universities and other institutions.

The Nigerian Party would welcome the sending out of a Czechoslovak Economic and Trade Delegation to Nigeria to conclude the above mentioned agreements in the course of this year.

A preliminary development programme of the Nigerian economy for 1962 - 1967 was submitted to the Czechoslovak Party. After having examined this preliminary programme the Czechoslovak Party shall communicate by 15th July 1961 its general indications on Czechoslovak possibilities concerning deliveries of machinery and equipment and of technical assistance.

Concrete talks on specific projects should be opened on the occasion of the visit of the Czechoslovak economic and trade delegation or on an earlier occasion.

(Sgd.) H. Omenai
5th June, 1961.

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A i d e M e m o i r e

On the occasion of the visit of the Government Delegation of the Federation of Nigeria in the Czechoslovak Socialist Republic, the Government of the Czechoslovak Socialist Republic decided to present to the Government of the Federation of Nigeria, as a proof of the friendly relations between the two countries, equipment for a dental consulting room, consisting of:

dental unit,
dental operating chair,
dental X-ray apparatus,
hot-air sterilizer,
doctor's mobile stool,
set of dental instruments.

Prague, June 5, 1961.

(Sgd.)

Results of the visit of
the Federation of Nigeria Economic Mission
in the Soviet Union

From June 6 to June 9, 1961, the Nigerian Economic Mission headed by Mr. Okotie-Eboh, Minister of Finance of the Federal Government, was staying in the Soviet Union. The Mission included also Mr. Dipcharima, Federal State Minister of Trade and Industry; Mr. Obande, State Minister of Economic Development; Mr. Adeyi, Minister of Trade and Industry for Western Region of Nigeria; Mr. Obonna, Minister of Economic Planning for Eastern Region of Nigeria; Mr. Barshar, Minister of Northern Region of Nigeria; Mr. Abdul Maliki, High Commissioner of Nigeria in London and other officials.

The Nigerian Economic Mission was received by Mr. N. S. Khrushchev, Chairman of the Council of Ministers of the USSR.

The Mission had also meetings with Mr. S. A. Skachkov, Chairman of the State Committee of the Council of Ministers of the USSR for External Economic Relations; Mr. S. A. Borisov, acting Minister of Foreign Trade and with other high officials of the said organizations, as well as of the State Committee of the Council of Ministers of the USSR for Cultural Relations with Foreign Countries.

During the course of these meetings held in the atmosphere of friendship and mutual understanding, there have taken place useful exchanges of opinion on a number of matters presenting interest for both parties. There have also been discussed matters relative to trade, economic and technical and cultural co-operation between the Soviet Union and the Federation of Nigeria. Both parties expressed their readiness to develop the Soviet-Nigerian relations on the principles of equality, respect for sovereignty and non-interference into internal affairs, mutual benefit and peaceful co-existence.

Meeting the wishes of the Nigerian Party and motivated by the feelings of friendship towards the Nigerian People, the Soviet Government expressed its readiness to render economic and technical assistance in establishing individual agricultural projects, some enterprises of food industry for processing agricultural products as well as in organizing vocational training centres for training national personnel in the field of industry and agriculture. To that end the Soviet Government agreed to depute in the nearest future a group of Soviet experts for working out in conjunction with Nigerian specialists practical arrangements relative to the

implementation of the said economic and technical co-operation.

Both parties agreed that the development of direct trade relations on the basis of equality and mutual benefit is in line with their reciprocal interests.

There have been ascertained possibilities for mutual exchanges of goods, in particular, with regard to export from the Federation of Nigeria to the USSR of oil-seeds and vegetable oils, cotton, raw hides, rubber, cocoa beans and some other goods, and from the Soviet Union to the Federation of Nigeria of industrial equipment, tractors, motor cars, agricultural machinery, transport facilities, machine tools and instruments, chemicals and drugs, construction materials (including cement) fabrics, sugar and other consumer goods.

Both parties will contribute to the establishment of business contacts between the Nigerian national organizations and firms and the Soviet foreign trade organizations.

Understanding was also reached to the effect that there will be held discussions in the nearest future for entering into a Trade Agreement between the USSR and the Federation of Nigeria.

Both parties expressed their mutual desire to establish and develop cultural co-operation between the two countries and to that end agreed to enter in the nearest future into an appropriate Agreement.

The Soviet party expressed its willingness to receive in 1961-1962 school year, Nigerian students for education in the Institutes and Universities of the U.S.S.R.

JOINT COMMUNIQUE

on the visit in Poland of the Government Delegation
of the Federation of Nigeria.

At the invitation extended by the Government of the Polish People's Republic, a Government Delegation of the Federation of Nigeria, headed by the Minister of Finance-Chief F. S. Okotie-Eboh, visited Poland from June 10 to 13, 1961.

The Delegation visited the city of Warsaw and participated in the opening ceremony of the XXX International Poznan Fair. The guests were cordially received and were able to convince themselves of the sincere sympathy which the Polish nation feels for independent Nigeria.

The Delegation was received by the Deputy Chairman of the Council of State - Oskar Lange, Prime Minister - Jozef Cyrankiewicz, the Acting Minister of Foreign Affairs - Vice-Minister Marian Naszkowski and other leading personalities of the Polish People's Republic.

The Delegation of the Federation of Nigeria has invited the Prime Minister of the Polish People's Republic, J. Cyrankiewicz, to visit Nigeria at a time suitable to him.

During the Delegation's sojourn discussions, conducted on the Polish side by the Deputy Prime Minister - Eugeniusz Szyr, and on the Nigerian side by the Minister of Finance of the Federal Government of Nigeria - Chief F. S. Okotie-Eboh were held.

The following personalities took part in the discussions:

On behalf of Poland:

Minister of Finance	- J. Albrecht
Minister of Light Industry	- E. Stawinski
Vice-Chairman of the Planning Commission at the Council of Ministers	- A. Wang
Acting Minister of Foreign Affairs - Vice-Minister	- M. Naszkowski

Vice-Minister of Foreign Trade - J. Burakiewicz

Vice-Chairman of the Committee
for Economic, Scientific and
Technical Cooperation with
Foreign Countries at the Council
of Ministers - Vice-Minister - R. Fidelski

Acting Minister of Heavy Industry,
Vice-Minister - A. Czechowicz

On behalf of Nigeria:

Federal Minister of Commerce and
Industry - Zanna Bukar Dipcharima

Federal Minister of State in the
Ministry of Economic Development - J. C. Obande

Minister of Trade and Industry
of the Government of Western
Nigeria - Chief A. O. Adeyi

Minister of Economic Planning
of the Government of Eastern
Nigeria - A. N. Obonna

Minister of Local Government in
the Government of Northern Nigeria - Alhaji Mohammed Bashar

High Commissioner of the
Federation of Nigeria in
London - Alhaji Abdul Maliki

and experts of both countries.

The discussions, which were held in a sincere and friendly atmosphere of mutual understanding, concerned a number of problems of interest to both countries.

Both Parties share the opinion that, nowadays, only peaceful coexistence of states, irrespective of their political and economic systems, and the settlement of controversial problems by means of negotiations, will secure the nations economic, social and cultural development.

Both Parties expressed interest in the further development of friendly Polish-Nigerian cooperation in the economic, cultural, technical and scientific fields and agreed that their Governments should consider the early establishment

of diplomatic relations and the exchange of representatives at the ambassadorial level.

In the course of discussions and exchange of views, it was agreed that there exist concrete possibilities for a considerable increase in a mutually advantageous trade exchange, and for that purpose it was decided to recommend the conclusion of a long term trade agreement as soon as possible. For the achievement of this advantageous trade exchange the two Parties recognize the usefulness of concluding long term commodities contracts.

Both Parties expressed interest in supporting the participation of their countries enterprises and institutions in the international Fairs in Poznan and Lagos.

The Government Delegation of the Federation of Nigeria presented a programme of development of Nigeria and requested Poland to consider her participation in this programme by the delivery of a number of complete industrial plants by Poland on credit terms. The Polish Side expressed its readiness to supply such plants as required by Nigeria and to grant her appropriate payment facilities.

At the same time the Government Delegation of the Federation of Nigeria emphasized its interest in establishing extensive technical and scientific cooperation in a number of fields, important to the Nigerian economy, such as:

agriculture, transport, fishing, cement industry, telecommunication, etc.

The Polish Side expressed its readiness to provide assistance to the Federation of Nigeria by sending highly qualified experts, delivering blueprints and supplying technical advisors, working out of projects, etc.

It has been agreed upon that for the realization of the above mentioned aims detailed negotiations directed at reaching appropriate agreements will follow soon.

The Nigerian Side invited a Government delegation of the Polish People's Republic to visit the Federation of Nigeria and to discuss all problems of interest to both countries.

The Polish Government offered scholarships for 15 Nigerian citizens to follow a course of studies at the institutions of higher learning in Poland.

The Deputy Prime Minister, Eugeniusz Szyr on behalf of the Polish People's Republic Government has presented to the Delegation a completely equipped carpenter-and-lock-smith work-shop as a gift for a Nigerian secondary technical school.

The present visit of the Government Delegation of the Federation of Nigeria in Poland as well as the recent visit of the Polish Trade Delegation in Nigeria have contributed to a better mutual understanding, and they constitute a useful contribution to the establishment of friendly relations and cooperation between the Polish People's Republic and the Federation of Nigeria, to the benefit of the both nations and the benefit of peaceful international collaboration.

A I D E M E M O I R E

On results of the talks held between the Government Economic Delegation of the Federation of Nigeria and the Government of the Polish People's Republic regarding the development of trade relations and economic cooperation.

As a result of the detailed talks held in Poland between 10-13 June, 1961, by the Nigerian Government Economic Delegation, both Parties stressed the existence of large possibilities of the commercial exchange as well as of economic cooperation in many fields. In particular during the discussions of working committees both Parties exchanged opinions on all the essential problems of mutual interest and have agreed as follows:

1. Development of commercial relations

On the basis of the lists of commodities presented by the Nigerian Delegation, the working committees made a careful and detailed examination of the possibilities of enlarging the commercial exchange on mutual basis between both countries.

As a result of the above, the working committees prepared the lists of commodities reflecting the interests and real possibilities of both countries. Both lists presenting the Nigerian export to Poland and Polish export to Nigeria appearing respectively as Annex 1 and 2 to this Aide Memoire.

Both Parties agreed that on the basis of the enclosed lists they will endeavour to reach the largest possible increase of the turnover and for this purpose will grant each other maximum facilities. In consequence they will recommend amendments in appropriate cases to the existing import and export regulations.

In order to create the stable basis for the direct exchange of commodities, both Parties will endeavour to promote the development of trade on "two-way" traffic basis.

Both Parties agreed that in order to secure the stabilisation of the commercial exchange in future, it would be necessary to investigate the possibility of concluding long term contracts on the basis of traditional export goods of both countries. In particular there will be taken into consideration the traditional Nigerian export products such as:

Palm oil and kernels, benniseed, spices, soya beans, piassava gum arabic, citrus, groundnuts, rubber, cocoa beans, timber, hides and skins, cotton as well as the colombite tin, zinc and lead concentrates, and the following items of Polish export:

Sugar, salt, cement, building materials, chemicals as well as industrial and transport equipment and complete plants.

Both Parties stressed that having in mind the large prospects of the development of trade between the two countries it will be necessary to conclude a trade agreement. In this connection it has been agreed that it will be useful for the representatives of both Parties to meet as soon as possible to negotiate the conclusion of such an agreement.

2 Participation of Polish People's Republic in the industrial development of the Federation of Nigeria

On the basis of the materials submitted by the Nigerian delegation concerning the economic development of the Federation of Nigeria for the years 1962/67, both Parties carried out detailed discussions regarding the possibilities of Poland's participation in the development of the Nigerian industry.

The Polish Party expressed its readiness to deliver complete industrial plants covered by this Aide Memoire on credit terms, which will be agreed after the final estimation of the value of the factories the repayment period of which will be not less than five years.

The Nigerian Party expressed its interest in the establishment of the industries listed below:

1. Setting up of Sugar Industry
2. Cement Factory
3. Steel Industry based upon local deposits of iron ore, coal and limestone
4. Fertilizers Factory
5. Chemicals Factory
6. Fishing industries
7. Glass manufacture
8. Exploitation of lead and zinc mines, enriching of lead and zinc ores, smelting
9. Distillation of spirits
10. Dairies
11. Slaughterhouses, utilisation of animal wastes
12. Manufacture of Ammonia Fertilizers
13. Manufacture of pulp and Paper
14. Manufacture of Furniture
15. Wood Processing

and the Polish Party on their part expressed their willingness to supply complete plants for such projects and if asked to provide the necessary technical and management staff to run such projects as well as train Nigerian personnel. Polish Party further agreed to ask the Polish State Enterprise "CEKOP" to send a mission of experts as soon as possible to examine and appraise these projects and other industrial possibilities in Nigeria.

The Polish Party also informed the Nigerian Party of the possibilities of Poland supplying plants for projects listed in Annexe 3 to this Aid Memoire.

Both Parties have agreed that in order to agree the scope and terms of credit deliveries, there should be arranged in the nearest future the meeting between respective Nigerian and Polish representatives.

3. Participation of Polish People's Republic in the development in other branches of the Nigerian economy

In connection with the materials referred to in point 2, concerning the economic development of Nigeria and relying upon the actual possibilities of the Polish economy both Parties stated the existence of the mutual interest in strengthening the cooperation in following fields:

/ - agriculture

- agriculture - production of fertilizers, irrigation
- sea fishing - organization of fishing, deliveries of equipment and fishing units, designing and construction of ports and fish processing factories
- mining - geological researches, designing and construction of mines
- shipping - deliveries of coastal and ocean going vessels
designing and construction of ports and shipyards,
- land transport - deliveries of rolling stock and railway equipment, construction of bridges and roads.

It has been agreed to establish closer contacts between the Nigerian and Polish cooperative organisations. In this connection the representatives of cooperative organizations of both countries should get into contact as soon as possible in order to work out the detailed program of their cooperation.

4. Strengthening of mutual contacts

Both Parties stressed that for the implementation of the particular point of this Side Memoire it is essential to strengthen the personal contacts between the representatives of economic circles of both countries. In particular it was agreed to recommend that each Party should -

- grant the other all the necessary facilities in the sphere of the mutual visits of commercial and technical representatives, the processing of applications for

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visas for Polish citizens to visit Nigeria and for Nigerian citizens to visit Poland should be speeded up,

- establish the permanent trade representations in the others country as soon as possible,
- endeavour to participate in the International Fairs and Exhibitions in the others country.
- hold periodic meetings at least once a year between the representatives of the economic organizations to discuss the actual problems concerning the economic cooperation between the Federation of Nigeria and Polish People's Republic.

Both Parties expressed their conviction that the visit of the Nigerian Government Economic Mission and the talks conducted with the officials of the Polish Government as well as the visits at the International Fair in Poznan have contributed successfully to the further increase of mutual contacts and understanding of the economic problems of both countries. It constitutes an important step towards further development of friendly and mutually advantageous relations between the Federation of Nigeria and Polish People's Republic.

Done in duplicate, in the English language, in
Warsaw this 13th Day of June, 1961.

FOR THE POLISH DELEGATION

FOR THE NIGERIAN DELEGATION:

/Janusz Burakiewicz/

/ H. O. Omenai /

List of Nigerian exports to Poland

1. Coconuts
2. Kolanuts
3. Other edible nuts
4. Other fresh fruits
5. Bananas, dried
6. Beans
7. Coffee not roasted
8. Raw Cocoa beans
9. Tea /and mate/
10. Pepper
11. Ginger
12. Palm Kernel meal
13. Palm Kernel cake
14. Tobacco
15. Hides of cattle
16. Sheep skins and lamb
17. Reptile skins undressed
18. Goats skins and kid skins, undressed
19. Groundnuts
20. Copra
21. Palm Kernels
22. Soya beans
23. Cotton seed
24. Castor seed
25. Oil-seeds, oil nuts etc.
26. Natural rubber
27. Timber logs
28. Timber Sawn
29. Raw Cotton, other than linters
30. Piassava fibre
31. Crude fertilizers
32. Iron and steel scrap

- 33. Lead ore and concentrates
- 34. Tin ore and concentrates
- 35. Columbite ore and concentrates
- 36. Tantalite ore and concentrates
- 37. Other ores etc.
- 38. Non ferrous metal scrap
- 39. Bones
- 40. Ivory, horns, hoods etc.
- 41. Gum Arabic /all grades/
- 42. Groundnut Oil
- 43. Palm oil edible
- 44. Palm oil inedible
- 45. Waxes of animal or vegetable origin
- 46. Glycerine
- 47. Miscellaneous goods

Annex 2

List of Polish export to Nigeria
=====

1. Diesel and semi-diesel engines, marine, complete.
2. Diesel and semi-diesel engines, stationary complete
3. Parts of internal combustion engines, including parts of diesel and semi-diesel.
4. Steam generating boilers, etc. engines, n.e.s.
5. Agricultural machinery and appliances complete.
6. Parts of agricultural machinery and appliances.
7. Tractors.
8. Parts of tractors /not including engine parts/.
9. Machine tools for working metals and part.
10. Metal working machinery, others and parts.
11. Pumps.
12. Industrial trucks.
13. Graders, levellers, scrapers, self-powered.
14. Excavating and levelling machinery n.e.s.
15. Conveying and hoisting machinery other than road-wheel mounted.
16. Doring machinery.
17. Road construction and mining machinery n.e.s.
18. Building construction machinery
19. Pneumatic tools operated by hand or otherwise.
20. Sewing machines, household, complete.
21. Refrigerating equipment and parts /excluding mechanical refrigerators/.
22. Diesel - Electric generating sets /and generators/ to 200kw. complete.
23. Parts of electric generators and electric motors, etc.
24. Apparatus for telephony.
25. Electrothermic apparatus /including domestic appliances/
26. Electric appliances for motor vehicles.
27. Apparatus for measuring and controlling electric energy, etc.
28. Portable electric appliances domestic, complete.

29. Insulated cables and insulated wire for electricity.
30. Accumulators, complete.
31. Electric machinery, apparatus and appliances, n.e.s.
32. Railway and tramway freight and maintenance cars not self propelled, complete.
33. Passengers cars.
34. Motor vehicles.
35. Motor cycles.
36. Coaches and omnibuses, complete.
37. Trucks and lorries.
38. Chassis with engines mounted, of trucks and lorries.
39. Bodies, chassis, frames, etc., for road motor vehicles.
40. Road vehicles n.e.s. and parts.
41. Helicopters and agriculture aircraft.
42. Barges and lighters of gross tonnage not exceeding 250.
43. Ships and boats n.e.s.
44. Textile machinery.
45. Complit factory
46. Radio receivers and television sets.
47. Spare parts for radio receivers.
48. Electric bulbs.
49. Fluorescent lamps.
50. Batteries.
51. Various balances.
52. Medical instruments.
53. Electric household articles.
54. Other household articles including of plastic.
55. Sewing machines.
56. Musical instruments.
57. Sport articles.
58. Bicycles.
59. Spare parts for bicycles
60. Hunting and sport ammunition.

- 61. Gramophones
- 62. Enameled household ware
- 63. Hurricane lanterns.
- 64. Galvanized buckets and other galvanized articles.
- 65. Outtlery.
- 66. Lucks, padlocks and other metal articles.
- 67. Black tools.
- 68. Nails.
- 69. Cement.
- 70. Window glass.
- 71. Ornamental glass.
- 72. Armoured glass.
- 73. Sanitary earthen ware.
- 74. China ware
- 75. Electrotechnic porcelain.
- 76. Porcelit ware.
- 77. Table glass.
- 78. Wall boards.
- 79. Plywood.
- 80. Bentwood furniture.
- 81. Other furniture.
- 82. Matches.
- 83. X-Ray films and photo films.
- 84. Photographic paper.
- 85. Paper.
- 86. Paper articles.
- 87. Stationary and drawing accessories.
- 88. Mining explosive and accessories.
- 89. Pharmaceutical products.
- 90. Dyes.
- 91. Paints and lacquers.
- 92. Soap.
- 93. Cosmetics.

- 94. Paraffine.
- 95. Carbide.
- 96. Various chemical products/caustic soda, soda ash, reagents and other*/
- 97. Butter.
- 98. Canned meat.
- 99. Canned fish.
- 100. Fruit and vegetable products.
- 101. Sugar.
- 102. Confectionary.
- 103. Deer.
- 104. Alcoholic drinks.
- 105. Food concentrates.
- 106. Salt.
- 107. Cotton fabrics.
- 108. Linen fabrics /sheetings, dress fabrics/.
- 109. Tarpaulins.
- 110. Woollen fabrics and "Blana" fabrics.
- 111. Cardercoys and plushes.
- 112. Rayon fabrics.
- 113. Sacks.
- 114. Blankets.
- 115. Skirts, handkerchiefs, nylon stockings and other ready made clothes.
- 116. Hoods.
- 117. Haberdashery.
- 118. Linen threads.
- 119. Cotton threads.
- 120. Textile and rubber shoes.
- 121. Other rubber articles / for technical and home use/.
- 122. Dolls and toys.
- 123. Films and other cultural articles.

List of complete industrial plants offered to be supplied to Nigeria.

- =====
1. Burnt Lime manufacturing plants.
 2. Silica Bricks plants.
 3. Red Bricks plants.
 4. Glass containers and Household Glassware factory.
 5. Window Glass factory.
 6. Charcoal and activated coal manufacturing plants.
 7. Wood Waste and Cement Hard Board factories.
 8. Cellular Concrete Plants.
 9. Softwood sawmill.
 10. Mechanical Joineries for production of window and door frames, wooden cases, furniture.
 11. Wire Nails and rivets plant.
 12. Repair Workshop for small gauge railway wagons and locomotives.
 13. Plastic Goods manufacturing works.
 14. Raw spirit distilleries.
 15. Cast Iron Foundries.
 16. Oil Mills.
 17. Soap Factories.
 18. Plants for manufacture of hinges, locks and metalware for building purposes.
 19. Grain Silos.
 20. Alcohol Rectification plants.
 21. Dairies, day /bottled pasteurised milk, soft and hard cheese, butter, pulverised milk, ice cream/.
 22. Utilisation Plants /processing of fleshings, bones, hide wastes etc.
 23. Plants for manufacture of spanners, wrenches and other workshop and assembly tools.
 24. Starter Batteries Factory.
 25. Black tools and Agricultural implements manufacturing plant.
 26. Cast Iron Foundries on Scrap Iron.

27. Plants for manufacture of saws and band saws for wood and metal.
28. Trucks and cars repair workshops.
29. Tractor repair workshops.
30. Electrical Repair workshops.
31. Electrolytic Zinc /99, 99% purity/processing plant.
32. Flotation and enriching of iron ore and other metallic ores.
33. Coal Washeries and Coal Screening plants.
34. Metal containers factories.
35. Steel structural works, manufacture of high tension transmission towers.
36. Extension of harbours and delivery of relative equipment.
37. Public utility objects /hospitals with full equipment ect/.

JOINT COMMUNIQUE
ON THE TALKS BETWEEN THE NIGERIAN ECONOMIC MISSION
AND THE ECONOMIC DELEGATION OF THE GOVERNMENT OF
THE PEOPLE'S REPUBLIC OF CHINA

Peking, June 18, 1961.

At the invitation of the Government of the People's Republic of China, the Nigerian Economic Mission headed by the Hon. Okotie-Eboh, Federal Minister of Finance of Nigeria paid a visit to the People's Republic of China from June 15 to 19, 1961. The Deputy-Leader of the Mission is the Hon. E. B. Dipcharima, Federal Minister of Commerce and Industry. The members of the Mission are the Hon. J. C. Obande, Federal Minister of State of the Ministry of Economic Development; the Hon. A. O. Adeyi, Minister of Trade and Industry of the Western Region; the Hon. A. N. Obonna, Minister of Economic Planning of the Eastern Region; the Hon. Alhaji Bashir, Minister of Local Government of the Northern Region; the Hon. Abdul Maliki, Nigerian High Commission to the United Kingdom and other officials.

During the visit, Chou En-lai, Premier of the State Council and Li Hsien-nien, Vice-Premier of the State Council of the People's Republic of China received the Nigerian Economic Mission respectively and held cordial talks with them.

During the visit, the Nigerian Economic Mission, led by the Hon. Okotie-Eboh, Federal Minister of Finance of Nigeria, held talks with the Economic Delegation of the Government of the People's Republic of China headed by Yeh Chi-chuang, Minister of Foreign Trade of the People's Republic of China. Taking part in the talks were, on the Chinese side: Fang Yi, Vice Chairman of the State Planning Commission, Lu Hsu-chang, Vice Minister of Foreign Trade, both Vice-Chairman of the Economic Delegation of the Government of the People's Republic of China; Ho Ying, Director of the Department of the Western Asian and African Affairs of the Ministry of Foreign Affairs; Yang Lin, Deputy-Director of the Central Bureau of Foreign Economic relations and Liu Hsi-wen, Director of the Ministry of Foreign Trade. The talks were conducted in an atmosphere of friendliness and cordiality.

In the course of discussion, both parties fully exchange views on the questions of the development of friendly and cooperative relations as well as economics, trade and culture relations between the two countries and reached agreement as follows:

1. Both Parties express the desire of developing friendly and cooperative relations between the two countries. In view of this, both Parties are of the opinion that the establishment of diplomatic relations and exchange of diplomatic representatives of ambassadorial rank at an earlier date will be helpful to the promotion of friendship and cooperation between the two countries. Both Parties also agree to give consideration to the establishment of commercial representation in each other's country for the purpose of facilitating the further development of economic and relations between the two countries.

2. Both Parties are willing to develop direct trade between the two countries on the basis of equality and mutual benefit and an equilibrium of imports and exports. They also held that there are many commodities which can be exchanged between the two countries. China will export to Nigeria cotton piece-goods, silk piece-goods, various kinds of machinery, daily necessities and other commodities; while Nigeria will export to China cotton, groundnut, cocca, palm product and other commodities.

3. With a view to promotion economic and technical cooperation between the two countries, the Government of the People's Republic of China will supply Nigeria with complete set of industrial and agricultural according to the requirements of the Nigerian Government and within the capability of China.

4. The Nigerian Economic Mission, on behalf of the Government of the Federation of Nigeria, has invited the People's Republic of China to participate in the International Trade Fair to be held in Lagos, capital of Nigeria, in 1962, and the Government of the People's Republic of China has accepted the invitation with pleasure.

5. Both Parties express their wish to establish and develop cultural cooperation between the two countries and held that strengthening cultural exchange between the two countries will promote further

friendship and mutual understanding between the peoples of the two countries.

6, Both Parties are of the opinion that the exchange of visits between the people's organisations of the two countries will contribute to the promotion of development of friendly relations between the two countries.

Both Parties point out with satisfaction that the visit of the Nigerian Economic Mission to the People's Republic of China is helpful to the further development of friendly and cooperative relations as well as economic and trade relations between the two countries.

LEADER OF THE NIGERIAN
ECCNOMIC MISSION

CHAIRMAN OF THE ECONOMIC
DELEGATION OF THE GOVERNMENT
OF THE PEOPLE'S REPUBLIC
OF CHINA

A I D E M E M O I R S

Peking, June 18, 1961.

The Nigerian Economic Mission led by the Honourable Okotie-Eboh, Federal Minister of Finance of Nigeria and the Economic Delegation of the Government of the People's Republic of China headed by Yen Chi-chuang, Minister of Foreign Trade of the People's Republic of China and conducted talks. During the talk, both Parties decided to create an Economic and Cultural Committee to discuss the question of economic and cultural cooperation between the two countries.

The Economic and Cultural Committee held a number of sincere and friendly meetings from 16th to 17th June, 1961. Participating in the meeting, on the Nigerian side were Mr. H. O. Omenai, Mrs. S.D. Adebisi, Dr. E.O. Iwuagwu, Mr. J.N. Ukegbu and Mr. Akilu, all being members of the Mission, and participating in the meeting on the Chinese side were Mr. Yang Lin, Madame Chen Mu-han and Mr. Hsieh Shu-Kuang, all being members of the Delegation. The two Parties discussed the following questions:

1. With a view to promoting the economic and technical cooperation between the two countries, the Chinese side is willing to supply Nigeria, in accordance with the requirements of Nigeria and the capability of China, with complete set of industrial and agricultural equipment and techniques in the form of payment in installments. As to the specific items, they shall be discussed further at appropriate time by both Parties.

2. Regarding the establishment and development of cultural cooperation and friendly intercourse between the two countries, both Parties held that enhancing cultural exchange between the two countries sending students to study in each other's country and paying friendly visits mutually by the people's organisations of the two countries are beneficial to the furtherance of understanding and friendship between the peoples of the two countries.

HEAD OF THE ECONOMIC AND
CULTURAL COMMITTEE OF
THE NIGERIAN ECONOMIC
MISSION.

HEAD OF THE ECONOMIC AND
CULTURAL COMMITTEE OF THE
ECONOMIC DELEGATION OF
THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF CHINA.

A I D E M E M O I R E

Peking, June 18, 1961.

The Nigerian Economic Mission lead by the Honourable Okotie-Eboh, Federal Minister of Finance of Nigeria and the Economic Delegation of the Government of the People's Republic of China headed by Yeh Chi-chuang, Minister of Foreign Trade of the People's Republic of China had conducted talks. During the talks, both Parties decided to create a Trade Committee to discuss the trade relations between the two countries. The Trade Committee held a number of meetings and exchanged views which resulted as follows:

1. Both Parties were of the opinion that there were many commodities which could be exchanged between the two countries and expressed that more direct trade between the two countries would be helpful to the development of trade relations between the two countries. The commodities which can be exported by the Federation of Nigeria to the People's Republic of China and by the People's Republic of China to the Federation of Nigeria are listed respectively in the Schedule II and Schedule I of this Aide Memoirs.

2. For the purpose of increasing mutual understanding between the two Parties and promoting economic and cultural relations between the two countries, both countries should endeavour to participate in the trade fairs and exhibitions to be held in the other country. At the invitation of the Federal Government of Nigeria, the Government of the People's Republic of China would take part in the International Trade Fair to be held in Lagos, capital of Nigeria, in 1962.

3. For promoting and developing economic and trade relations between the two countries, consideration should be given by both Parties to the establishment of commercial representation in each other's country.

4. Both Parties stated that they would explore the possibility of concluding a trade agreement between the two countries as soon as possible.

HEAD OF THE TRADE
COMMITTEE OF THE
NIGERIAN ECONOMIC
MISSION.

HEAD OF THE TRADE COMMITTEE
OF THE ECONOMIC DELEGATION
OF THE GOVERNMENT OF THE
PEOPLE'S REPUBLIC OF CHINA.

SCHEDULE I

COMMODITIES WHICH CAN BE EXPORTED
FROM CHINA TO NIGERIA

Cotton fabrics
Cotton yarn
All kinds of cotton and woollen textiles
Silk piece goods
Fabrics of synthetic fibres
Machine tools
Trucks
Hand tools (including agricultural tools)
All kinds of diesel engines
Pneumatic tools
Generator and equipment
Machinery and equipment for processing rubber
Printing machinery
Stapling machine
Hardware and metal products
Telegraph and telephone apparatus
Radio broadcasting equipment
Radio receiver
Dry battery
Tyres for motor cycles and passenger cars
Bicycles
Tyres for bicycles
Sewing machine
All kinds of paper
Rubber shoes
Other rubber products
Cement
Asbestos
Caustic soda
Sodium sulphide
Dyestuffs and pigments

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SCHEDULE II

COMMODITIES WHICH CAN BE EXPORTED
FROM NIGERIA TO CHINA

Cotton
Rubber
Palm kernel
Palm oil
Groundnut
Groundnut oil
Cocoa beans
Coffee
Benniseed (sesame seed)
Oil seeds, oil nuts
Animal oil
Crude oil
Gum, Arabic
Timber (logs and sawn)
Beans
Coconut
Copra
Pepper
All kinds of hides and skins
Other commodities

JOINT COMMUNIQUE

An Economic Mission from Nigeria visited India from the 24th June 1961 for the purpose of holding exploratory discussions in the field of trade between India and Nigeria and also of education, technical development and cultural exchanges. The Mission which was led by Honourable Chief F.S. Okotie-Eboh, included Honourable Z.B. Dipcharima, Federal Minister of Commerce & Industry, His Excellency Mr. A.A. Maliki, High Commissioner for Nigeria in the U.K. and other Ministers besides senior officials from both the Federal and State Ministries, and businessmen.

2. The Mission visited industrial establishments and some research institutions in and around Delhi. During their stay, the Mission called on the Vice President of India and the leading members of the Mission were entertained to Luncheon by the Prime Minister. The Mission held discussions with Ministers and senior officials in the Ministries of Commerce & Industry, Finance, Scientific Research and Cultural Affairs, Mines & Fuel and they also met the Planning Commission. Some members of the Mission also met businessmen.

3. The visits and discussions enabled the Mission to make a study of Indian economic development and technical advances made during the recent years with a view to benefiting from India's experience in those fields, as Nigeria is now busy drawing up a Five-Year Plan 1962-67. The exchange of views and information with the representatives of the Government of India in different Ministries were also appreciated by the Mission as a mark of goodwill and mutual understanding.

4. As regards trade and economic relations between the two countries, it was agreed that the same should be promoted in all possible ways on the basis of equality and mutual benefit. It was also recognized that within the present frame-work, it would be possible for both the countries to expand the trade and extend it to many other articles of mutual interest.

Representatives of the Government of India showed interest in particular in buying non-ferrous metals from Nigeria while there was scope for export of manufactures and machinery from India to Nigeria. The Mission in their discussions also referred to the possibility of Indian machinery and equipment being imported on suitable credit terms with a view to establishing new industries in their country.

5. In the field of technical personnel, specialized education and cultural affairs, the discussions were fairly detailed. Nigeria at the present stage of herd development is extremely short of technical personnel and also had plans to establish a number of technical institutions. The Government of India have agreed to make every endeavour to assist Nigeria in the training of personnel although India herself is experiencing an acute shortage of such personnel, whether for teaching or other purposes on account of the large developmental programmes undertaken by it. As Nigeria was engaged in a technical man-power survey, it was agreed that they would make available in the near future a more detailed estimate of her requirements and would probably invite a survey team of experts from India for this purpose. It was noted that India had already sent a Railway Team to help Nigeria organize the railway system. It would be possible similarly to consider sending some expert teams in other fields like Irrigation, agriculture etc.

6. Some members of the Nigerian Mission also met senior officers of the Ministry of Mines and Fuel and exchanged information and views about the oil industry. The Nigerian representatives were told of the valuable work done by the Oil and Natural Gas Commission and of the part played by the Indian Oil Company Limited and the Indian Refineries Limited. Various documents outlining the work of these Government sponsored bodies were given to the Nigerian representatives. They were also assured that the Government of India would

give sympathetic consideration to Nigerian request for training of personnel also in the field of oil industry and assistance wherever possible in making available the services of experts in the field.

7. Other members of the Nigerian Mission met members of the Planning Commission and were briefly informed of its set up, the procedure for drawing up plans at the Centre and in the States, and generally of the progress of the Indian economy during the first two Plans. Some of the principal objectives proposed for the Third Plan were also discussed. The Mission evinced great interest in the various aspects of the development programmes included in the Third Plan. At the request of the Mission, the Planning Commission agreed to prepare a memorandum of its functions and working and to provide information regarding Indian development plans.

Note

Re.: Visit of His Excellency the Minister of Finance of the Federation of Nigeria and his suite in Wiesbaden
28th Sept. 1961.

Following previous discussions with the Prime Minister who promised in principle the cooperation of Hesse as to the technical aid for Nigeria, details have been discussed in the office of His Excellency the Stateminister of the Hessian Department of Economics and Traffic, Mr. Franke. The results of these discussions were the following:

- 1) The Hessian Government grants to Nigeria 5 university scholarships. It is to be understood that three of these scholars will study veterinary medicine and two will study agriculture.
- 2) On behalf of the Hessian Government Minister Franke agreed upon the acceptance of ten students for the complete instruction on Hessian engineer-schools and state-construction-schools.

(Non - academic leading personal). His Excellency the Head of the Nigerian delegation proposed to split these ten students as follows :

2 engineers for construction

2 " " "civil" engineering (road building, bridges etc)

2 electrotechnical engineers

2 hydro engineers

2 machinery building engineers

Minister Franke agreed upon this proposed split up.

- 3) On the special request of the Head of the Nigerian delegation the Hessian (Regional) Landesgovernment accepts the education (instruction) of three secretaries (female). It is envisaged that these secretaries are not only trained in languages but also in typing and shorthand. - Furthermore the complete education of two nurses has been agreed upon.

- 4) With regard to the outstanding importance of road construction for the development of Nigeria, Minister Franke

proposed to accept twenty Nigerians for a complete instruction as "Formen" for road construction. The Nigerian Head of the delegation agreed upon this proposition. It was agreed upon that these young men as well as the nurses should not be less than 18 years of age and possibly not older than 21 years. This note is regarded as a provisional aide memo. It will be followed by a detailed letter to be addressed to Nigeria via the German Embassy at Lagos.

With regard to the procedure the Hessian side expressed their opinion that, pending further details, it has proved successful that the students and trainees are selected by the Nigerian Government in accordance with the German Embassy at Lagos, it is to be understood that a thorough medical examination has to be done. As to this matter as well as with regard to the timetable which has to be coordinated with the beginning of the respective instruction and university courses further details will be given.

signed.
28th Sept. 1961.

Members of the Nigerian Economic Mission, headed by the Honourable Chief F. S. Okotie-Eboh, C.M.G., M.P., held discussions yesterday (Thursday) with Government officials led by the Hon. J. J. Cowperthwaite, O.B.E., Financial Secretary and Mr. H. A. Angus, C.B.E., Director of Commerce and Industry, on ways and means of expanding trade and other economic contacts between Nigeria and Hong Kong.

The needs of Nigeria under the five-year plan, scheduled to commence in 1962, were examined and it was noted that Hong Kong was a potential source of light machinery for industrial development in addition to a wide range of consumer goods, only some which are at present imported into Nigeria.

With regard to Nigeria's need for capital to finance industrialisation, private interests in Hong Kong have already made some investment in Nigerian industry, and on occasion Hong Kong technicians have assisted in training in industrial skills; there is scope for further expansion in assisting Nigerian development.

It was noted that Nigeria's exports to Hong Kong were at present small in comparison with imports of Hong Kong products into Nigeria, but that among Nigerian products were raw materials such as cotton, ground-nut oil, timber, rubber and minerals, for which a market could be found in Hong Kong provided commercial considerations of price and quality were favourable, and encouragement of trading contacts was expanded by both governments concerned.

In this connection it was agreed that a closer liaison should be established between the Federal Ministry of Commerce and Industry in Nigeria and the Commerce and Industry Department in Hong Kong so that trade enquiries could be circulated quickly in interested parties in both countries.

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Appendix IX

Joint Communique on Japan-Nigeria Talks
on Trade and Economic Cooperation

July 4, 1961.

The Nigerian Economic Mission, headed by Honourable Chief F.S. Okotie-Eboh, Federal Minister of Finance, conducted a series of discussions with their Excellencies Mr. E. Shiina, Minister of International Trade and Industry, Mr. M. Mizuta, Minister of Finance, Mr. H. Sakomizu, Minister of Economic Planning, and other representatives of the Japanese Government and the leaders of the Japanese trade and business circles during the period from July 1 to 4, 1961, on economic relations between the two countries. The main purpose of these discussions was to discover ways and means to facilitate and expand trade and economic cooperation between the two countries, especially with a view to exploring the possibility of increasing export of Nigerian products to Japan.

During the course of these discussions, which were conducted in a most friendly atmosphere, the Nigerian Economic Mission and the Japanese representatives exchanged frank views on various aspects of trade and economic cooperation between the two countries, and agreed that these discussions had contributed toward a better understanding of mutual problems relating to trade and economic cooperation in their respective countries. The Japanese representatives expressed their willingness to sponsor, before the end of this year, the dispatch of a survey team composed of representatives of the Japanese trade and business circles with a view to studying on the spot the possibility of increasing the purchase of Nigerian products. It was agreed that it would be helpful for improvement of mutual trade to inaugurate or expand the activities of their respective diplomatic missions in the economic field, and also that the participation in trade fairs to be held in the respective countries was one of the effective means of expanding trade.

On the conclusion of the discussions, the Nigerian Economic Mission and the Japanese representatives expressed their mutual hope that the friendship of the Japanese and Nigerian peoples would be deepened through the mutual efforts to improve trade and to further economic cooperation between the two countries.

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Aide-Memoire

1. The Committee on Economic and Technical Cooperation met at the Gairusho on July 1, 1961 from 10 a.m. to 11.30 a.m. and on July 3 from 10.30 a.m. to 12 a.m.

The Nigerian side was represented by Mr. H.O. Omenai, Dr. E.O. Iwuagwu and Mr. Alhaji A. Akilu; the Japanese side by Mr. Morisaburo Seki, Director of Economic Cooperation Division Ministry of Foreign Affairs and officials of the Ministries concerned (MITI, MOF).

2. Technical Cooperation

The Japanese side expressed its willingness to extend technical assistance to Nigeria within the Framework of its external technical assistance program, namely, the dispatch of 2 Japanese experts and the reception of 10 Nigerian trainees for the current fiscal year ending in March 1962.

In the course of discussion, the possibility of establishing a training centre in Nigeria was studied. The idea was that it might be better to train Nigerians on the spot rather than receiving them in Japan. It was also suggested to send a Japanese survey team to Nigeria for the purpose of studying the most effective ways to carry out Japanese technical cooperation there.

3. Financial Cooperation

The Japanese side explained the Japanese system of financial cooperation with other developing countries.

The Nigerian side noted the Japanese explanation and proposed the study of individual projects enumerated in Nigeria's 1962-67 Economic Development Programs with particular attention on fishing development and shipbuilding (including purchase).

a) Fishing

The Japanese side pointed out that private enterprises would be willing to invest abroad only when the

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project is economically feasible. As it stands now, they will hardly undertake infrastructure part of the project. They stated also that at present, it would hardly be expected that the Japanese Government undertake it. The Japanese side suggested that the proposed fishing project would become feasible if the Federal Government of Nigeria, after necessary co-ordination with the regional Governments concerned, undertook to bear the expenses required for the implementation of the structural part of the project, resorting, for example, to loans from the I.D.A. The Nigerian side took note of the suggestion made by the Japanese side.

b) Shipbuilding and purchase of ocean-going vessels

The Japanese side stressed the great risk involved in undertaking prematurely too big a project without sufficient development of supporting industries.

As regards the purchase of ocean-going vessels, the Japanese side explained the terms under which Japanese-built vessels were usually exported. It added, however, that as the Government's policy is to leave the details of commercial contracts to private initiatives, if Nigerian application for export licence is made, the Government will consider such application on its own merit. The Japanese side agreed to offer technical cooperation to help operating those vessels, if bought by Nigeria.

c) Other projects

Both sides ran through the list of projects included in the Nigerian "Proposals for the 1962-67 Development Programs", examining one by one the possibility of realizing them through cooperation. The Japanese side stated that some of the proposals might be of interest to the industries concerned. However, details study by the industries would be needed before

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they could proceed much farther. The Japanese side remarked, however, that if such study proves favourable extension of credits on a deferred payment basis might be possible in some fields. The Nigerian side took note of the statement of the Japanese side.

Aide-Memoire

The Committee on Trade had four meetings from July 1 - July 4, on the question of trade between the Japanese Government officials led by Mr. F. Kai, councillor, Ministry of Foreign Affairs and the Nigerian Government officials led by Mr. N.O. Farinde, Chief commercial officer, Federal Ministry of Commerce and Industry.

1. The Nigerian side raised the following points:

1) Nigeria has had an adverse trade balance for the last five years. In 1960 the adverse balance amounted to about £50 million of which £25 million was with Japan. Although Nigeria believes in multilateral trade, she recognizes in some cases the need of bilateral trade arrangement and is prepared to consider any form of arrangement that will help to expand her trade and correct the adverse balance.

2) Although Nigerian export to Japan has been very much limited, she still believes that opportunities exist for considerable expansion of her export to Japan, and she is perturbed by what appeared to be the lukewarm attitude of Japan to Nigeria's repeated request for a strong drive by Japan to import more from Nigeria.

Nigeria has gone so far as to liberalize her trade with Japan. While she is prepared to observe the principle of GATT, she is also prepared to consider measures to improve her economy; certain measures are provided for in GATT.

3) Nigeria preferred, however, not to take restrictive measures where possible and normally she will consider of resorting to restrictive measures only if other countries are not co-operative in Nigeria's drive for the improvement of her economy.

4) Nigerian representatives also stated their views on Japan's policy of buying from the most economic place.

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Nigeria believes that economic considerations alone should not always decide the policy. Several other things should also be considered in particular circumstances. The Japanese Government should recognize the fact that Japan has expanded her export trade to Nigeria over the years.

5) Nigeria wants to know what difficulties Nigerian products are encountering in the Japanese market.

6) The Nigerian side asked the particulars of the efforts that the Japanese Government have been making to encourage the interest of the businessmen in Nigerian products. They also asked the Japanese import policy.

2. The Japanese side raised the following points:

1) As regards the Japanese import policy, the opening address made by the head of the Japanese delegation should be quoted;

"Japan's general trade policy is based on the principle of free private enterprise, so that the Japanese Government can resort to no compulsory measure to direct the trade one way or another. In line with the general trend of the world toward the free trade, the Japanese Government are making efforts for rapid liberalization of imports. As a result, almost any kind of product may be imported from anywhere on a global basis. Therefore, the general tendency is that Japanese importers look for the commodities of high quality and low price. The commodities in which Nigeria has export interests are no exceptions."

2) Japan has concluded with many countries commercial agreements providing for most-favoured-nation treatment, and she also is a contracting party to the General Agreement on Tariffs and Trade the same as Nigeria. Therefore the Japanese Government are bound by these international obligations and are not in a position to take any measure which contravenes these obligations.

3) Nigerian products are facing difficulties in the Japanese market with regards to price, quality, delivery, the management of the Nigerian marketing board. The details of concrete cases were presented in the papers which the Japanese side handed over to the Nigerian side. The Japanese side requested the Nigerian Government to endeavour as much as possible to improve the conditions on which Nigerian products can be offered for export. The Nigerian side appreciated the request made by the Japanese side for the improvement of the competitive power of Nigerian products as stated above.

3. The Nigerian side suggested that the conclusion of bilateral agreement or other devices might be considered to remedy the situation. It also suggested that the trade between the two countries could be expanded by the exchange of trade representatives and the mutual participation in trade fairs. The Japanese side shared this views of the Nigerian side. The Japanese Government, however, can not agree to the bilateral agreement if it involves any commitment to Nigeria as regards quantity of imports from Nigeria, since if any quantitative commitment were made to a country it would mean an additional preference to that country concerned, and less favourable treatment to that extent to other third countries, which infringe the principle of GATT and other bilateral agreements providing for the most-favoured-nation treatment. Of course the Japanese Government will raise no objection to a bilateral agreement which stipulates the spirit and principles provided for by GATT. The Nigerian side commented, however, that it would not serve any useful purpose to conclude an agreement with Japan which merely stipulated most-favoured-nation treatment, since such treatment was already provided for in GATT to which both countries are contracting parties and that it would appear from the provisions of the Treaty of Rome that contracting parties to GATT could nevertheless create new preferences and thereby discriminate against third

countries.

4. The Japanese side stated that they reserved their comments on certain views presented in paragraph 3 above by Nigerian representatives in connection with GATT.

Standing on the general background which was presented by both sides, the Japanese Government would like to co-operate toward the expansion of imports from Nigeria following the under-mentioned line;

The Japanese Government will make their best effort within their competence to promote the purchase of Nigerian products by Japanese firms. In this connection the Japanese Government will consider sending to Nigeria of a trade mission before the end of this year to make thorough studies on the market situation of Nigerian products.

The Nigerian side has no objection to the Japanese proposal but stated that it would not regard the measures suggested by the Japanese side as likely to be of immediate effect.

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MEMORANDUM

4th July, 1961

The Nigerian Economic Mission and Japanese businessmen who represent the three most influential economic organizations in Japan-Federation of Economic Organizations, Tokyo Chamber of Commerce and Industry and Japan Foreign Trade Council - had a series of meetings from Saturday, July 1, to Tuesday, July 4, to discuss and exchange frank views concerning the ways and means to increase Japan's import from Nigeria so as to correct the imbalance of trade existent between Japan and Nigeria. The Nigerian Economic Mission explained in detail to the Japanese businessmen the present situations of the Nigerian economy and requested them to make efforts to increase Japanese import from Nigeria and render cooperation for the economic development in Nigeria. Both parties duly agreed that endeavours be further made to correct the trade imbalance and contribute to the prosperity of the two countries. The Japanese businessmen unanimously agreed that they will render whatever cooperation to help develop the Nigerian economy, make efforts to import more from Nigeria, and to offer technical assistance to promote economic development in Nigeria.

The following are the points which the Japanese businessmen mentioned to the Nigerian Economic Mission in the meetings.

1. ITEMS FOR IMPORTATION FROM NIGERIA TO JAPAN

1. Raw cotton

Quality is to be standardized (regular staple). If directly purchased from Nigeria the volume of Japan's import will be increased.

2. Cocoa bean

Demand is still small in Japan. However, Japan will buy more provided quality is good and price reasonable.

3. Palm Kernel

The freight rate of Nigerian produce is about three pounds higher than that of Indonesian produce. But if direct trade is done price will be lowered and Japan will buy more.

4. Palm oil

Japan does not buy much. At present Japan buys from Indonesia but Japan will endeavour to buy some from Nigeria.

5. Soya bean

Oil content is less than American produce and besides grains are smaller. Long distance transportation affects quality. However, Japan will try to buy some from Nigeria.

6. Cotton seed

Quality is acceptable. Import from Nigeria will be increased in keeping pace with the popularity in Japan of instant foods.

7. Sesame seed

Quality is acceptable. However, in comparison with the price in the world market it is quick to rise and slow to lower. If price is acceptable it is promising in the future.

8. Rubber

Smoking and curing are to be improved. Then Japan will import more from Nigeria.

9. Other commodities to be imported from Nigeria are to be favourably considered.

II TRANSACTIONS

So far two-thirds of Japanese import from Nigeria are imported indirectly through London dealers. If directly purchased price will be lowered. In order to purchase directly permanent residence of Japanese business firms in Nigeria is sought. Then, trade will be expanded and economic cooperation will be extended to contribute to the development of the Nigerian economy as a whole and also for the benefit of Japan.

III ECONOMIC COOPERATION

1. Cotton spinning mills

If cotton spinning mills are desired to be established it is possible to send experts and technicians for cooperation and also participate in some spinning industry in Nigeria.

2. Mineral products

Japanese survey team can be dispatched to explore mineral deposits in Nigeria if the Nigerian Government so desires. Also experts and technicians can be trained in Japan.

3. Tin ore

If price is acceptable there is possibility for long term import from Nigeria to Japan. Data and materials in this connection are wanted.

4. Iron ore

If a survey of iron ore deposit in Nigeria is desired it is possible to send the team to Nigeria. Data concerning iron ore, price and quality in this connection are wanted.

5. Fishery

Cooperation can be made for fishery resource development. The ideas for the project of the Nigerian Government in this connection are sought.

IV. MARINE TRANSPORTATION

Japanese shipping companies have routes to Nigeria. At present freight rate is much favoured. If joint venture for marine transportation is sought there is possibility for cooperation.

Federation of Economic Organizations
Tokyo Chamber of Commerce & Industry
Japan Foreign Trade Council, Inc.
Nigerian Economic Mission.

FOLLOWING IS THE TEXT OF THE JOINT COMMUNIQUE ISSUED AFTER
MEETINGS BETWEEN THE NIGERIAN ECONOMIC MISSION AND DEPARTMENTS
AND AGENCIES OF THE UNITED STATES GOVERNMENT

A twenty-three man Economic Mission from the Federation of Nigeria, led by Chief Festus S. Okotie-Eboh, Federal Minister of Finance, has completed a three-day visit to Washington. The Mission's arrival in the United States comes near the end of an around-the-world tour which has taken it to London, Prague, Warsaw, Moscow, Peking, Rangoon, Karachi, New Delhi, Hong Kong and Tokyo. From Washington, the Mission will travel to New York for a five-day stay and then proceed to Montreal and London.

In Washington, the Mission was warmly received by the President, the Secretaries of State and Treasury, the Acting Secretary of Commerce and other high Government officials. The talks, which were held in pursuance of the Mission's objective, were characterized by a spirit of understanding and mutual interest consonant with the strong bonds of friendship that exist between the two countries.

The Mission took the occasion of its visit to acquaint the United States Government with its plans for economic and social development, explaining the general outline and major points of emphasis of its new Five Year Plan which is now in preparation. The Mission expressed its appreciation for the support and assistance which the United States Government has given to the successful implementation of the Nigerian Seven Year Plan which is now about to be completed and its strong hope that the United States would similarly be in a position to assist Nigeria as much as possible in the future.

The United States representatives greatly welcomed this opportunity to receive such a clear and authoritative account of Nigeria's developmental plans. While stressing the importance of all industrialized countries of the free world maximizing their assistance to the less highly developed countries, the U.S. representatives made clear their Government's

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maximizing their assistance to the less highly developed countries, the US representatives made clear their Government's sympathetic interest in Nigeria's aspirations and plans for economic and social developments the willingness of the United States within the frame-work of Congressional appropriations and legislation to continue to give strong support to Nigeria's efforts. In this connection the need was recognized for joint arrangements which would facilitate continued consultations on the nature and extent of US assistance to Nigeria as the letter's five year plan nears completion. It was agreed that such arrangements would be worked out during the forthcoming visit of the Prime Minister of Nigeria to Washington.

The Mission also took the occasion of its presence in Washington to explore means of expanding trade between Nigeria and the United States and increasing the flow of private American investment capital into the Nigerian economy. The US Government made clear its complete sympathy with both of these objectives and promised the full co-operation of its agencies towards their attainment. Department of Commerce has arranged a full programme in New York for the Nigerian Mission with private United States commercial, industrial and financial interests. In addition, the Department of Commerce is sending a strong US Trade and Investment group to Nigeria for a period of eight weeks this fall.

Both the Nigerian Mission and the United States Government welcome the opportunity provided by the Mission's visit to expand their co-operation in the fields of trade and economic development. Both countries are convinced that the strengthening of such ties between them will be to their mutual advantage and further the cause of world peace and prosperity.

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AIDE-MEMOIRE

In recognition of the mutual interest of the Government of Nigeria and the United States in promoting economic and social progress which will lead to the achievement and maintenance of the highest possible rate of increase in the standard of living for the people of Nigeria, the Government of the United States greatly welcomed the opportunity to meet with the Nigerian Economic Mission, and wishes to reaffirm its willingness with the framework of Congressional appropriations and legislation to continue to give strong support to Nigerian developmental efforts. In this connection, the need was recognized for joint arrangements which would facilitate continued consideration on the nature and extent of United States assistance as the preparation of five-year plan of the Government of Nigeria nears completion.

The United States noted with gratification the statements by Chief Festus S. Okotie-Eboh, Federal Minister of Finance, concerning the large measure of self-help on the part of the Nigerian people in carrying out its development activities. In further noted the comprehensive and detailed efforts of the Nigerian government in developing its forthcoming five-year plan (1962-67), and was much impressed by the emphasis on long term planning in all sectors of the economy. While it was not possible to make a specific commitment at this time, since Congress has not yet acted on the President's proposals in the economic aid field, representatives of the United States Government emphasized the fact that the United States attaches high priority to helping support successful implementation of the Nigerian development plan. The new aid concepts as presented by President Kennedy to Congress emphasized the desirability of sound planning, capacity to absorb assistance, self-help and social justice on the part of the aid recipients. It was

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the impression of the United States representatives from the preliminary recommendations of the Special United States Economic Team that recently returned from Nigeria, that the situation in Nigeria closely approximates the conditions envisaged in the above mentioned new aid criteria.

In addition to the above mentioned points, it is the purpose of this Aide-Memoire to confirm the results of the Joint Committee of Nigerian and United States representatives which met in Washington on July 6-7 to discuss technical and economic assistance to Nigeria.

The Committee was chaired on the Nigerian side by Mr. H. O. Omenai, Acting Deputy Permanent Secretary, Ministry of Finance. The United States Committee was chaired by Mr. Marcus J. Gordon, Regional Director, Africa and Europe Operations International Cooperation Administration, who was supported by appropriate technical officers from interested United States Government agencies. Committee discussions were based on a document furnished by Chief Festus S. Okotie-Eboh, Federal Minister of Finance and leader of the Economic Mission, entitled "Proposals for the 1962-67 Development Program." These proposals were discussed point by point by the joint committee and a fuller understanding was reached on the major priorities assigned by the Nigerian Government which emphasized the productive sectors of the economy, (i.e. agriculture, education, and industry). A detailed examination of joint ICA/Nigerian activities in these priority fields was conducted with appropriate technical officers, and Annexes I-III describe United States financed activities in the priority sectors identified in the Nigerian paper.

The United States representatives indicated that United States assistance has increased greatly rising from \$3.4 million in Fiscal Year 1960 to \$13.3 million in Fiscal Year 1961 (including a loan of \$3.1 million approved by DLF). The

Continuing costs for this program in FY 1962 are estimated at \$14 million and it is hoped that this amount will be made available to continue existing projects. It is further hoped that additional funds will become available in FY 1962 for new activities, depending upon the outcome of the Congressional consideration of the aid program. The United States representatives stated that in the future major emphasis will be given to loans in support of the Nigerian development program, and called attention to the new legislation in this area which emphasizes long term, low interest rate loans payable in dollars.

Neither side was in a position to discuss individual projects in terms of specific amounts at this time. On the one hand the Nigerian development plan is not expected to be completed until October of this year, and on the other hand, Congressional consideration of the aid program is not expected to be finished until late August or September. However, it was possible to determine that most of the activities noted in the document "Proposals for the 1962-67 Development Program" were of the type which would be eligible for United States assistance following appropriate examination by the United States and Nigerian authorities. It was pointed out, however, that in the field of public health, in light of the extensive and growing activities of the United Nations specialized agencies (WHO and UNICEF) plus assistance from the United Kingdom and other countries and the development priorities noted in the Nigerian document, United States aid might have lower priority than assistance to the productive sectors.

The possibility of a consortium to help meet Nigerian needs for the 1962-67 development was discussed. Mr. Labouisse, Chairman at the Plenary Meeting with the Nigerian Economic Mission, suggested that the IBRD might be helpful in arranging such a consortium if the Government of Nigeria should find such a device desirable. Chief Festus S. Okotie-Eboh indicated

that such arrangements would seem to be particularly useful in terms of specific consortia for individual projects such as the Niger dam or a steel mill project. This matter was discussed further in the joint committee and it was agreed that an overall consortium might be desirable if, along the lines of India's consortium, the Nigerian Government was free to enter into bilateral arrangements with the individual consortium members on specific projects. The Chairman of the Nigerian Committee indicated that the subject of a consortium could be explored further at the time of the Prime Minister's visit.

The United States Government feels that the exchange of views and study of the outline of the needs of the Government of Nigeria for its 1962-67 development program was extremely useful. The Chairman of the United States Committee reaffirmed the continuing and sincere interest of the United States in the development efforts of the Nigerian people.

By October, when Nigerian Development Plans are further refined and the result of Congressional action is known, the United States will be willing to discuss assistance to the Government of Nigeria in specific terms. During the interim the United States hopes that it will be possible to move forward with the discussions during the visit of the Prime Minister as well as through the work of the United States Country Team in Lagos.

Department of State,

Washington, July 10, 1961.

Present Activities in the Promotion
of Two-Way Trade Between Nigeria and
the United States

- (a) Nigeria maintains an active trade and investment office in New York City. This Office has been instrumental in introducing many American firms to the opportunities for trading and investing in Nigeria. U. S. Department of Commerce and leading private trade associations work closely with this office.
- (b) Nigerian businessmen and Nigerian Government officials make frequent visits to the U.S. to present specific proposals to American industry to invest in Nigeria and to train Nigerians in all phases of industry.
- (c) American efforts in attempting to promote increased trade and investment with Nigeria have included the following:
1. The commercial facilities at the American Embassy, Lagos, including an extensive commercial library, help Nigerian businessmen establish trade relationships with American companies. Trade and investment opportunities reported by the Embassy are published in Foreign Commerce Weekly. Special commercial invitations are issued to Nigerian businessmen visiting the United States extending the facilities of the Department of Commerce while they are in the U.S.
 2. The Department of Commerce has a series of publications on Nigeria, including a 160-page volume describing Nigeria's resources and other factors of interest to potential investors. These publications are distributed widely to American business and banking groups throughout the U.S.
 3. The Department of Commerce has scheduled the preparation of trade lists of Nigerian foreign traders or potential traders in 29 different commodity fields. The lists will be published over a three-year period and will be made available to all interested U.S. firms.

4. The United States sent a trade mission consisting of one U.S. Government official and four private businessmen to Nigeria just prior to independence. It plans to send another trade mission to Nigeria in September and October of this year. Businessmen to serve on this mission to Nigeria will be selected on the basis of their proven competence in fields in which Nigeria is most interested at this time.

5. The United States is considering the establishment of a permanent Trade Center at Lagos in 1962 for the purpose of introducing American products into Nigeria. The Trade Center would offer an excellent opportunity for Nigerian businessmen to obtain distributorships for American products.

6. Every effort is being made by Americans to acquaint Nigerians with the possibilities of licensing the manufacture in Nigeria of American trademark products. Through its various special services, the Department of Commerce is continually assisting American and Nigerian firms to establish and maintain successful trade relationships.

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AIDE-MEMOIRE

It is the purpose of this Aide-Memoire to summarize the results of the Joint Committee of Nigerian and United States representatives which met in Washington on July 6 and 7 to discuss United States/Nigerian trade.

The Committee was chaired on the Nigerian side by N. O. Farinde, Acting Chief Commercial Officer, Federal Ministry of Commerce and Industry. The United States Committee was chaired by Mr. Rowland Burnstan, Assistant Secretary of Commerce.

The Committee agreed that the Nigerian and the United States Governments, as well as the private business communities of the two countries, should increase their efforts to raise the level of trade between Nigeria and the United States. The Committee discussed the activities presently carried on and contemplated by each government to promote trade between the two countries. Annex I describes these activities in detail. As a result of these discussions, arrangements were made to provide the Field Offices of the Department of Commerce with additional material on Nigerian exports. The Committee discussed the activities carried on by each government to provide a favourable climate to attract private capital and know-how. In describing United States trade policies, the United States representatives stressed that the United States is well aware of the trading problems faced by the new African countries and that these problems are being considered actively in the formulation of United States policies.

The Committee also discussed a number of problems and governmental actions affecting trade in specific commodities. Production and price developments in the world cocoa market were discussed, as well as present activities of the Food and Agricultural Organizations Cocoa Study Group in which both the United States and Nigeria are actively participating in discussion concerning the possibility of an international

cocoa agreement. The Nigerian representatives in this connection brought up the recent announcement by the United States Food and Drug Administration lowering the tolerances for moldy and wormy cocoa beans. The Nigerian representatives questioned the necessity for this decision at this time and some of the statistical methods utilized in the preceding survey by the Food and Drug Administration. The American representatives explained the background of the Food and Drug Administration's decision in detail and expressed the hope that the new tolerances should not cause any serious problem for Nigerian exports when they come into effect in 1963. If, contrary to expectations, the new tolerances should prove to be unrealistic, the United States would, of course, be ready to re-examine the problem.

The Nigerian representatives also questioned a 1957 press release by the United States Federal Trade Commission classifying African mahogany into a category distinct from "genuine" or South American mahogany. The United States representatives explained that the 1957 press release did not constitute a new ruling but that this classification had been in effect since the 1930's. The United States representatives stressed that the American trade was well aware of the high qualities of Nigerian mahogany, that the press release did not seem to have had any deleterious effect on United States imports of Nigerian mahogany and that the Department of Commerce was ready to further assist Nigeria in the distribution of literature promoting the use of Nigerian mahogany in the United States.

The Nigerian representatives also raised the question of whether American lard and soybean exports were competing unfairly in the United Kingdom market with Nigerian palm products although they agreed that no dumping was involved.

The United States representatives raised the recent imposition by Nigeria of a customs duty on flour and questioned why this duty had been imposed 18 months prior to the completion

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of a flour mill in Nigeria. The Nigerian representatives replied that the duty was for revenue not protective purposes and had had no effect on the volume of flour imports.

The Nigerian and the United States representatives agreed that the exchange of views on these specific commodity problems had been extremely useful as each side had been able to form a fuller appreciation of the views and problems of the other.

Annex I - Present Activities in the Promotion
of Two-Way Trade Between Nigeria
and the United States.

Department of State,
Washington,

FOR RELEASE, 12.00 NOON. THURSDAY, JULY 13, 1961.

OTTAWA, Ont., July 13, 1961 - The Hon. George Hees, Minister of Trade and Commerce, announced today that a Nigerian Trade and Economic Mission has concluded a successful two-day visit in Ottawa. The mission was headed by the Hon. Chief F.S. Okotie-Eboh, the Nigerian Minister of Finance, and included the Hon. Z.B. Dipcharima, Minister of Commerce and Industry; the Hon. J.C. Obande, Acting Minister of Works, Ministers from the three regions of Nigeria, senior officials and businessmen.

The Mission was met at Uplands Airport at 11.30 a.m. on July 12 by the Hon. Mr. Hees and representatives of government departments. Following an interview with the press, radio and T.V. at Uplands, the mission was entertained at luncheon by Mr. Hees. During the afternoon, the Nigerian Ministers and their officials held a series of meetings with the Hon. Howard C. Green, Secretary of State for External Affairs; the Hon. Donald M. Fleming, Minister of Finance; and Mr. Hees, and also with senior Canadian government officials.

Discussions covered a number of matters of mutual interest to both countries in the field of trade and economic development. The state of trade between Canada and Nigeria was reviewed, and ways and means explored of increasing this mutually important and growing trade. It was agreed there are good potentials for increasing trade in both directions. The Nigerian officials were particularly interested in the Canadian market for cocoa, crude rubber, palm and palm kernel oil, tropical woods, groundnuts, oil and cake, coffee and cotton. It was noted that Nigeria enjoys the benefit of the Canadian-British preferential tariff.

The Nigerian delegation was also interested to learn about the new facilities for financing capital goods exports from Canada.

The Nigerian delegation was also interested to learn about the new facilities for financing capital goods exports from Canada.

Canada's prospects for expanding and diversifying sales in the Canadian Trade Fair in Lagos, scheduled for the early part of 1962, would make an important contribution towards this objective.

Nigeria's development program was reviewed, and consideration was given to ways in which Canada could assist under its Special Commonwealth Aid Program. The officials discussed, in particular, Canada's agreement to undertake an Aerial Mapping Survey in Nigeria, which was announced on July 11 by the Hon. Howard Green.

The Hon. Mr. Fleming entertained the Nigerian Ministers at dinner on July 12.

The Prime Minister received the Nigerian Economic and Trade Mission in his office at the House Commons on the morning of July 13. The mission was present in the House of Commons at the opening of the session today, where they were warmly welcomed by the Prime Minister and the leaders of the opposition parties.

The mission will leave for Toronto this afternoon, and will spend July 14 and 15 in Montreal, leaving on July 15 for Nigeria via the United Kingdom. In both cities, members of the mission will meet members of the business, banking and trading communities.

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M E M O R A N D U M

Meeting with Officials of the Nigerian Trade and Economic Mission

On July 12th, 1961 Mr. Moran met with Mr. Ho. O. Omenai and other officials of the Nigerian Trade and Economic Mission and expressed the following views concerning Canada's Special Commonwealth African Aid Programme as it relates to Nigeria.

Mr. Moran noted that the Government of Canada had announced its intention to request Parliament to appropriate \$10.5 million over the next three years for economic assistance to the Commonwealth countries in Africa. Of that total, \$3.5 million had been included in the estimates for the current fiscal year. He explained some of the principles which would be applicable to this programme. In particular he emphasized that this aid would be on a grant basis. He pointed out the desirability, where possible, of Nigeria and Canada jointly undertaking the financing of appropriate projects in Nigeria. In this way Canadian funds could be reserved for the provision from Canada of goods and services which were not available in Nigeria, and Nigeria could provide funds to meet such costs as local labour and materials. Mr. Moran mentioned that a full explanation of the principles and procedures applicable to Canada's Special Commonwealth African Aid Programme had been made available to the Nigerian authorities by the High Commissioner for Canada in Nigeria.

Mr. Moran stated that he had read with much interest the statement which the Nigerian Mission had supplied concerning the broad outline of their proposed development programme. However, it would be necessary to have Nigeria's needs set forth much more specifically, that is, in terms of detailed proposals for particular projects within the broad fields of development. When specific and suitably documented proposals are submitted, as had been the case with the Aerial Mapping Project, a decision concerning Canadian participation can be taken promptly. If the Government of Nigeria is satisfied that it urgently requires assistance in a particular field, but does not have sufficient information to prepare detailed

requests, consideration could be given to the provision of Canadian advisers to undertake feasibility studies.

Mr. Moran stated that although Canada was competent to advise and assist in many economic fields, there were other fields in which we could not undertake projects because Canada did not have the necessary experience (such as tropical agriculture) or because the cost would exceed the funds available for our aid programme (such as the construction of steel mills). Mr. Moran outlined Canadian capabilities in the following fields referred to in the Nigerian statement concerning the proposed development programme;

Agriculture

Canada could provide advisers and training in Canada in many aspects of temperate zone agriculture including the growing of grains and fruits (such as wheat, barley, apples and grapes) and the raising of cattle, pigs, sheep and poultry. Canada could also provide training in related services such as agriculture extension methods, animal inspection services, research, and agricultural and marketing co-operative. Facilities and experience would not be available in Canada regarding such tropical crops as rice and cocoa.

Fisheries

Canadian experience in the field of fisheries is extensive, and assistance could be provided in several aspects of this industry. Under its Colombo Plan Programme, Canada has undertaken the provision of equipment, training and advisers for fish refrigeration and fish marketing schemes.

Industry

Canada has experience and competence in various industries and could, for instance, provide training in the production of fertilizers, leather goods, electrical equipment and household appliances, and agricultural tractors. In addition to training of this

The Canadian authorities now have under consideration a Nigerian request for an industrial adviser. It is not clear from this request whether Nigeria's actual requirement is for an industrial promotor, an economist with specialized training in assessing industrial engineer with specialized training in site investigation and plant design. Clarification and additional information was to be supplied by the Mission before its departure from Ottawa.

Canada has had much experience in the development and distribution of thermal and hydro-electric power and is in a position to consider requests for advisers and training in this field. Under its Colombo Plan Programme, Canada has provided equipment and services for the establishment of several power plants and power transmission lines. Transmission line projects are usually less expensive than power plants and for this reason might be more readily included in the assistance programme in Nigeria.

Various types of mining are practiced in Canada, and training and advice in these could be made available. The Canadian authorities now have consideration a request for a geophysical geologist and it is hoped that this request can be met.

Canada could provide training and advice in some aspects of Nigeria's road and railway programme. Training and advice could also be provided in the

operation and maintenance of civil airplanes, the licensing, inspection and operation of airfields and communication systems, and traffic control, Suitable facilities for training pilots are unlikely to be available.

Education

It is hoped that Canada can provide a good deal of assistance in this field including the training of teacher candidates in Canada, the provision of Canadian teachers and teacher-trainers for service in Nigeria, and possibly participation in the construction and equipping of schools and colleges - subject to availability of the required equipment in Canada. Canada would prefer to emphasize the provision of teacher-trainers rather than teachers. Canada has already sent three educators to Nigeria, and an additional eleven teachers and teacher-trainers will be proceeding to Nigeria in August.

Health

Canada is in a position to provide advisers and training in several aspects of Nigeria's health programme. However, Canada's ability to provide medical and health equipment is quite limited because many items are not manufactured in Canada. Preliminary steps are now being taken with a view to the provision of a team of five or six Canadian medical doctors for services in Nigeria by the end of 1960.

Communication

Advice and training could be made available in some phases of the communication programme. However, in the provision of communication equipment (such as telephones) the importance of standardization should be kept in mind. Equipment manufactured in Canada would frequently not be of the same pattern as the United Kingdom-type equipment now being used extensively in Nigeria.

A Canadian adviser in the production of films will arrive in Nigeria in late August. In addition, an attempt is being made to recruit a recording engineer for the Nigerian Broadcasting Corporation.

Mr. Moran expressed the hope that proposals for suitable and effective projects would be submitted by the Nigerian authorities at an early date.

COMMUNIQUE (SIMULTANEOUSLY in London and
Lagos at 2 p.m. (B.S.T.) Wednesday, 19th July.

NIGERIAN ECONOMIC MISSION

The Nigerian Federal Minister of Finance, Chief Festus Okotie-Eboh, C.M.G., accompanied by the other Federal and Regional Ministers of the Nigerian Economic Mission called on July 17th on the Chancellor of the Exchequer.

There was a general discussion of Nigeria's economic and financial position and of the development and educational programme which the Federal and Regional Governments were now drawing up. The Chancellor informed the Mission that Her Majesty's Government would as an wholly exceptional measure be prepared to provide by grant instead of by loan the capital assistance, amounting to £5 million which they had already promised towards the expansion of higher education in Nigeria. In addition H.M.G. would do her best to meet Nigeria's needs for export technical and educational assistance.

The Chancellor also informed the Mission of Her Majesty's Government's close interest in other aspect of Nigerian development and of their anxiety to help in whatever ways seemed to be most practicable. In this context the Chancellor and Chief Festus agreed that it would be useful to explore the possibility of a concerted international approach to the financing of the next Nigeria Five Year Plan.

BRITISH AID TO NIGERIA

At his meeting with the Chancellor of the Exchequer on Monday, July 17th, the Nigerian Federal Minister of Finance enquired whether he could be provided with an Aide Memoire outlining current British assistance to Nigeria and commenting on the prospects of further aid.

2. Our aid, actual and potential, can be classed under the following heads:-

- (a) The £5 m. United Kingdom capital assistance towards Nigerian higher education.
- (b) The £12 m. Commonwealth Assistance Loan to Nigeria.
- (c) United Kingdom willingness to participate in and Aid Consortium.
- (d) Technical Assistance.
- (e) United Kingdom scholarships for Nigeria.
- (f) Teacher training assistance.
- (g) Supply of teachers to Nigeria.

3. In addition it should be noted that Nigeria is still receiving the benefit of the unspent balance of C.D. and W. funds (of the sums available at independence - £2.1 m. - a little over £ $\frac{1}{2}$ m. has so far been drawn); and of C.D.C. investment in Nigeria (some £6 m. still remained to be spent as at 1st January, 1961). Nigeria is also receiving military training assistance from Britain amounting to £71,000 a year.

4. The £5 m. Capital Assistance. On July 17th the Chancellor of the Exchequer informed Nigerian Ministers that the British Government had decided that the £5 m. already promised as capital assistance towards higher education would be in the form of a grant instead of a loan. This was a highly exceptional arrangement since capital assistance from Britain to independent Commonwealth countries was normally by loan. The assistance would be made available over a period of about seven years beginning in 1962. It is designed to assist the Federal Government to implement the policy laid

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down in its White Paper on Educational Development, 1960 - 1970. It is the understanding of the British Government that the grant will be applied to meet the capital costs of expansion of higher educational institutions, and in particular, the costs of the new Northern University. The arrangements for the disbursement of this aid are now under urgent study.

5. The 1960 Commonwealth Assistance Loan. The rate of interest on each drawing of this loan is $\frac{1}{4}\%$ above the rate at which the British Government can itself borrow at the time the drawing is made. As at June 1961, some £7 m. had been drawn.

6. British willingness to participate in an Aid Consortium. At the meeting on July 17th, Mr. Selwyn Lloyd told Nigerian Ministers that the British Government were closely interested in Nigerian development. He said that, if there were a concerted international approach to Nigerian development, Britain would play her part as far as resources permitted. He believed that consortium aid offered the best prospect of maximising the amount of development assistance which Nigeria could attract from outside. The Chancellor at the same time confirmed that the existence of a consortium would not preclude further bilateral aid.

7. Technical Assistance. British technical assistance to Nigeria takes the following forms:-

- (a) The provision of experts and advisory services.
- (b) Post-graduate training for Nigerians in technical subjects in Britain.
- (c) The provision of equipment for technical training or applied research.

Since Nigerian independence Britain has provided Nigeria with some 45 experts, as well as four consultancy services. In addition, training has been provided in Britain for 162 Nigerians under the umbrella of technical assistance.

8. British Scholarships for Nigeria. Some twenty 2-year scholarships in Britain were offered to Nigerians in 1960 and 20 more in 1961 under the Commonwealth Scholarships and Fellowship Plan.
9. Teacher Training. At the moment, 95 Commonwealth Bursars from Nigeria are receiving teacher training in Britain at the expense of the British Government. (A similar or possibly slightly larger number of Nigerian Bursars will receive such training in the academic year beginning in October, 1961).
10. Supply of teachers to Nigeria. Under the British Government's scheme for promoting recruitment for teaching service in the Commonwealth by the grant of financial assistance, it is hoped to fill some 20-25 teaching posts in Nigeria. The teachers will be on 2 or 3 year contracts. In addition, arrangements have been made for 55 British teachers to go to Nigeria this summer to help run vacation courses for Nigerian teachers.

Commonwealth Relations Office
20th July, 1961

NIGERIAN ECONOMIC MISSION

Record of a Meeting held at the C.R.O. at
11 a.m. on Tyesday 30th May

Present: CHAIRMAN Sir Algernon Rumbold

Nigerian representatives

Mr. Omenai	Deputy Secretary	Mr. J. Chadwick	C.R.O.
	Ministry of Finance	Mr. P. Pares	"
Mr. Farinde	Ministry of Commerce	Mr. W. Smith	"
	& Industry	Mr. L. Pliatzky	Treasury
Mr. Ukegbu	Ministry of Foreign	Mr. D. Carter	Board of
	Affairs		Trade
Mr. Iwuagwu	Ministry of Economic	Mr. J. Whaley	E.C.G.D.
	Development	Mr. J. Davidson	C.R.O.
Mr. Osemeka	E. Region		
	Ministry of Economic		
	Planning		
Mr. Ebong	Nigeria House		
Mr. Bamoboge	W. Region		
	Mistry of Economic		
	Planning		

In welcoming the Nigerian officials Sir A. Rumbold said that the meeting stemmed from the suggestion that Chief Festus had made to the Chancellor that it would be useful if officials could look into the arrangements for the visit of the Nigerian Economic Mission to the U.K. in mid-July.

Programme for the Mission

2. MR. OMENAI suggested that Ministers might hold a first meeting in the morning of Monday, July 17th. Officials could meet later on the same day. On 18th July part of the Nigerian Delegation would be with the Federation of British Industries but on 19th July, there would be time for another meeting of Ministers.

3. In discussion it was suggested that if a meeting between Ministers was to be of substance, it should be preceded by a meeting of officials. But it was agreed in principle that we should try to arrange a meeting with U.K. Ministers on Monday 17th July of a general character, to be followed by one between officials either on 17th or 18th July. It was however too early to draw up a precisprogramme. The C.R.O. in concert with Nigeria House could best work out the details nearer to the

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date of the visit. It might not indeed prove necessary after the meeting between officials to have two full meetings of Ministers. It might be enough if after meeting between officials Chief Festus were to see a Senior Minister before the Mission left London on 19th July.

Development Plan

4. MR. OMENAI said that the Nigerian proposals for the 1962/67 Economic Programme, which had been circulated, represented only the first thoughts of their economic planning experts. The proposals were not firm nor had priorities been fully established. It seemed however that the total requirements for new private and public investment would be around £1,000 m. of which more than half would be Government investment. The Nigerian resources available to meet expenditure in the Public Sector were of the order of £100m. to £150m. and the gap which foreign aid would be needed to cover might be somewhere between £350 and £500 m, but he did not wish to be committed to these figures.

5. SIR A. RUMBOLD observed that as the Nigerian proposals had only just been received there had been no time for their study, but he could say that Lord Head had been in touch with the Nigerian Government about U.K. assistance to Nigerian education, and, in addition to our help in the provision of training of teachers, had offered £5 million for capital expenditure. As regards the economic development programme, he would not wish to question the desirability of the proposals in the Nigerian paper, but he hoped that it was appreciated that the amount we could offer was conditioned by what we could afford. Our existing lending powers were contained in Section 3 of the Export Guarantees Act under which loans were tied to U.K. goods and services and the existing interest rate was calculated on the basis of the rate at

which the U.K. Government could currently borrow plus one quarter percent. There was, however, likely to be this difference between the 1960 £12m. loan and any loans in that we would wish to discuss with the Nigerians for what purposes any new loans would be used. MR. OMENAI said he would note these points and asked if the U.K. aim was in fact to provide project assistance.

6. SIR A. RUMBOLD replied that he had in mind rather that the purposes for which loans would be made should be agreed. They would not necessarily all be tied to projects in the narrower sense of that term. We would, for example, be very liable to criticism at home if the U.K. tenders for certain projects happened to be the best put in and failed to be accepted because the project had been earmarked for some other supplying country by reason of a loan tied to the project.

7. MR. PLIATZKY said that the U.K. wanted to help under-developed countries and neither the amount nor the form of aid would be dictated by U.K. industrial interests. U.K. exporters would not nominate projects. But public opinion had to be satisfied that our firms stood a good chance.

8. SIR A. RUMBOLD said that on private investment the results of the F.B.I. Mission to Nigeria had proved encouraging.

9. He added that the Nigerians should bear in mind the value of advice from international bodies. When the Mission returned in July we were likely to ask them if they had approached the International Bank and I.D.A. There was no doubt that although International Bank reports took time the International Bank was more than just a source of funds: it was a mobiliser of international funds and the Indian Economic Plan would not have got off to such a good start in the absence of International Bank interest.

10. Other questions that we might have to put to this Mission were:-

- (a) had Nigeria the Administrative or Technical personnel necessary to support so large a programme?
- (b) to what extent would the programme be financed from Nigerian resources (in Pakistan for example, external resources were about 40 per cent of development funds and in India even less). It appeared that Nigeria was intending to contribute a good deal less by way of loan resources to the Five Year Plan.
- (c) what was the risk of the Plan leading to inflation.

Commonwealth Relations Office.
2nd June, 1961.

ARCHIVES

REPORT ON THE SECOND STAGE OF THE TOUR OF THE
NIGERIAN ECONOMIC MISSION

In this Report we summarise under each of the countries visited by the Mission the different matters and occasions of importance. We attach as Appendix I the revised itinerary of the Mission during this tour. The countries not visited but included in the itinerary approved by the Council of Ministers were Yugoslavia, the Lebanon, Israel and the United Arab Republic. Also attached as Appendix II is a list of the delegates of the Mission.

WESTERN GERMANY: (25th to 30th September, 1961)

Mutual Trade Relations

There were signs everywhere that the Federal Republic of Germany's economy presented a picture of vigorous growth. The Mission was informed that the gross national product, industrial production and incomes rose in 1960 to an extent which the country had not attained since 1956. The signs were therefore those which were suitable for expanding trade with the outside world. In this connection the German Authorities expressed the view that the Federal Republic of Germany would be willing to enter into an economic agreement with the Government of the Federation of Nigeria. This agreement would provide for the avoidance of any discrimination with respect to the exchange of goods and services, payment and capital movements between the two countries. In effect, the intention would be to conclude a most favoured nation agreement, with a view to expanding trade between Nigeria and the Federal Republic of Germany.

A copy of this draft agreement is attached and the German Authorities have been informed that it would be further considered.

/Guarantee

Guarantee of Private German Investment

As a further means of encouraging the flow of private German capital into Nigeria, the German Authorities proposed the conclusion of a bilateral treaty with the Government of the Federation of Nigeria. The Federal Republic of Germany has already concluded similar Treaties with Pakistan, the Federation of Malaya, Greece, the Togolese Republic and Morocco. Amongst other things, the treaty would guarantee the transfer of capital, the returns from it and, in the event of liquidation, the proceeds from such liquidation. In addition, the treaty would provide against non-commercial risks, such as war, and disorganisation resulting from political instability. Far more important, also, the treaty would provide against nationalisation and, in the event of nationalisation, for due compensation to be paid. The German Authorities were informed that a copy of this draft treaty had already been received in Nigeria and was being studied by the different Ministries concerned and the Central Bank of Nigeria. As soon as this examination had been completed the Council of Ministers would give consideration to the draft treaty. Some of the points made in the German proposals are already provided for either in the Nigerian Exchange Control Ordinance or in the existing system of "Approved Status". An almost identical investment guarantee scheme has been proposed by the United States.

The Distribution of German Enemy Property

During the discussions held in Western Germany the question of the German property seized in Nigeria during the war was raised. It appears that at some future date the Federal Republic of Germany would be raising this matter formally with a view to ascertaining whether the proceeds of these properties could be returned to Western Germany for distribution to the individuals and companies concerned. The position is that in

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1958 the Council of Ministers agreed that the realised assets of £1.8 million from the German Enemy Property should be distributed to the Governments of the Federation. This was in accordance with the Distribution of German Enemy Property Ordinance passed in 1957. A small amount was left over for likely claims, but this has recently been distributed and there would therefore appear to be nothing left for handing over to the German Authorities. However, the Germans were informed by the Mission that the matter would be examined when a formal approach had been made by them.

At a meeting with the Hamburg Chamber of Commerce the Chamber declared that it would like to see Nigerian produce greatly improved in quality, especially cocoa and timber, in order to encourage German factories to consume more and more of these products. The Mission revealed that Nigeria's cocoa production was over ninety-eight per cent. Grade I and would endeavour to improve it still further, but reminded the German merchants that the greatest incentive to increased quality was a reasonably good price. The Mission also promised that the Nigerian Federal Minister of Commerce and Industry would examine the complaints made by the Germans on the other Nigerian produce and would communicate with the Hamburg Chamber on the same in due course.

The Germans also informed the Mission that an International Fair would be held in Berlin in 1962 and wondered whether Nigeria would like to display at the Fair some of her produce.

At another meeting with the German businessmen on the 29th of September, 1961, the Mission revealed that of the £15 million worth of German goods annually imported into Nigeria, only about £3 million was imported by Nigerian businessmen - the rest being imported by such big foreign combines as the U.A.C., John Holt, P.Z. and the U.T.C. This meant that the bulk of the profit made on the goods was being earned by foreigners rather than the indigenous traders.

In order

In order to remedy the situation, the Mission suggested that that German manufacturers and merchants should get in contact with Nigerian businessmen and either trade directly with them or through Nigerian agencies. The much-needed capital in Nigeria could only be obtained in this way by enriching the indigenous rather than the foreign traders. Dr. Dichter, the Proprietor of a German factory, who presided over the meeting, promised to train three Nigerians in Germany as technicians for three years. Their stay in Germany would enable them to pick up the German language much more quickly as Dr. Dichter believed that language difficulty was the major obstacle in the of better Nigerian-German technological training.

Capital Assistance

The German Authorities announced the committing of the sum of £8.5 million for development purposes with a repayment duration of fifteen years, including three years of grace. Part of this sum of £8.5 million is to be allocated as follows:-

- (i) Second Lagos Bridge, with an interest rate of $4\frac{1}{2}$ per cent.;
- (ii) the Teaching Hospital and ten Cottage Hospitals in the Northern Region, at an interest rate of $2\frac{1}{2}$ per cent.

The sums allocated to these two projects are to finance offshore costs. The balance remaining out of the £8.5 million is available for allocation to other projects agreed by the Federal Republic of Germany and the Federation of Nigeria.

The sum of £8.5 million is being provided by the Reconstruction Loan Corporation of the Federal Republic of Germany. The Corporation was originally established for the purpose of financing capital projects within Germany.

In order

In order to put into practice its determination to assist developing countries, the Government of the Federal Republic has now charged the Corporation with the granting of long-term loans to foreign debtors, and in this connection the Corporation performs duties similar to the Export/Import Bank and the Development Loan Fund of the United States Government.

In addition to the Reconstruction Loan Corporation, the Germans can also finance the export of capital goods from the Federal Republic through Hermes. Usually credit can be obtained through Hermes for a period of six years, but the Mission was informed that consideration could be given to an extension of the period of credit having regard to the amount involved and the nature of the goods exported. The Hermes, therefore, would appear to be a further source of credit, although the period of six years appears too short.

Technical Assistance

The Government of the Federal Republic of Germany also announced its willingness to establish a Trade School in Nigeria. The Germans would provide the necessary technical equipment and the staff for a period of two years in the first instance. Nigeria would, however, have to provide the building and meet any other local costs. In addition to the above, the Germans announced the granting of twenty-five scholarships for Nigerian trainees at the technical level and two university places. Seven experts in the field of postal services and telecommunications would also be made available by the Government of the Federal Republic of Germany in addition to the provision of experts in the field of small industries.

Following previous discussions, the Leader of the Mission paid a visit to the Prime Minister of Land Hesse. The following awards were made by the Hessen Government:-

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(i) five university scholarships: three will be for the study of veterinary medicine and two will be for the study of agriculture;

(ii) ten non-academic training scholarships in engineering and allied subjects, to be split as follows:-

- two Engineers for Construction;
- two Engineers for Civil Engineering;
- two Electro-Technical Engineers;
- two Water Engineers;
- two Machinery Building Engineers.

In addition, the Hessen Government agreed to train three Nigerian female secretaries in typing, shorthand and languages. Offers were also made for the training of two nurses. As a special concession, the Hessen Government also agreed to accept twenty Nigerians for full training as "foremen" in road construction.

The Mission visited the following:-

- Otto Wolff, Cologne;
- Federal Association of German Industries;
- Federation of the German Chambers of Commerce;
- The German African Society;
- The Chamber of Commerce of Hamburg;
- The Club of Berlin Businessmen and Manufacturers.

----- We attach as Appendices III to VII the various documents issued at the end of the Mission's visit to the Federal Republic of Germany.

NORWAY - OSLO: (30 September to 3rd October, 1961)

Trade

Discussions on the trading position between Norway and Nigeria were held with the Norwegian Minister of Commerce, supported by high officials. In the private sector discussions were held with the Norwegian Export Council, the Federation of Norwegian Industries and the Norwegian Stockfish Exporters Association. In view of the large purchases of stockfish made by Nigeria from Norway, the view was expressed by the Nigerian side that Norwegian importers should endeavour to increase their purchases of Nigerian produce. In this connection the Norwegian Authorities expressed the opinion that the posting of a Nigerian Commercial Attache to Norway would greatly facilitate and increase in Norway the knowledge of the kind of

/commodities

commodities which Nigerians could sell to Norway at competitive prices. Although the Norwegian Government could not direct the Norwegian business community to buy willy nilly from Nigerian markets, it could nevertheless assist in bringing to the notice of the Norwegian businessmen the opportunities existing in Nigeria. To this end the Norwegian Embassy in Nigeria was adequately staffed.

Norway is a member of the European Free Trade area, but was considering joining the European Common Market.

Visits were paid by members of the Mission to the Norwegian Stockfish Association to see stockfish soaking.

It was interesting to know that the Norwegian Government had recently appointed Mr. Trygve Lie, former Secretary-General of the United Nations and now Governor of the Province of Oslo, to be Ambassador-at-Large to promote not only investment into Norway but also to stimulate Norwegian exports, investments and technical aid to overseas territories. The main interest as far as the export trade is concerned appears to be the export of Norwegian engineering and electro-chemical skills, machinery generally and the financing of fertiliser, paper and pulp and fishing plants and equipment.

Capital and Technical Assistance

Up to now Norwegian aid to the developing countries has been mainly channelled through the United Nations. However, the Norwegian Government was at the time of the Mission's visit considering the establishment of a Technical Institute in Nigeria. For this purpose a Norwegian lady had visited Nigeria in June, 1961, and had had discussions with the Federal Ministry of Education. The Mission was informed that the Norwegian Government was actively considering a joint Scandinavian scheme for aid to developing countries on a bilateral basis. The extent to which Norway would be able to contribute technical and capital aid to Nigeria would depend on the outcome of this study.

SWEDEN - STOCKHOLM: (3rd to 7th October, 1961)

Trade

Both Swedish Government circles and the business community showed keen interest in expanding trade relations with Nigeria. To

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this end the Swedish Authorities had decided to send to Nigeria a Trade Mission in November. Sweden is a member of both G.A.T.T. and the European Free Trade Area.

Sweden, like Nigeria, exports a lot of raw materials. Like Nigeria too, changes in the prices of these raw materials have unfavourable repercussions upon Swedish price levels as upon production, the labour market and investment generally. The Swedish Government was therefore interested in any form of price stabilisation of raw materials. It was suggested that the stockfish industry could be established in the Faroe Islands and Greenland, with a view to the exportation of stockfish to Nigeria.

Sweden was interested in the establishment of direct trade relations with Nigeria and would welcome the posting of a Nigerian Commercial Attache to Sweden. If this could not be arranged because of staff difficulties, the Swedish Authorities recommended the posting of one such Attache to look after the three Scandinavian countries.

As a means of facilitating the export of Swedish goods (machinery and other investment goods) the Swedish Exports Credit Guarantee Board was established in 1933. The terms of the guarantee scheme were revised in 1959 with increased capital resources. Discussions were held with the General Export Association of Sweden, Swedish export, industrial and banking interests, the Federation of Swedish Wholesale Merchants and Importers and the Federation of Swedish Commercial Agents. The Swedish business community also showed interest in the Nigerian Trade Fair of 1962.

Technical Assistance and Capital Aid

Sweden had over the last ten years contributed substantially to the funds required for aid to developing countries by way of the United Nations. In the last few years Sweden has provided bilateral technical assistance to countries like Ethiopia, Pakistan, Ceylon and Korea by the building of technical institutions. Swedish experts have also been sent overseas in various spheres and bursaries have been provided for students of developing countries to receive practical and theoretical training in Swedish industries, technical institutions and schools.

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Sweden was co-ordinating action on a joint Scandinavian effort to increase bilateral aid to developing countries. As a first step to this end the Scandinavian countries proposed to send a team of experts to Nigeria to examine the possibilities of bilateral aid and the best means of providing such aid. It is proposed that this Mission should visit Nigeria in January, 1962. It is recommended that this visit should be encouraged and everything done to make its work in Nigeria successful.

Also in Stockholm the Mission was informed of the existence of a Swedish Company - The Sevonia Limited - which is keen on entering into partnership with any Regional Government for establishing farm settlements and processing the agricultural products of those settlements. The programme of this Company is outlined in a documents entitled "Outlines of Development Project". Among the products to be manufactured in such settlements are paper, bricks, sugar, margarine, canned meat and fertilizers.

The Mission paid visits to Sweden's two very important industries. The first of these two companies was the Telefonkiefbolaget L. M. Ericsson. This is the parent company of a worldwide organisation represented in some seventy-five countries by its own factories, sales enterprises, telephone operation companies and agents. It is estimated that the number of employees in Sweden and abroad is about 37,000. Established in 1876, the Company is to-day one of the leading manufacturing enterprises of the world in the field of telecommunications. The main production of the group comprises telephone material - automatic and manual exchanges - various types of telephones, etc., etc.. Apart from the manufacture and sale of these products, L. M. Ericsson undertake the planning and installation of complete telephone systems in various parts of the world. The Mission was informed that the Hon. Akinfosile, Federal Minister of Communications, had recently visited the Company and that the Company had already put up some proposals for telecommunications development in Nigeria.

The second company visited was Aktiebolaget Bofors.

A.B. Bofors has been developed from a hammer forge which was founded in 1646. In 1883 the first mechanical workshops were built, the production of which was especially directed towards artillery material, ammunition and armour plate. Subsequently, these activities were supplemented with the production of powder and explosives. In addition, this company has an extensive range of manufacture within the metallurgical, mechanical and chemical fields. During the Mission's visit to the works, delegates saw the manufacture of T.N.T., which has featured so prominently in recent explosions by Russia and the United States of America. The Hon. Ribadu, Federal Minister of Defence, had recently paid a visit to this Company.

The Mission also paid visits to the Labour College and the Co-operative Society.

DENMARK - COPENHAGEN: (7th to 11th October, 1961)

Trade

As a means of increasing trade between Nigeria and Denmark, two lists were prepared. One list contained those items which Denmark could export to Nigeria, the second list contained important Nigerian export commodities. It was agreed that these lists should be made available to the businessmen's communities in both countries. It was explained by the Danish side that as a means of further promoting trade with developing countries the Danish Authorities had introduced an Act in 1960 to provide for an Export Credit Scheme. A copy of the Danish Credit Scheme was given to the Mission. In Denmark the view was expressed that it would enhance the trade between Nigeria and Denmark if a Nigerian Commercial Attache was posted to Denmark or one of the three Scandinavian countries.

Visits were paid to the Burmeister and Wain Engineering Shipbuilders Limited, the East Asiatic Company Limited

(Pharmaceuticals), Kampmann, Kierulff and Saxild Limited (Campsax)

/(Consulting Engineers),

(Consulting Engineers), Kosangas Limited (liquified petroleum cages, appliances, etc.) Chr. Ostenfeld and W. Jonson (Consulting Engineers) and the Government Experimental Agricultural Centres (Cattle and Pigs).

Technical Assistance and Capital Aid

Up to now technical assistance by the Danish Government to the developing countries has been channelled through the United Nations via the United Nations' expanded programme for technical assistance. In the main, this technical assistance has been in the form of defraying the expenses of seminars on various subjects, e.g., fisheries, co-operations, labour problems, education and building research and housing programmes. In addition to this form of technical assistance there has also been a limited form of bilateral technical assistance. This has taken the form of defraying the expenses in Denmark of those who are on short visits to institutions, etc. In this connection it is interesting to note also that the Danish Government has helped in the establishment of a technological institute in Cairo through the Provision of Danish instructors and equipment. In Peru Danish industrial interests have helped to establish a ceramics factory and in Chile they have also supplied machinery and technicians in agriculturals and educational demonstration centres. Some of the machinery required for such pilot projects are supplied free to the countries concerned. The Mission found that there were three Nigerian students in Denmark undergoing a six-year course of study in veterinary science under the Danish technical assistance to Nigeria through the United Nations' Technical Assistance Programme. Many other Nigerians had also benefitted from this Danish technical assistance scheme, as ----- shown in Appendix IX. Attached to this Report is also a ----- provisional list of courses and seminars to be held in Denmark between October, 1961 and December, 1962. It is recommended that determined efforts should be made to take advantage of some of some of these courses and seminars (Appendix X).

It was explained by the Danish Authorities that Danish plant and machinery could be supplied to Nigeria for approved

/projects.

projects under a five-year Credit Guarantee Scheme by the Danish Government. A copy of the scheme is attached as Appendix XI.

As already stated, the Danish Authorities are taking part in the joint Scandinavian effort to increase bilateral technical assistance to Nigeria. The Danish Government would be represented in the team which is to visit Nigeria in January, 1962.

NETHERLANDS: (11th to 15th October)

The Mission arrived in Amsterdam and proceeded immediately to The Hague. In the past, the Dutch economy subsisted largely on commerce and agriculture, but in the last few years the main source of livelihood has been industry. This is particularly significant because the Netherlands do not possess any worthwhile resources of raw material. This is a lesson for Nigeria, which demonstrates what can be achieved in the field of industrial development even where Nigeria had to depend on the importation of raw materials.

Trade and Investment

The Dutch have always advocated the widest and freest possible exchange of commodities, and in this connection has liberalised some ninety-one per cent. of its imports from the other Organisation for European Economic Co-operation countries. Although the Netherlands is the second largest buyer of Nigerian produce, it was considered during discussions in The Hague and Amsterdam that there existed considerable scope for an expansion of trade between the two countries. To this end meetings were held with various commercial and trading organisations under the auspices of the Africa Institute at Rotterdam.

The Dutch Government were anxious for the avoidance of violent price fluctuations in the world's markets of Nigerian raw materials in relation to finished goods. In this connection they advocated a scheme of price stabilisation through international raw material conventions. If this did not prove possible, they would recommend the stabilisation of foreign exchange earnings. The Mission urged the Dutch Authorities to use their good offices in advocacy the adoption of such a stabilisation scheme.

The Dutch Authorities also informed the Mission that in the review of the Rome Treaty taking place in 1962 they would urge the reconsideration of certain provisions of the Treaty which adversely affected African states not associated with the Common Market. It was their view that any privileges granted to the associated territories should as much as possible be extended to the non-associated territories. It was also important that the activities of the Common Market countries should not hinder any intra-African co-operation. They would advocate measures that would reduce the great dependance of the developing countries on a few primary commodities. It was important that these countries should be helped to diversify their economies.

The Dutch Government had in the last few years put into operation an Export Credit Guarantee Scheme to assist Dutch firms in their efforts to expand exports to developing countries.

Visits were also paid by members of the Mission to P. F. van Vlissingen Textile Printers, the Royal Fokker Aircraft Factories and the Zuyderzeeworks, the Philips Concern and the D.A.F. Automobile Works at Eindhoven and to Philips Duphar in Amsterdam. Some of these Dutch firms would be interested in investing in certain of the industrial projects included in the proposed Economic Programme for 1962-67. Interest has been shown in telecommunications development, in aircraft manufacture, in ship building and in oil refining, to mention only a few.

Technical and Capital Assistance

The Netherlands Government do not provide any direct financial assistance. Up to now the Netherlands have channelled their assistance to developing countries through the United Nations and there exists in Holland a multi-lateral scheme for Fellowships in Dutch Universities and the provision of experts in various fields. However, the Netherlands Government has now set up a committee of high officials to examine the possibilities of bilateral assistance to developing countries. The result of this study will throw out the extent and scope of the technical assistance which the Dutch Government would be prepared to give in the

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very near future.

Dutch contractors have also shown interest in carrying out projects for navigation and ports development under deferred payment arrangements. This is a possible source of finance for some big projects in the next Development Programme.

A shipbuilding firm in Holland, De Schelde, has agreed to take on young Nigerian students in a shipbuilding school in Holland. The training would be free of charge, but the living and travelling expenses would have to be met by Nigeria.

SWITZERLAND - BERNE: (15th to 19th October, 1961)

The Mission arrived in Zurich and on the next day held discussions with Government Authorities in Berne. The Swiss economy has been one of uninterrupted growth over the last one hundred and fifty years. This has been made possible by the Swiss foreign policy of permanent neutrality. This policy is directed to keeping out of any "foreign entanglements" and remaining strong enough to discourage intervention by foreign powers. Switzerland has no raw materials and natural resources except water power. Despite this great handicap the Swiss economy has grown considerably and the Swiss now have one of the highest standards of living in European countries.

Trade

Although it was observed that there existed satisfactory trade relations between Nigeria and Switzerland, the discussions revealed that there was considerable room for improvement. In particular, the Swiss would like to see direct trade between Nigeria and Switzerland. At the moment there was an imbalance of trade in favour of Nigeria, although statistical comparisons showed that the amount of imbalance as revealed by Nigerian statistical figures was less than that reflected by Swiss statistics. In this connection it was agreed that statistical figures should be exchanged by both countries at regular intervals. It was also agreed that it

/would

would be useful for a Nigerian Commercial Attache to visit Switzerland occasionally to make an on the spot analysis of the Swiss market.

In order further to expand the trade and technical co-operation between the Federation of Nigeria and the Swiss Confederation, the Swiss Government have recommended the conclusion of an agreement. Such an agreement would provide, amongst other things, for economic and technical co-operation, treatment as a most favoured nation in the matter of free trade, imports into Switzerland and the Federation of Nigeria and the protection of Swiss investments in industries in Nigeria. A copy of the draft agreement is attached to this

----- Report as Appendix XII.

As a means of expediting commercial dealings, the Swiss consider that a direct teleprinting system should be established between the two countries. The Nigerian side undertook to examine the prospects. The Swiss Authorities also considered that the establishment of a Nigerian Embassy in Switzerland would greatly enhance commercial and other co-operation between the two countries.

Technical and Capital Aid

During the discussions in Berne, the Swiss Authorities announced the Swiss Government's guarantee to cover the export to Nigeria of a number of gas turbines, costing some £1.73 million, for power station extensions in Afam, Sapele and

----- Kaduna. We attach a copy of the original of the letter exchanged between the Leader of the Swiss delegation and the Leader of the Nigerian Economic Mission. These purchases are in respect of the development programme of the Electricity Corporation of Nigeria. The details of the loan will be further examined by the Federal Ministry of Finance and the Electricity Corporation of Nigeria.

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The Swiss Authorities also announced the offer of ten scholarships - five to cover University training in higher international studies, engineering, medicine and geology and five to cover vocational training in tourism and hotel management, foreign languages, watch-making and repairing, insurance and banking. The Nigerian Government would be called upon to bear only the transport fares to and from Switzerland.

In addition to the above, the Swiss Authorities would be prepared to consider sending experts to Nigeria in the field of telecommunication, animal husbandry and agriculture, civil administration, tourism and watch-making. We attach to this

----- Report the letter covering these offers as Appendix XIV.

Swiss Banks

The Mission had discussions with representatives of leading Swiss banks. The banks represented at these discussions were the Swiss Credit Bank, the Swiss Bank Corporation and the Union Bank of Switzerland. These banks are private commercial banks and therefore do not undertake any long-term financing. Their policy is to lend for a period of five years and such credit is normally restricted to cover Swiss capital exports. However, these banks are closely connected with most of the biggest Swiss contracting firms. These firms have shown interest in our hydro-electric plans, particularly the Niger Dam. The importance of this connection between the contractors and the banks is that they are thus indirectly in possession of considerable sums of money and would be able to finance capital works in Nigeria for periods longer than the normal five years. The Nigerian side stressed the importance of the Swiss banks adopting a more liberal policy towards the granting of long-term finance to developing countries. To this the Swiss banks replied that they were already lending substantial sums to the International Bank for on-lending to developing countries. They however agreed to give the matter further consideration.

Places Visited

Plants of the Aluminium Industry Limited Rheinfelden (parent company of the Swiss Aluminium Company at Apapa), Brown Bovary and Company Limited (Manufacturers of Gas Turbines for the Electricity Corporation of Nigeria) and plants of Messrs. Buhler Brothers (Manufacturers of various types of machines).

Airline

The Swiss Authorities showed interest in the establishment of a direct air service between Switzerland and Nigeria. They intend to submit a proposal to this effect and the Nigerian side promised that when received the matter would be given sympathetic consideration.

ITALY: (19th to 25th October)

Italy is one of the Common Market countries which has built up considerable reserves during the last few years. Although there were signs everywhere of vigorous economic activity, the Mission was informed that the Italian production machinery was not being used to full capacity. The Italians were, however, conscious of the healthy state of their economy and were prepared to take an active part in increasing their contribution to the requirements of developing countries.

Trade and Investment

Although Italy was a member of the European Economic Community, she was nevertheless interested in finding ways and means of expanding her trade with Nigeria. In particular, the Mission was informed that Italian businessmen were anxious to have direct trade with Nigeria and to have as their agents or representatives indigenous businessmen. They were however finding this difficult because of the strength of most of the big European firms in Nigeria. The Mission assured the Italian Authorities that the appointment of Nigerian agents or representatives by Italian firms would be welcome. It was also

suggested to the Italian Authorities that Nigerian businessmen would be interested in entering into partnerships in any enterprise in Nigeria.

The Italian Authorities, like the Dutch, expressed the view that in the coming review of the Rome Treaty they would press for a more liberal attitude on trade with the non-associated territories. Their view would be that any concessions offered to the associated territories should also be open to the non-associated territories.

The Italians strongly recommended the posting of a Nigerian Commercial Attache to Italy, whose main duties would be to bring to the notice of the Italian business community the opportunities for trade and investment in Nigeria.

The Mission visited Milan, where they held discussions with the economic operators of the Chamber of Commerce and the Economic Centre of Africa and Italy, the oil companies of E.N.I. and S.N.A.M. in San Donato, the Managemnet of the G.I.E. (electro-mechanical industries for installations abroad) and the Agro-Quantino, a subsidiary of the oil company of E.N.I.

Hints were also received that Mr. Onassis, the wealthy Greek, might be interested in selling to Nigeria under special credit arrangements passenger ships. It is recommended that this possibility should be explored.

The Mission also had discussions with representatives of the Finmeccanica Group of companies. The Finmeccanica Group operates primarily in the electrical and mechanical fields, textiles, canning and sugar refineries, to mention only a few. Finmeccanica is one of the holdings in the Italian Istituto per la Ricostruzione Industriale, a public agency that controls most of the Italian State-owned companies with over 230,000 employees. The I.R.I. controlling interests include ship building, steel mill, power utilities, telephone services, air services, radio and T.V. broadvasting, highway building and

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chemical and mining. The Finmeccanica Group can participate in local enterprises through equity contributions, or through financial assistance in the supply of capital equipment for credit up to ten years or more, depending on the amounts and equipment involved. Finmeccanica operates by carrying out preliminary studies, designing, supplying of complete plants, erection of plants and the supply of the initial technicians required to put the plant into operation and train local personnel. The Finmeccanica Group indicated its intention to open a company in Lagos and it is considered that this is an enterprise which should be encouraged to set up in Nigeria.

Capital and Technical Assistance

The Italian Authorities have recently passed new legislation which provides for financial assistance to developing countries. The first and second Articles of this new legislation provide for financial assistance to the Italian "economic operators", which are State-owned companies like the Finmeccanica Group. This assistance takes the form of credit and insurance guarantees of up to between five and eight years and are tied strictly to exports of Italian capital goods. These guarantees can also cover Italian works carried out abroad. This Italian Export Credit Scheme is designed to encourage the investment by Italian State-owned companies in developing countries such as Nigeria. The third Article of this new legislation provides for direct financial assistance by Italian State-owned institutions to Governments overseas. Such loans are for periods of ten years, although in exceptional cases longer periods may be approved. This third Article puts into practice the Italian Government's determination to increase its assistance to developing countries in their problems of economic development. Although the Italian Government would want to do more, its assistance is limited by

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its own pre-occupation with the requirements of the under-developed areas in Italy and the scarcity of natural resources in the country.

The Italian Authorities in connection with the 1962-67 Development Programme proposed to consult with the United States of America, the United Kingdom, Western Germany and the World Bank on the possibility of forming a consortium of friendly nations to provide external finance. It would appear from the discussions held in Rome that some move has already been made by the World Bank in sounding Italian reaction to the consortium of friendly nations would ensure for Nigeria greater external financial contributions towards its requirements for the 1962-67 Economic Programme.

For the academic year commencing October, 1962, the Italian Government announced the award to Nigeria of sixteen scholarships, tenable either at Italian Universities or at Italian Technical Institutions. The oil company of E.N.I. have also agreed to receive three to five Nigerian students in the academic year commencing October, 1962, to study oil research, production and distribution in their establishments in Italy.

----- We attach as Appendix XV the Press Communique issued at the end of the Mission's discussions in Italy.

The Mission left Rome on the 25th and arrived in Lagos on the 26th of October.

Very many Companies, Corporations, State-owned organisations and wealthy individuals have shown interest in investing in various projects in Nigeria, such as ship building, mining, iron and steel, oil refining, glass, aircraft, paint, to mention only a few. We do not propose to enumerate these in this Report, but the Leader of the Mission will be submitting a separate memorandum to the Council of Ministers on the matter.

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SIGNED: -

Chief the Hon. F. S. Okotie-Eboh,
(Leader of the Mission)
Federal Minister of Finance

Hon. Z. B. Dipcharima,
Federal Minister of Commerce and Industry

Hon. Waziri Ibrahim,
Federal Minister of Economic Development

Hon. Alhaji Muhammad Bashar,
Minister of Local Government, Northern Region

Hon. Dr. A. N. Obonna,
Minister of Economic Planning, Eastern Region,
Enugu

Hon. Chief S. A. Tinubu,
Minister in the Ministry of Local Government,
Western Region, Ibadan.

Appendiz I

ECONOMIC MISSION ITINERARY - 2ND STAGE (Revised)

<u>Departure</u>	<u>Duration of Stay</u>	<u>Arrival</u>
Lagos 24/9/61 1900 hours		Rome 25/9/61 0455 hours
Rome 25/9/61 11.45 hours		Frankfurt 25/9/61 1340 hours
Frankfurt 25/9/61 1600 hours		Cologne 25/9/61 1650 hours
Cologne 30/9/61	5 days in W.Germany	Dusseldorf 30/9/61 No air services
Dusseldorf 30/9/61 1335 hours		Oslo 30/9/61 1950 hours
Oslo 3/10/61 0915	3 days in Oslo	Stockholm 3/10/61 0910 hours
Stockholm 7/10/61 1535 hours	4 days in Stockholm	Copenhagen 7/10/61 1650 hours
Copenhagen 11/10/61 1405 hours	4 days in Copenhagen	Amsterdam 11/10/61 1530 hours
Amsterdam 15/10/61 1025 hours	4 days in Amsterdam	Zurich 15/10/61 1255 hours
Zurich 19/10/61 1310 hours	4 days in Zurich	Rome 19/10/61 1440 hours
Rome 25/10/61 21.05 hours	6 days in Rome	Lagos 26/10/61 07.15 hours

Ministers

Chief the Hon. F.S.Okotie-Eboh	- Federal Minister of Finance.
Hon. Z. B. Dipcharima	- Federal Minister of Commerce and Industry.
Hon. Waziri Ibrahim	- Federal Minister of Economic Development.
H. E. Abdul Maliki	- High Commissioner for Nigeria in the United Kingdom.
Hon. Alhaji Muhamadu Bashar	- Minister of Local Government, Northern Region.
Hon. Dr. A. N. Obonna	- Minister of Economic Planning Eastern Region, Enugu.
Hon. Chief S. A. Tinubu	- Minister in the Ministry of Local Government, Western Region, Ibadan.

Businessmen

Alhaji Aminu Dantata
Chief A. Adekeye
Chief S. I. Nwoke
Mr. M. N. Ugochukwu.

Officials.

H. O. Omenai	- Acting Deputy Permanent Secretary, Federal Ministry of Finance. (Secretary to the Mission)
Mr. O. O. Duke	- Assistant Secretary, Federal Ministry of Finance. (i/c Administrative Matters)
Mr. R.C. Obineche	- Assistant Secretary, Federal Ministry of Economic Development.
Mr. J. A. Akadiri	- Ministry of Foreign Affairs & Commonwealth Relations.
Mr. N. O. Farinde	- Principal Commercial Officer, Federal Ministry of Commerce and Industry.
Mr. J. O. Marsh	- Press Officer to the Mission.
Mr. S. Babalola	- Ministry of Economic Planning, Western Region of Nigeria.
Mr. J. O. Osemeka	- Assistant Secretary, Ministry of Economic Planning, Eastern Region of Nigeria.
Mallam A. Tunau	- Ministry of Finance, Northern Region of Nigeria.
Miss A. Offurum	} Secretary Typists.
Mrs. F.Y. Egbe	
Miss G.O.Eyetsemitan	

Joint Press Release

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An economic delegation from the Federation of Nigeria headed by the Federal Minister of Finance Chief Festus Okotie-Eboh which is currently visiting the Federal Republic of Germany stayed in Bonn from the 26th to the 27th September, 1961. The guests were welcomed by the President of the Federal Republic of Germany as well as by the German Foreign Office, the Federal Ministry of Economics. They had discussions with high officials of the respective Ministries in the Ministry for Economics. Draft agreements designed to improve the mutual exchange of goods, to intensify German investment activities and to provide German technical assistance have been discussed; respective negotiations and the conclusion of agreements have been envisaged for a later date. The German side promised to make available, after thorough examinations, long-term finance for the construction of a second Lagos Bridge and for a teaching hospital in Northern Nigeria; the possibility of granting further credits for other projects was also considered. Moreover, the Federal Republic of Germany is prepared to promote the financing of supplies by German industry to the Federation of Nigeria by granting federal guarantees.

Finally, the Government of the Federal Republic of Germany declared its readiness to contribute a grant of 2 million DM for the construction of a technical school; this project is to be realised in true partnership with the Federation of Nigeria. The program of sending experts to Nigeria, of training students and trainees from Nigeria in the Federal Republic of Germany will be promoted.

The guests from Nigeria had the opportunity to meet representatives of German industry, trade and banking and discussed with them a more intensified activity of

- 2 -

private German business in Nigeria. These discussions will be continued when the party visits Hamburg and Berlin. There was general appreciation on the German side of every attempt to strengthen the ties with this biggest African country which is so promising and whose Foreign trade with the Federal Republic of Germany in value and volume exceed that of any other African territory. Following the visit of the Federal Republic of Germany the delegation from Nigeria intends to visit several other European countries.

A I D E - M E M O I R E

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The Government of the Federal Republic of Germany is prepared to make available to the Government of the Federal Republic of Nigeria credits for development purposes with a duration of 15 years after conclusion of the agreement including three amortisation-free years via the Kreditanstalt für Wiederaufbau (Reconstruction loan Corporation)

1. with an interest rate of $4\frac{1}{2}$ per cent for the Lagos bridge.
2. with an interest rate of $2\frac{1}{2}$ per cent for the teaching hospital and ten cottage hospitals in the Northern Region.

The credit is granted in order to cover foreign cost.

Moreover the Government of the Federal Republic of Germany is prepared to grant further credits to the Government of the Federal Republic of Nigeria for projects to be submitted, the total volume covering DM 100, - million.

All projects are subject to an examination by the Kreditanstalt für Wiederaufbau which conclude loan contracts for each individual project including details of the credit, after Examination and agreement by the Government of the Federal Republic of Germany.

The Government of the Federal Republic of Germany is prepared to assist the Nigerian Government in the establishment of a trade school and has set aside a sum of two million Deutsche Marks for that purpose. The contribution of the Government of the Federal Republic of Germany will comprise the supply of the technical equipment for the school and the provision for approximately two years of the necessary teaching staffs. In the near future an expert will travel to Nigeria and will hold the necessary preliminary discussions on this project with the Nigerian Government.

II.

In addition, the Government of the Federal Republic of Germany will grant to the Nigerian Government new Scholarships for twenty-five trainees who shall receive training for approximately two years in the Federal Republic of Germany. Moreover the Government of the Federal Republic will provide two university scholarships for Nigerian students.

Furthermore, the Government of the Federal Republic of Germany is prepared to make available to the Nigerian Government, seven experts in the field of postal services and telecommunications. The necessary steps to that effect have already been initiated through the Embassy of the Federal Republic of Germany in Lagos.

In order to assist the Nigerian Government still further in its economic development programme, the Government of the Federal Republic of Germany will endeavour to obtain experts for Nigeria, particularly for the development of small industries. The Government of the Federal Republic of Germany will, in the near future, convey to the Nigerian Government through the German Embassy in Lagos, drafts of a skeleton agreement concerning technical and economic co-operation as well as further arrangements concerning the projects specified above. In conclusion the Government of the Federal Republic of Germany takes liberty of pointing out that, according to the directives applicable in the Federal Republic of Germany for the granting of technical assistance, cost in services on a partnership basis such as, e.g., the provision or construction of the buildings required for any one project, will be expected of the Government of the receiving country - Details of this will be contained in the above-mentioned draft agreement.

Bonn, 27 September 1961.

D r a f t

Economic Agreement

between the Government of the Federal Republic of Germany and the Government of the Federation of Nigeria

The Government of the Federal Republic of Germany and the Government of the Federation of Nigeria, desiring to strengthen and intensify the friendship and co-operation already existing between the Federal Republic of Germany and the Federation of Nigeria and to further develop their economic relations, for that purpose have resolved to conclude an economic agreement.

They have agreed as follows:

Article 1

The Government of the Federal Republic of Germany and the Government of the Federation of Nigeria, within the Framework of the regulations existing in their two countries, will refrain from any discrimination with respect to, and will facilitate as far as possible, the exchange of goods, and services, payment and capital movements between the two countries. Both Governments agree that, in the interest of freedom of shipping on the high seas, no discriminatory action will be taken that would impair the free choice of flags. Both Governments will therefore in no way impede or restrain free competition in the transport of goods or passengers.

Article 2

German goods shall be deemed to be goods which are mined, found, produced or subjected to the last economically justified processing substantially altering their character in the territory of the Federal Republic of Germany; Nigeria goods shall be deemed to be goods which are mined, found produced or subjected to the last economically justified processing substantially altering their character in the territory of the Federation of Nigeria.

The two Governments reserve the right to subject the importation of

specified goods to the production of a certificate of origin.

Article 3

Each Government will give full consideration to suggestions which may by the other with respect to the handling and expansion of the exchange of goods and services, payments and capital movements. The appropriate authorities of the two Governments shall give each other all relevant information on the exchange of goods and services, payments and capital movements between their two countries.

Article 4

The two Governments shall form a Mixed Government Commission which, at the request of either side, shall convene with a view to considering all matters arising out of the present Agreement and to submitting proposals for their solution.

Article 5

This Agreement shall also apply to Land Berlin provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the Federation of Nigeria within three months from the date of signature of this Agreement.

Article 6

This Agreement shall come into force with retroactive effect from _____ and shall be valid until _____

. Three months before its expiry the two Governments shall enter into negotiations on the future arrangement of the exchange of goods and services, payments and capital movements between the two countries.

DONE AT _____ on the _____ day of _____ 1961

in four originals, two each in the German and English languages, both texts being equally authentic.

For the Government of the
Federal Republic of Germany

For the Government of the
Federation of Nigeria.

AIDE MEMOIRE

The Federal Republic of Germany has for some time concluded bilateral treaties with other States to encourage the investment of private capital by nationals or companies of either State in the territory of the other State. Up to now it has concluded such treaties with

Pakistan,
The Federation of Malaya,
Greece,
The Togolese Republic, and
Morocco.

At present negotiations are taking place for treaties on the same subject with a number of other States. At the request of its respective negotiating partners, the Federal Government has, in each case, elaborated a draft treaty for the purpose, the main principles of which are as follows:

1. The admission of foreign investments shall be governed by the legislation of the Contracting Party in the territory of which the investment is to be made. Either Contracting Party may stipulate the conditions under which investments by nationals or companies of the other Contracting Party are to be admitted generally or in specific cases.
2. Investments by nationals or companies of the other Contracting Party shall be accorded most-favoured nation treatment and national treatment. The same shall apply to any business activities of investors in connexion with investments as well as to the management, use, or enjoyment of such investments.
3. Investments by nationals and companies of the other Contracting Party shall not be expropriated except for the public benefit and against compensation which shall

equivalent to the value of the investment affected, shall be made without delay, and shall be actually realizable and freely transferable. The grounds on which any such expropriation is affected and the amount of compensation shall be subject to judicial review.

4. Either Contracting Party shall guarantee the transfer of the capital, the returns from it and, in the event of liquidation, the proceeds from such liquidation. Concerning the rate of exchange, an arrangement based on the provisions of the International Monetary Fund is envisaged.
5. Either Contracting Party having guaranteed against non-commercial risks an investment made in the territory of the other Contracting Party - for instance, in accordance with Article 23 of the 1961 German Budget Law - shall, in the event of a claim arising out of such a guarantee, be authorised to exercise the rights of the private investor concerned.
6. Other provisions of such draft treaties deal with the position of the treaty in relation to other treaties or legal regulations or arrangements, with arbitration, the protection of investments made prior to the entry into force of the treaty, with the effective date of the treaty, its denunciation and other details.
7. The draft treaty is supplemented by a Protocol and an Exchange of letters.

In view of the desire of the Federal Government to strengthen economic relations between the Federal Republic of Germany and the Federation of Nigeria, and to create as favourable conditions as possible for mutual investments in both States, it would be appreciated if the appropriate authorities of the Federation of Nigeria would examine the foregoing main principles which would constitute the basis of a German draft treaty on the encouragement of investments, and would inform the Federal Foreign Office at Bonn on the views of the Government of the Federation of Nigeria.

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The Chairman of the
German Delegation

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Mr. Chairman,

With reference to the Agreement signed today between the Government of the Federal Republic of Germany and the Government of the Federation of Nigeria, I have the honour to propose to you the following agreement:

"If the obligations arising from the Treaty establishing the European Economic Community and regarding the progressive introduction of a joint trade policy so require, both parties to the Agreement will start negotiations within the shortest possible delay with a view to including any appropriate modification in this Agreement."

In the event the Government of the Federation of Nigeria should agree to this proposal, I have the honour to suggest that this letter and the corresponding reply to it shall form an agreement between our two Governments which will come into force on the date of your reply letter.

Please accept, Mr. Chairman, the assurance of my highest consideration.

To the Chairman of
the Delegation of the Federation
of Nigeria.

Unofficial TranslationNote

Re.: Visit of His Excellency the Minister of Finance of the Federation of Nigeria and his suite in Wiesbaden
28th Sept. 1961.

Following previous discussions with the Prime Minister who promised in principle the cooperation of Hessia as to the technical aid for Nigeria, details have been discussed in the office of His Excellency the Stateminister of the Hessian Department of Economics and Traffic, Mr. Franke. The results of these discussions were the following:

- 1) The Hessian Government grants to Nigeria 5 university scholarships. It is to be understood that three of these scholars will study veterinary medicine and two will study agriculture.
- 2) On behalf of the Hessian Government Minister Franke agreed upon the acceptance of ten students for the complete instruction on Hessian engineer-schools and state-construction-schools. (Non - academic leading personal). His Excellency the Head of the Nigerian delegation proposed to split these ten students as follows:
 - 2 engineers for construction
 - 2 " " "civil" engineering (road building, bridges etc)
 - 2 electrotechnical engineers
 - 2 hydro engineers
 - 2 machinery building engineers

Minister Franke agreed upon this proposed split up.

- 3) On the special request of the Head of the Nigerian delegation the Hessian (Regional) Landesgovernment accepts the education (instruction) of three secretaries (female). It is envisaged that these secretaries are not only trained in languages but also in typing and shorthand. - Furthermore the complete education of two nurses has been agreed upon.
- 4) With regard to the outstanding importance of road construction for the development of Nigeria, Minister Franke

proposed to accept twenty Nigerians for a complete instruction as "Formen" for road construction. The Nigerian Head of the delegation agreed upon this proposition. It was agreed upon that these young men as well as the nurses should not be less than 18 years of age and possibly not older than 21 years.

This note is regarded as a provisional aide memo. It will be followed by a detailed letter to be addressed to Nigeria via the German Embassy at Lagos.

With regard to the procedure the Hessian side expressed their opinion that, pending further details, it has proved successful that the students and trainees are selected by the Nigerian Government in accordance with the German Embassy at Lagos, it is to be understood that a thorough medical examination has to be done. As to this matter as well as with regard to the timetable which has to be coordinated with the beginning of the respective instruction and university courses further details will be given.

signed.....
28th Sept. 1961.

OUTLINES OF DEVELOPMENT PROJECT

The purpose of the project presented below is mainly to study different ways to achieve best possible co-ordinations in activities in developing countries. The activities to co-ordinate are governmental projects, mainly on education, and private projects, mainly on establishment of industries.

Although the projects have been studied for several months, it is of importance to stress that no decision has been reached for any investment. Further studies must be done and a suitable area must be found which offers possibilities for the principles of the projects.

The project is based on the following thoughts

- a. to concentrate the activity in one single area (farms, factories, schools)
- b. to base the project on the agricultural development with adjacent industries for processing raw material and for production of products needed in the project
- c. to establish community centres in the area, in which the processing industries, work-shops etc. will be established
- d. that the management of the project and different activities within the project will be Swedish to start with, but the goal is that the management after a suitable time could be taken over by the developing country itself
- e. that the governmental activity will comprise education, medicine and infrastructural investments. These investments will be clearly separated from the commercial activities.

Within the limited geographic area the development activities will be grouped in one main centre and several sub-centres. The charts attached (encl. no. 1 2) will show the different activities which will be conducted in these different centres.

The building up period of the total project will comprise several years, perhaps up to 5 - 6 years. After that a decision on the project has been made, the start will be the establishment of the main centre and one or two sub-centres and the further development is presented in the following table.

		Year no.					
		1.	2.	3.	4.	5.	6.
Main							
centre	--						
Sub-							
centre 1	--						
2	--						
3	--						
4	--						
5	--						
6	--						

In order to study the realistic possibilities to carry through a project of the type specified above, a special study has been made over the condition in Nigeria. It will be of interest to obtain further information to what extent these plans, adjusted to the local circumstances, may fit in with Nigerian plans.

Stockholm, October 7, 1961.

SAMPLE OF SUBCENTRE

Enclosure No. 1.

Hospital

School

Farms

Forest enterprices

Service company

Trading company

A

A

B

B

C

Medical
and health
service

Training
of agri-
cultural
and forest
workers,
tractor-
drivers,
mechanics

Croops,
cattle
breeding

Timber deliveries
saw mill,
paper mill

Electrical
water service,
maintenance

Consumption goods

ARCHIVES OF OYSCAC

FORMING O MAIN CENTRE

Social and
Educational

Hospitals
Health centre
Schools for
education of:
engineers
foremen
agronoms
nurces

Industrial and
Agricultural

Factories for
production of i.e.
paper
building material
bricks
sugar
margarin
canned meat
other processing units
for agricultural raw materials
agriltural mavnines
fertilizers

Administrative and
Commercial

Central administration
of the whole project
Trade companies (import, export)
Communications (road service etc)
Building enterprises

SEVONIA AB

SHORT INTRODUCTION

Sevonia AB was formed in the autumn of 1959 as an affiliated company to Safveans AB, which in January 1959 had been transformed into a holding company. The share capital of Sevonia AB is Sw.Crs. 500,000, and of Safveans AB Sw.Crs. 22 mill. Mr. Bengt Lindahl is the Managing Director of Sevonia AB and the Asst. Managing Director is Mr. Rune Hagbarth.

The main points of Sevonia's activities programme are -

- to serve as a contact organization between Swedish industry and commerce on one side and foreign markets on the other side.
- direct and intermediary financing
- creating of enterprises and contacts in Sweden and abroad
- coordination and organisation of projects of mutual interest to different enterprises
- exchange of technical and commercial knowledge

X X X X X X

Addresses:

SEVONIA AB, Regeringsgatan 18, Stockholm C Telephone: 23 22 55
Telex: 1671 - Cable Address: Sevonia, Stockholm
SOVONIA S.A., 40, Rue du Rhone, Geneva

M i n u t e s
of

discussions 9-11 October 1961 between members of Nigerian delegation headed by H. E. Z. B. Dipcharima, Federal Minister of Commerce and Industry, and the Danish Minister of Economics H. E. Kjeld Philips and other representatives of the Danish Government and Danish trade organizations.

1.

From the 9th to the 11th of October 1961 discussions took place in Copenhagen between a Nigerian Government delegation and representatives of the Danish Government and Danish trade organisations on questions regarding trade and other economic relations between Nigeria and Denmark.

During the discussions it was established that imports in both countries from the other country are carried out on a non-discriminatory basis and that both countries enjoy in the other country the most favourable treatment in respect of import into that country.

The Nigerian delegation confirmed that the principle of complete non-discrimination applies also to shipping, including the participation of Danish shipping companies in transportation of commodities to and from Nigeria.

2.

The possibilities of expanding trade between Nigeria and Denmark and also the most appropriate means with a view to obtaining such expansion was discussed. It was agreed that the possibilities should be further studied by the authorities concerned in both countries.

3.

A sub-committee on trade discussed in more detail the possibilities of further developing trade on a number of commodities in the export of which the two parties were particularly interested.

It was established that practically none of these commodities were subject to quantitative import restrictions in the other country so that apart from the question of duties the value of trade therein would depend on purely commercial considerations.

The Danish representatives particularly stressed the importance of export to Nigeria of the commodities mentioned in Annex A to the present Minutes, although also other commodities are of interest in this connection and have hitherto been exported to Nigeria. The Nigerian delegation stated that the Nigerian authorities would be aware of the possibilities of obtaining these commodities from Denmark and would communicate this list to Nigerian importers.

The Nigerian delegation on its part stressed the importance of encouraging the direct export from Nigeria to Denmark of the commodities mentioned in Annex B to the present Minutes. The Danish organizations concerned were informed of the attitude of the Nigerian delegation and promised to communicate this list to Danish importers.

4.

The Danish representatives informed the Nigerian delegation of the facilities for Danish exporters to grant long-term credits - for up to five years - through guarantees

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by the Danish Government; such credits may be utilised also for the benefit of export to Nigeria. A special memorandum on these guarantee-arrangements was handed to the Nigerian representatives.

5.

The Nigerian delegation received from the Danish Minister of Economics a memorandum on Denmark's possibilities of furnishing technical assistance to Nigeria including assistance in co-operation with Norway and Sweden, and a provisional discussion on existing possibilities for such assistance took place in a sub-committee on technical assistance as a preliminary step to further discussions to be held in Nigeria during a visit in the beginning of next year by a Scandinavian delegation.

Copenhagen, October 10, 1961.

For the Nigerian delegation:

For the Danish Government:

Sgd. J. O. Osemeka

Sgd. V. Hoelgaard

L i s t
of

some Danish export commodities
of particular interest.

Dairy-products such as butter and canned milk

Eggs

Various meatproducts

Breeding cattle

Fish such as canned fish, frozen herrings
and fillets, stock-fish.

Fishing vessels

Fishmeal factories

Complete hospitals

Pharmaceuticals

Insecticides

Weedkillers

Agricultural machinery

Roadbuilding material

Roadbuilding material

Radio-and telequipment

Refrigerators and refrigerating plants

Thermostates

Dry batteries

Stationary dieselmotors

El. motors

Pumps

Products from the paper industry, paper bags

Paints

Articles of plastic

Beer

Biscuits, crackers etc.

Chewing-gum

Annex BL i s t
ofImportant Nigerian export commodities.
-----SECTION 0 - FOOD

Coconuts
Kolanuts
Beans
Coffee not roasted
Raw Cocoa beans
Pepper
Capsicums
Ginger
Palm Kernel meal
Palm Kernel cake

SECTION 2 - CRUDE MATERIALS

Hides of cattle, buffalo, horses, mules and
asses, undressed,
Sheep skins and lamb skins, undressed
Reptile skins, undressed
Goat skins and kid skins, undressed
Fur skins, undressed
Groundnuts
Copra
Palm Kernels
Soya beans
Cotton seed
Castor seed
Shea nuts Benniseed
Oil-seeds, oil nuts etc.
Natural rubber, (231-011) raw, Nigerian Grades
A1-3, RMAI-5
Natural rubber, (231-012) raw, Grades, other than
231-011.

(Annex B)

2.

Natural rubber, creps

Natural rubber, waste scrap cuttings

Timber logs

Timber Sawn

Raw Cotton, other than linters

Piassava fibre

Lead ore and concentrates

Columbite ore and concentrates

Bones

Ivory, horns, hoofs etc.

Gum Arabic (all grades)

Coal

Groundnut Oil

Palm oil edible

Palm oil inedible

Waxes of animal or vegetable origin

Glycerine

Leather

Plywood

O.P.IV. Index No.104.P.3.Nigeria

Danish Technical Assistance
to NIGERIAUnder the United Nations Technical Assistance ProgrammesFELLOWSHIPS

	Name, Title	Subject	Period	Organis- ation
1955	AKINRUNTAN, Matthew Oleanorin, Asst.Fisheries Officer, Ministry of Development, Dept. of Industries, Ibadan	Seminar on fisheries	1955	FAO
	CAXTON-IDOWU, J.T., Asst.Registrar of Co-op. Societies,Dept.of Co-op., Ibadan	Seminar on co-operation	1955	ILO
	HORSEFAIL, Christopher Iredinka,Asst.Fisheries Officer,Min.of Agric., Enugu	Seminar on fisheries	1955	FAO
	Pollock,J.S.,Senior Asst. Registrar of Co-op. Societies,Dept.of Co-op. Uyo, Calabar Province	Seminar on co-operation	1955	ILO
1957	NWIKINA,G.N.,Lastern Library Board,Min. of Welfare,Eastern Region	Librarianship	14 - 28 July 1957	UNESCO
1959	BATAYE, Oladipo, Registrar of Co-op. Societies,Min.of Trade and Industry, Ibadan	Seminar on co pe- ration	27 July - 25 August 1959	ILO/FAO
	ELLIS,C.A.,Deputy Chief Statistician,Federal Office of Statistics, Lagos	Training centre in fisheries statistics	17 August - 9 September 1959	FAO
	GUJBAWU,Mallam Muhamadu,Asst.Registrar, Co-op.Office, Kabba	Seminar on co-ope- ration	27 July - 25 August 1959	ILO/FAO
	UDOH,Nyong A.,Manager, C.P.C.Bank Ltd.,Uyo	do do	27 July - 25 August 1959	ILO/FAO

	Name, Title	Subject	Period	Organization
1960	BEECROFT, E.G.O.	Co-op. trade and the trade in dairy products	15-17 Aug. 1960	BTAO/GATT
	COLE, Adio Bandele Olaotan, Labour Inspector Federal Min. of Labour, Labour Office, Abeokuta	Labour Exchange	14 April - 14 June 1960	ILO
	KITCHENER, Margaret, Womens Training College, Maiduguri	Education	1-21 Sept. 1960	UNESCO
	OKAM, Eric Chiekwe Nkwor, Labour Inspector, Min. of Labour, Calabar	Labour Exchange	14 April - 14 June 1960	ILO
	PRATT, Kofoworola Abeni Deputy Matron, Univ. College Hospital, Ibadan	Nursing education and services	11-30 April 1960	WHO
1961	EKUMANKAMA, O., Registrar of Co-operative Societies, Federal Min. of Labour, Co-op. Division, Lagos	Seminar on co-operation	10 July - 12 August 1961	ILO/FAO
	FALASE, Olatunji Ayinde, Civil Engineer, Western Housing Corporation, Ibadan	Seminar on building research and housing programmes	14 May - 10 June 1961	BTAO
	ACHIBIRI, Cletus, Asst., Itu Ezinihitte P.A. via Nbavsi	Agriculture (Kano Landboskole) - Veterinary Science	20 Sept. 1961 (Study planned for 6 years)	FAO
	BANKEYE, James, Asst., Ejemu's Compound, Ida-orangun via Oshogo	do. do.	do.	FAO
	ENWEANI, Cyprian, C.M.S. Nawfria, Awka, East Nigeria	do. do.	do.	FAO
	YESUFU, M., University College, Extra-Mural Dpt. Ibadan	Seminar on Workers Education	6 August - 1 Sept. 1961	ILO
	CHUKWURA, N.G., Acting General Secretary, Trade Union Congress, 18 Old Yaba Road, Taba	do. do.	do.	ILO
	ILOBA, Mr., Nigerian Trade Union Congress, 25 Enugu Street, Port Harcourt	do. do.	do.	ILO

---ooo00ooo---

As will be seen, the majority of the Fellows (17) have attended international seminars in Denmark under the auspices of the Danish National Committee on Technical Assistance in co-operation with the United Nations Bureau of Technical Assistance and the Specialized Agencies while 6 have been studying individually.

APPENDIX X

REGERINGSUDVALGET
FOR
TEKNISK BISTAND

O.P. IV., j.nr. 104.I.2.

Copenhagen, 28 August 1961.

Provisional list of courses and seminars
foreseen to be held in the period October
1961-December 1962 in collaboration between
the Danish National Committee on Technical
Assistance and the United Nations.

WHO-refresher course on Anaesthesiology.

Copenhagen, 1st course, 2 - 16 October 1961.
Only for participants in previous courses.
A new course will start October 1962.

WHO-course on Rehabilitation of the physically handicapped.

Copenhagen, 2nd course, 2 October 1961 - 31 May 1962.
Invitations to governments will be sent through WHO's regional
offices in Alexandria, Brazzaville, Copenhagen, Manilla, and
New Delhi.
A new course will start October 1962.

FAO-course at Kalo Agricultural School for students preparing
themselves for education at the permanent faculty at the Royal
Veterinary College in Copenhagen for veterinary students from
the developing countries.

Kalo, Denmark, 1st course, September 1961 - July 1962.
Students have been invited from Nigeria.
A new course will start September 1962.

FAO-course at the permanent faculty at the Royal Veterinary
College in Copenhagen for veterinary students from the
developing countries.

Copenhagen, 1st course, September 1962 - August 1965.
Only for previous participants in the preparatory course at
Kalo Agricultural School.

FAO-course at the permanent faculty at the Royal Veterinary
College in Copenhagen for training of veterinary teachers
from the developing countries.

Copenhagen, 1st course, November 1961 - June 1962.
Teachers have been invited from Poland, countries in Africa and
Asia.
A new course will start November 1962.

WHO-course at the permanent anaesthesiology centre in Copenhagen.

Copenhagen, 12th course, January - December 1962.
Invitations to governments will be sent through WHO's regional
offices in Alexandria, Brazzaville, Copenhagen, Manilla, New
Delhi, and Washington.

FAO-course at the Regional Dairy Training Centre at Bombay, India.

Bombay, 4th course, January - April 1962.

Students will be invited from the region, i.e. countries in the Near East, Asia and the Far East.

A new course will start later in 1962.

FAC-course in dairying.

Denmark, 1st course, May - October 1962.

Only for participants in the 2nd and the 3rd course held at the Regional Dairy Training Centre at Bombay, India.

FAO/ILO-seminar on Co-operation.

Humblebaek, Denmark, 10th seminar, summer 1962 (about 4 weeks).

It is not yet decided from which countries students will be invited.

TAO-Ports and Shipping Training Centre.

Denmark, 2nd course, summer 1962 (about 4 weeks).

It is not yet decided from which countries students will be invited.

TAO-seminar on Housing Statistics.

Denmark, 1st seminar, summer 1962 (about 4 weeks).

It is not yet decided from which countries students will be invited.

UNESCO-seminar on Adult Education.

Denmark, 2nd course, summer 1962. (about 4 weeks).

Students will be invited from Africa.

FAC/SHO-training course on Slaughterhouse Development.

Denmark, 1st course, summer 1962 (about 4 weeks).

It is not yet decided from which countries students will be invited.

FAO-study tour on Sand Fixation and Shelterbelts.

Denmark, 1st course, summer 1962.

It is not yet decided from which countries students will be invited.

WHO-course on Human Genetics.

Denmark, 1st course, 10 September - 30 November 1962.

Invitations to governments will be sent through WHO's regional offices in Alexandria and New Delhi.

THE DANISH EXPORT CREDIT SCHEME

In these years Danish goods find their way to an increasing number of new and remote markets where it may be difficult to obtain advance knowledge of the customers, and the local trading conditions. The sales frequently have to face an increasingly intensive competition not least in regard to the period of credit, involving increased risk to the exporters.

Special institutions carrying on export credit insurance activity have existed for many years in most West European countries. The primary aim of the alteration in the Danish export credit scheme which was introduced by Act of April 4th, 1960, on Denmark's Trade Fund was to improve the insurance facilities and to place the Danish scheme on a level with the foreign ones.

The exporter who insures his foreign claims obtains not only the direct advantage of securing himself against loss, but avoids at the same time to tie up his working capital in amounts long overdue. By insuring foreign claims encumbered with risk in the same way as other assets he may eliminate the risks involved in credit sales. By this means he also obtains an improved financing basis.

In this pamphlet an account is given of the different forms of export credit insurance which already to-day are employed by many Danish exporters and which may be expected to be of increasing importance also in the future - both for the exporters who to-day are in the export markets and also for the would be exporters whose initiative may contribute to an increasing rise in Denmark's export.

Erik Lindgren
Chairman of
the Export Credit Council.

THE EXPORT CREDIT COUNCIL
Codanhus, G1. Kongevej 60, Copenhagen V, Telephone C.3825.

THE EXPORT CREDIT COUNCIL
was set up under Act No. 145 of April 4th, 1960, on Denmark's Trade Fund, and can insure Danish exporters against loss on foreign claims etc. Besides, the Council can assist in financing exports by giving guarantees towards banks for loans granted to the exporters.

The Export Credit Council consist of a chairman and representatives of trade organisations, the National Bank and the interested ministries. The Minister of Commerce has laid down the lines for the activity of the Council.

According to the Act guarantees within an amount of 1500 million Kroner may be granted. Denmark's Trade Fund of about 200 million Kroner offers security for the guarantees undertaken. The Government is responsible in so far as the means of the Fund are not sufficient to cover losses which may arise.

EXPORT CREDIT INSURANCE

One of the main objects of the Export Credit Council is to insure Danish Exporters' foreign claims.

Experience has proved that the risk of loss on claims is greater when the debtor is residing abroad. In the first place, the possibility for the exporter to obtain a thorough knowledge of the credit worthiness of the purchaser is more remote when the purchaser resides in a foreign country and, next, the fact that payment is to be transferred to this country offers a special element of risk. To this comes the risk, particularly in certain overseas countries, that political disturbances or political interventions of economic character may result in claims becoming irrecoverable.

An exporter, through export credit insurance, may cover himself against unpleasant surprises, not only in connection with the purchaser's solvency, but also because of political economic events of the abovementioned character.

Only enterprises belonging to this country may effect insurance.

A claim, in order to be insured, must in normal cases originate from export of Danish goods, but facilities are opened in special cases for insuring claims origination from the export of foreign goods, but it will be a condition that such export does not compete with goods of Danish origin.

Services enjoy the same treatment as the export of Danish goods, so that, for example, insurance may be granted against loss on claims arising in connection with the work of Danish engineering firms for foreign account.

Policy Forms.

There are a number of standard policies, and the exporter may in his application choose the one which is best suited for his purpose, but special policies may be prepared for special

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purposes, for example in the case of insurance of claims arising in connection with engineering works and other contracts relating to the performance of services.

Shipment Policies.

These policies are effective from the time of the shipment of the goods and thus cover risks both during the transport of the goods to the purchaser and the period of credit. Until the time of shipment the Export Credit Council may revoke the insurance with future effect.

Policies may be issued to cover a single consignment only. In the case of current exports to permanent business connections it is most practical, however, to obtain a policy which covers consignments for a definite period. In that case monthly reports shall be submitted to the Export Credit Council on the goods dispatched under the insurance.

There are different types varying with the extent of the risk covered.

The A-policy (commercial risks). This policy covers first and foremost the purchaser's insolvency which is established when the purchaser has been declared bankrupt, has stopped payments, or when the exporter has endeavoured to recover his claim by taking legal proceeding against the purchaser without these proceedings having resulted in full payment. In the case of insolvency the compensation is paid immediately when the due date has been exceeded.

As it will often be difficult for the exporter to prove the insolvency of the purchaser, an insurance against commercial risks also covers loss due to the purchaser's failure to pay, within 6 months after the due date, for contractual goods received.

As will be seen a reservation is made in the wording of the "6 months fule" regarding the situation that the failure of the purchaser to pay is due to defects in the goods supplied. Compensation under the policy will therefore not be effected pending the dispute between purchaser and seller about the contractual quality of the goods, unless it is evident, on the basis of the information available, including, for example, that it appears from the correspondence exchanged between the exporter and purchaser, that his complaint is unfounded or has already been remedied. Upon the whole it applies that an insurance against commercial risks cannot bind the Export Credit Council to a wider extent than the debtor.

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Loss due to the purchaser's refusal to take delivery of goods dispatched to him is not covered, except in the case of insolvency. In case, for example, a purchaser in order to obtain a reduction of the price, refuses to take up the documents at a cash sale or refuses to accept the bills of exchange submitted in the cases where such acceptance is a presumption for the delivery up of the goods, the policy does not cover loss caused by such refusal. The B-policy (political risks). It is common to all the risks within the group "political risks" that purchaser (and seller) in principle have no influence on their occurrence. The policy covers the following risks:

1. Transfer obstacles in the purchaser's country
2. general moratorium, expropriation, and similar public measures taken in purchaser's country,
3. warlike operations, civil war, rebellion or similar disturbances in purchaser's country,
4. war between purchaser's country and Denmark,
5. introduction of quantitative import restrictions in purchaser's country or withdrawal of import licence already granted.

The list is exhaustive. In particular the policy does not cover risk of exchange loss caused by any change in the value between the currency of the invoice and Danish Kroner.

In case loss occurs due to transfer obstacles it is in normal cases a presumption for the payment of compensation that the purchaser has paid the purchase sum in local currency into a bank approved by the Export Credit Council with a view to the transfer of the payment. In case, owing to a subsequent devaluation of the currency of the purchaser's country, the paid-in amount is no longer sufficient to cover the invoice amount in full, the insurance also covers the resultant loss which the exporter may suffer.

The compensation will be paid 6 months after the due date. The A + B-policy (commercial and political risks). This policy covers all the risks as mentioned under the abovementioned two policies.

The standard terms of this policy are printed on the yellow pages of this pamphlet.

The A + B (state purchase)-policy. At the sale to State Organizations it is difficult to differentiate between commercial and political risks. This policy is therefore worded in such a way that it covers loss due to political or economic conditions in the purchaser's country, or the purchaser's failure to fulfil his contractual obligations, unless the failure is due to breach of contract by the exporter.

Preshipment Policies.

It may be practical in certain cases that the period of insurance should run from an earlier time, for example when a contract has been concluded for the delivery of goods - particularly in the case of large capital plants - which are produced expressly to cover the purchaser's requirements, and which cannot be disposed of to any other party except at a loss. In such case the exporter may obtain insurance cover already from the time when the contract is entered into, and in this way safeguard himself against loss because delivery is not taking place or that the production of the goods must be downright stopped because the purchaser cannot pay or the political conditions in the purchaser's country are so precarious that delivery is inadvisable.

A Preshipment policy covers the same risks as are mentioned above under Shipment Policies whether the event which causes loss occurs during the time of production or only after shipment. As the insurance period in this case runs already from the date of the contract, a Preshipment policy cannot be revoked by the Export Credit Council after that time.

GENERAL CONDITIONS IN THE POLICIES.

The insurance covers only part of the loss. The cover of commercial risks generally amounts to 80% of the loss, but in certain cases, particularly if there is a guarantee from a safe bank, 85% is covered.

The cover of the political risk generally amounts to 85% of the loss. At the sale to state organisations (A + B state purchase) 90% is covered, however.

The invoice amount is, in normal cases, the starting point for the computation of loss, so that the estimated profit is taken into account as loss. In the cases where the risk is covered in the period of production, the loss occurring before the delivery, is calculated solely on the basis of the costs of production so that the profit is not included.

Even if the Export Credit Council has paid compensation under a policy the exporter, both in his own interest and in that of the Export Credit Council, must assist in the recovery of the claim against the purchaser. The payments which are received in this manner are divided between the Export Credit Council and the exporter in the same proportion in which the loss was divided.

Reference is made to the general terms in the A + B-policy reproduced on a later page, and the observations attached thereto concerning the technical differences between the policy types.

Calculation of premiums for taking out an Export Credit Policy

The purpose of the Export Credit scheme is that it should be self-supporting, so that, in the long run, there should be a balance between profit and loss. The premium which must be paid for a policy depends upon the extent of the risk at the time when the policy is issued. From this it follows, amongst other things, that a higher premium must be paid in the case of a longer credit period. In order to give an idea of the premium level, it may be stated that the premium in a shipment policy with a credit period of up to 6 months at present will, in normal cases, be below $\frac{1}{2}\%$ of the invoice amount in the case of insurance of political risks.

How is an Export Credit Insurance effected?

There are special application forms obtainable at the banks or direct from the Export Credit Council, G1 Kongevej 60, Copenhagen V.

A direction for use is printed on the forms on the basis of which the exporter may choose the policy which is most suitable in his case.

The secretariat of the Export Credit Council is at the disposal of the exporter with all practical information in connection with the application.

In connection with contracts for the supply of larger plants etc. the exporter may, already during the negotiations about the contract, apply to the Export Credit Council for information as to whether, and on which conditions, a policy may be issued. In this way the exporter will be given an opportunity of wording the conditions of the contract in such a way that export credit insurance may be obtained.

Also in other ways the exporters who start an export to new markets are advised to apply to the Export Credit Council at the earliest possible time in order to obtain its view on the insurance possibilities.

SPECIAL TYPES OF INSURANCE.

Besides the actual export credit insurance in which the exporter insures his claim against the foreign purchaser the Export Credit Council may issue policies which cover losses caused by special sales promotion in foreign countries.

As an example of this policy form may be mentioned stock guarantees or consignment guarantees in which case the insurance partly covers the loss which the exporter may incur through a realisation of the goods delivered on a consignment basis.

In that kind of policies that Export Credit Council assumes the risk on a footing of equality with the exporter and covers 50% of the loss computed on the basis of the costprice of the goods inclusive of freight and warehouse rent. The reason for this rather low cover is the special form of risk in this case. The Export Credit Council must in these cases almost exclusively rely on the exporter's own commercial appraisal of the possibilities of a success of the sales venture. On the other hand it is desired to urge on Danish exporters to make special efforts to obtain a foothold on new markets, and the knowledge that half of any loss will be covered, may induce the exporter to run the risk.

As another example of sales promotion which can be insured may be mentioned the promotion of a publicity campaign abroad. Such campaign will be most practical in respect of consumer goods where Danish branded goods compete with the products of other countries. Attempts at obtaining a foothold on new markets often require a large economic contribution, which may be carried through more easily if an insurance could be effected against loss which may arise because the future sales do not cover the invested advertisement expenses. Also in such cases the Export Credit Council can assume the risk on a footing of equality with the exporter and cover 50% of the loss.

GUARANTEE FOR EXPORT LOANS

Besides the facilities of insurance character dealt with above the Export Credit Council may give guarantees for loans raised for the purpose of export. Actual investment objects are outside the field of operation of the Export Credit Council.

In its contemplations as to whether an application for guarantee for a loan may be granted, the economic conditions of the applicant will be subjected to a close scrutiny, including more particularly his accounts for the last preceding years; these accounts are to be submitted to the Council together with the application form duly filled up. In its consideration the

Council lay stress on the fact that the loan for which guarantee is desired is not out of proportion to the applicant's own resources, but the amount of the loan for which guarantee will be given in proportion to own resources, will depend on the circumstances of the particular case.

The applicant must prove that his loan requirement can be traced back to the export business. This is generally proved by the exporter documenting that he is in possession of export orders.

Loans for which guarantee may be given on the basis of concrete orders are granted under two forms: either as "shipment credit" which may be exploited on the shipment of the goods or as "manufacturing credit" on which may be drawn when the existence of orders is proved.

Guarantee can, as a rule, only be granted for loans of up to 75% of the amount of the order, and repayment is made in the manner that the purchaser must pay direct to the bank which grants the loan; the bank will then reduce the loan by so large a proportion of the payment as corresponds to the loan percentage, while the residuum is paid to the exporter.

Both "shipment credit" and "manufacturing credit" may be granted as revolving loans.

Even if concrete orders are not present the guarantee of the Export Credit Council may be granted for example for the financing of a stock of goods as such stock may be necessary in order to enable the exporter to quickly effect export orders received or with a view to seasonal adjustment of the export production. In such cases guarantees may be given for loans up to 75% of the expenses for material and wages.

Financing with the guarantee of the Export Credit Council may also take place in cases other than those mentioned above. Financing of sales stocks in foreign countries may, for example, be granted, or financing of other forms of sales drive may be effected.

In case a loan is not repaid, and the Export Credit Council must redeem its guarantee obligation towards the bank the Council has recourse against the exporter.

The risk premium for the guarantee undertaken by the Export Credit Council is at present normally 1% p.a. on the amount by which the loan is exploited at any time plus $\frac{1}{4}\%$ semi annually on the maximum amount by which the loan can be exploited.

In case a shipment credit is secured by transfer of an insured claim on the purchaser, only 1% p.a. is to be paid.

Application forms are obtainable at the banks or direct from the Export Credit Council, Gl. Kongevej 60, Copenhagen V.

A + B revolving.

EXPORT CREDIT INSURANCE
(Commercial and political risks
after shipment)

Holder of Guarantee (exporter):
Exportco, Copenhagen.

On the basis of the information contained in the application of March 15th, 1961, and other available information the Export Credit Council hereby binds itself on the undermentioned conditions to make good part of the loss which, owing to commercial or political risks, the exporter may suffer on the supplies made by him between April 1st, 1961, and March 31st, 1962, to the undermentioned purchaser.

Purcher: Importco, Buenos Aires, Argentina.

Description of goods: Machines.

Payment term: 3 months' credit on bills of exchange reckoned from date of shipment.

The following conditions shall apply to this guarantee:

Clause 1. Calculation of the Compensation.

The Compensation amounts to 80% of the loss, when caused by the circumstances enumerated in 2 a) and b), but not exceeding 240.000 Kr. say two hundred forty thousand Kroner.

The compensation amounts to 85% of the loss, when caused by the events stated in 2 c), d), e), f) and g), but not exceeding 255.000 Kroner say two hundred fifty five thousand Kroner.

Clause 2. The Insured Risk.

The guarantee only covers loss arising after the dispatch of the goods from this country, and caused by:

Commercial risks:

- a) the purchaser's insolvency, as defined below,
- b) failure by the purchaser, not later than 6 months after the due date, to pay for contractual goods received,

Political risks:

- c) transfer obstacles in purchaser's country.
- d) general expropriation, expropriation and similar public measures in purchaser's country,
- e) warlike operations, civil war, rebellion or similar disturbances in purchaser's country and Denmark,
- f) war between purchaser's country and Denmark,
- g) introduction of quantitative import restrictions in purchaser's country or withdrawal of import licence already granted.

Insolvency is considered to exist when:

1. the purchaser has been declared bankrupt,
2. the purchaser has stopped payments,
3. the exporter has tried to recover the guaranteed claim by instituting legal proceedings against the purchaser, and such steps have not resulted in payment in full.

It is a presumption for the guarantee that the purchaser obtains import and/or payment permission, if, at the time of the dispatch of the goods, such permission is required according to the rules in force in the importing country.

It is a presumption for the Export Credit Council's liability to pay compensation in respect of political risks that the non-payment or delay in payment is not due to any fault or neglect by either the exporter or the purchaser.

It is a further presumption for the liability of the Export Credit Council under paragraph c) that the purchaser has made an irrevocable payment into a bank approved by the Export Credit Council of an amount in the exchange of the country of purchase, corresponding to the debt due for payment, with an irrevocable request to transfer the amount, unless the purchaser is prevented owing to the provisions in force in the country of purchase or the conditions obtaining in that country. In case the amount paid in, owing to a subsequent devaluation of the exchange of the purchaser's country, is no longer sufficient to cover the invoice amount in full, the guarantee shall also include the loss which the exporter may suffer from these events.

Clause 3. Computation of the Loss.

The loss shall be the insured claim in the currency stated in the invoice and unpaid at the time of the payment of computation, less:

1. such counter claims as at the time of the payment of compensation may be set up by the purchaser against the exporter,

2. such amounts as the exporter is justified in spending in payment of his claim, including the value of the securities and guarantees in connection herewith,
3. agency commission and similar expenses which lapse owing to the events mentioned in 2),
4. the amounts which may be received from the sale of goods to other parties, of. 10, last paragraph, less expenses incurred by such sale.

In case the exporter may also have uninsured claims on the purchaser which are due for payment, this shall be taken into account at the foregoing deductions.

In case the exporter's claim is stated in foreign currency the compensation shall be paid at the purchasing rate prevailing in Copenhagen on the above date, or at the lower rate which may be prevailing on the due date.

Clause 4. Payment of Compensation.

Claim for compensation under this guarantee must be filed with the Export Credit Council within 3 months from the day when the exporter obtained knowledge of the facts on which the claim is based. Due proof to show that the conditions for the payment of compensation have been fulfilled and of the amount of the loss must be submitted to the Export Credit Council as soon as proofs can be produced and the loss can be made up.

Compensation shall be paid if the loss is due to the circumstances enumerated under:

Clause 2 a) when insolvency has been established and the due date is reached,

Clause 2 b) at the expiry of the said 6 months' period,

Clause 2 c), d), e), f) and g) 6 months after the due date.

Clause 5. The Exporter's duty to give information.

The abovementioned sales conditions must not be altered except with the written consent of the Export Credit Council, and the exporter must forthwith inform the Export Credit Council if the export is not liquidated in a normal manner.

The exporter shall show proper care and take all reasonable and expedient measures with a view to avoiding or minimizing the loss. The exporter shall inform the Export Credit Council if he obtains knowledge of circumstances which may cause loss.

Clause 6. Recovery of claims in default.

The exporter shall, with a view to the recovery of claims in default, take such steps as may be required by the Export Credit Council.

The exporter is under the same obligation also after the compensation under the present guarantee has been paid.

If the Export Credit Council itself desires to recover the claim the exporter shall on receipt of the amount of compensation assign the claim in default with appertaining documents to the Export Credit Council.

Any amount received after the date when payment of compensation was made shall, less expenses in connection with the recovery, be divided between the Export Credit Council and the exporter in the same proportion as the loss was divided. In case the expenses exceed the amount received it shall be divided in the same proportion.

Clause 7. Withdrawal of the Guarantee.

The Export Credit Council reserves the right by written information to the exporter to withdraw the guarantee. Such withdrawal of the guarantee shall not be valid for supplies dispatched before the exporter has received information about the withdrawal.

Clause 8. Grounds for Invalidity.

The Export Credit Council's responsibility under the present guarantee shall lapse and amounts of compensation received shall be repaid in case be exporter:

- a) is guilty of essential violation of his obligations under the present guarantee and the declarations given under the guarantee,
- b) is or has been guilty of misrepresentations or fails or has failed to give information about any matter about which he knows or shall know that it is of importance to the guarantee.

Clause 9. Assignment of the guarantee.

The right to compensation under the present guarantee cannot be assigned except with the written consent of the Export Credit Council.

Clause 10. Dispatch of the goods.

Before the 10th day of every month the exporter shall, on the attached forms give information on:

- a) all supplies to the purchaser concerned in the preceding month - apart from supplies against letter of credit - with information about the date of shipment, the invoice amount, and due date,
- b) the payments which the exporter has received in the preceding month relating to the supplies notified,
- c) all sales amounts which at the end of the preceding month have remained unpaid in whole or in part for more than 1 month

from the original due date with information about the reason hereof.

Delivery must not take place in case the exporter is aware that the purchaser will not be able to fulfil his payment obligations. If the exporter obtains such knowledge after the dispatch of the goods he shall, if possible, see to it that the goods do not pass into the purchaser's possession, and after consultation with the Export Credit Council endeavour to sell the goods to any other party at the best price obtainable.

Clause 11. Risk Premium.

The risk premium shall be charged on all supplies to the purchaser, cf. clause 10 a, irrespective of the total amounts of accounts outstanding at any time, and amounts to 0.8% on the invoice amount.

By way of provisional premium 1000 Kr. must be paid on postal account no. 1443 before April 10th, 1961.

Postal cheque form is enclosed.

OBSERVATIONS TO THE PROVISIONS OF THE POLICY:

As regards Clause 1. Two maximum guarantee liabilities are fixed in the A + B-policy, one if the loss is due to commercial risks, and one if the loss is due to political risks as the guarantee percentage is generally different in respect of the two classes of risks.

The difference between the two guarantee liabilities may, however, exceed the difference in the guarantee percentage. In case the claim which the exporter desires to have insured exceeds the amount which the Council considers acceptable on the basis of the existing information about the purchaser, the guarantee liability for the commercial risk is fixed in the way that it only corresponds to the claim which the Council can accept, while in respect of the guarantee liability for the political risks it will be quite possible, in most cases, that this can correspond to the intended maximum claim outstanding.

It will be quite possible that the turnover with the purchaser, and thereby the outstanding amount, may be higher than presumed at the fixing of the guarantee liability for commercial risks, but full risk premium must be paid on all supplies even if the outstanding amount exceeds that which corresponds to the guarantee liability. When premium is to be paid on all supplies it is because the larger claim influences the Council's risk.

The above reflections only apply to the policies which cover regular trade with the purchaser. In the policies which only cover a single transaction, the exact selling sum is known, of which the policy covers so large an amount as the Council can accept, on the basis of the available information, generally not more than 80% when political risks are insured.

As regards Clause 3. The guarantee covers only against loss caused by the fact that amounts in the invoiced currency are not received, while a currency loss at conversion into Danish Kroner is not covered.

That an invoice amount has not been obtained means that it is not received in this country at the time when compensation is to be paid.

In the pre-shipment policies loss occurring after the dispatch, is made up in the same way as stated in the policy set out in the foregoing pages. In case the event causing any loss occurs before the dispatch of the goods the starting point for the calculation of the loss shall be the direct and indirect expenses defrayed by the exporter in connection with the production of the goods during the time up to the occurrence of the event which causes the loss.

As regards Clause 10. In all revolving policies the information about the dispatch and payments shall be submitted once every month only.

In the single policies which only cover one contract the Export Credit Council shall be informed at the time of dispatch, or in the case of part consignments, at the dispatch of each part consignment. Furthermore information shall be given about any payment as soon as received.

Swiss Draft 14.10.61

TREATY OF COMMERCE AND TECHNICAL COOPERATION BETWEEN THE
FEDERATION OF NIGERIA AND THE SWISS CONFEDERATION

The Government of the Federation of Nigeria and the Government of the Swiss Confederation, being desirous of consolidating the bonds of friendship which have ever existed between the two countries, and of promoting trade relations as well as economic and technical cooperation, have resolved to conclude this Treaty and have, for that purpose, appointed as their Plenipotentiaries:

The Government of the Federation of Nigeria

and

The Swiss Federal Council

who, having communicated to each other their respective full powers and found them good, have agreed and signed the following articles:

Article 1 - Economic and technical cooperation

The Government of the Federation of Nigeria and the Government of the Swiss Confederation agree to cooperate with and assist each other, within the limits of their possibilities, with a view to furthering the economic and technical development of the two countries.

Article 2 - Treatment of the most favoured nation

Each of the High Contracting Parties shall grant to the Other the treatment of the most favoured nation with regard to all matters of trade and customs. The treatment of the most favoured nation shall, however, not extend to the advantages, concessions and exemptions which are accorded or will be accorded by each of the High Contracting Parties to neighbouring countries with regard to border-trade, or to countries being part of a customs union or a free trade area already existing or which might be created in the future.

Article 3 - Imports into Switzerland

With regard to the importation into Switzerland of goods of Nigerian origin, the Government of the Swiss Confederation shall continue to grant the liberal treatment as hitherto applied.

Article 4 - Imports into the Federation of Nigeria

With regard to the importation into the Federation of Nigeria of goods of Swiss origin the Government of the Federation shall grant the same facilities in relation to import liberalization or allotting of global import quotas as apply to products of other foreign origin.

Article 5 - Exchange of information about trade

The competent services of the two Governments shall, at their earliest convenience, exchange any useful information concerning mutual trade and especially statistical data relating to imports and exports. In particular, the Swiss authorities shall communicate to the Nigerian authorities at least once a year the total figures and the details of imports into Switzerland of goods originating from the Federation of Nigeria. The Nigerian authorities, on their part, shall communicate to the Swiss authorities the total figures and the details of imports into Nigeria of goods originating from Switzerland.

Article 6 - Payments

Payments between the Federation of Nigeria and the Swiss Confederation shall be effected in conformity with the system in force for payments between the Sterling Area and Switzerland.

Article 7 - Protection of investments

Investments made by as well as property, rights and interests pertaining to nationals, foundations, associations or companies of one of the High Contracting Parties in the territory of the Other shall receive just and equitable treatment equal to the treatment which is applied by each Party to its own nationals or the treatment granted to nationals,

foundations, associations or companies of the Other, as well as the free transfer of interests, dividends, dues and other income, of amortizations and, in case of partial or total liquidation, of the product of such liquidation.

The High Contracting Parties shall not expropriate or nationalize property, rights or interests belonging to the nationals, foundations, associations or companies of the Other nor take any direct or indirect measures of dispersion affecting the nationals, foundations, associations or companies of the Other, unless it is done against payment of an effective and adequate indemnity, in conformity with international law. The amount of such indemnity shall be fixed at the time of expropriation, nationalization or dispossession and shall be settled in transferable currency and paid to the entitled party without unjustified delay, regardless of its place of residence. However, all measures of expropriation, nationalization or dispossession shall neither be of a discriminatory nature nor shall they be contrary to a specific undertaking.

The High contracting Parties agree to conclude, as early as possible, an Agreement with a view to creating favourable conditions for private investments in the two Countries and to fixing the modalities for the due protection of such investments.

Article 8 - Arbitration Clause regarding the protection of Investments.

Should any dispute arise between the two High Contracting Parties on the subject of interpretation or execution of the arrangements made in article 7 which cannot be satisfactorily settled within six months through diplomatic channels, it shall, at the request of one of the two Parties, be submitted to a Court of Arbitration consisting of three members. Each Party shall appoint one arbitrator. These two arbitrators shall then nominate an umpire who shall be a national of a third country.

Should one of the Parties have failed to appoint its arbitrator and failed to comply with an invitation, by the Other, to do so within two months, the arbitrator shall then be nominated, at the request of this Party, by the President of the International Court of Justice.

Unless the two arbitrators agree on the designation of the umpire within two months following their appointments, the latter shall be nominated, at the request of one of the Parties, by the President of the International Court of Justice.

Should the President of the International Court of Justice be prevented from acting in accordance with paragraphs 2 and 3 of the present article or be a national of one of the Parties, the nominations shall be performed by the Vice-President. If the latter is also prevented or if he is a national of one of the Parties, the nominations shall be made by the oldest member of the International Court of Justice who is not a national of either Party.

Unless the Parties agree otherwise, the Court shall itself decide on the procedure.

The decisions of the Court shall be binding for the Parties.

Article 9 - Mixed Commission

A Mixed Commission shall meet at the request of either of the two High Contracting Parties. It shall supervise the application of the present Treaty and agree on all arrangements to be made with a view to improving economic relations between the two Countries.

Article 10 - Extension of Treaty to Liechtenstein

The present Treaty shall be applicable to the Principality of Liechtenstein as long as the Treaty of Customs Union between this Principality and the Swiss Confederation is in force.

Article 11 - Coming into force and renewal

The present Treaty shall enter into force as from the day of its signature and it shall be valid for the period commencing on and ending on..... It shall continue in force from year to year without formal renewal for a new period of one year, unless and until terminated by either of the two High Contracting Parties by three months' advance written notice.

In case of termination of the present Treaty, the provisions of articles 7 and 8 heretofore shall continue to apply for ten years with respect to investments made before the termination of the Treaty.

Done in two original copies, atthis.....day of1961.

For the Swiss Federal Council

For the Government of the Federation of Nigeria.

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ARCHIVES

(16th October, 1961)

Exchange of letters

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Referring to the letter of 21st December 1960 of the Federal Ministry of Finance, Lagos, to the Vice Consul for Switzerland I have the honour to confirm the understanding reached in the discussions which took place at Berne on the 16th October, 1961:

1. With a view to facilitating the financing of the supply, to the Electricity Corporation of Nigeria, of the equipment mentioned in the annex to this letter, the Swiss authorities are prepared to cover these transactions by the federal export risk guarantee, provided the terms of payments to be agreed between the Electricity Corporation and the Swiss suppliers are
 - 10 per cent of the total invoice value at the date of signature of the contract
 - 10 per cent of the invoice value of each shipment at the date of shipment
 - 80 per cent of the invoice value of each shipment in equal half-yearly instalments over a period of ten years after the date of shipment.
2. The Federal Ministry of Finance guarantees the contractual payments of capital and interest to be made by the Electricity Corporation of Nigeria to the Swiss suppliers.

I should be grateful if you would confirm your agreement with the aforesaid understanding.

I avail myself of this opportunity to renew to you,, the assurance of my highest consideration.

annex

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Equipment for power stations

AG Brown Boverl & Co., Baden

Estimated Off shore cost

= equal to Swiss francs

Afam Power Station Extension

1 No. 20 MW Gas turbo alternator
with ancillary equipment and
associated electrical gear

900,000

10,980,000.-

1 No. 11kV/13kV Step-Up
Transformer

35,000

427,000.-

Sapele Power Station

2 No. 5 MW Gas turbo alternator
with ancillary equipment

600,000

7,320,000.-

2 No. 11 kV/33kV Step-Up
Transformers

10,000

122,000.-

Associated Electrical
equipment

8,000

97,600.-

1,553,000

18,946,600.-

Sulzer Brothers, Winterthur

Kaduna Power Station Extension

2 No. 3 MW Diesel engine driven
Alternator sets complete with
switchgear and auxiliaries

180,000

2,196,000.-

Grand Total: 1,733,000

21,142,600.-

Der Delegierte für technische Zusammenarbeit
Le Delege a la Cooperation technique
Il Delegato alla cooperazione tecnica

t.946.4. Nigeria. -KH/kr

Bern, October 16 1961.

To His Excellency
The Hon. F.S. Okotie-Eboh
Minister of Finance of the
Federation of Nigeria

B e r n e

Excellency,

I have the honour to confirm our agreement on the following points:

- 1) The Swiss Government is prepared to consider favourably any request of the Nigerian Government regarding technical cooperation.
- 2) The Swiss Government offers for the time being ten scholarships to young Nigerians in the following sectors, with the possibility of increasing later this number:

5 university and postgraduate scholarships in the following fields:

Higher international studies
engineering
medicine
geology

5 vocational training scholarships in the following fields:

tourisme and hotel management
foreign languages
watchmaking and repairing
insurance
banking

The Swiss scholarships to Nigerians will cover boarding, tuition, books, internal transport and insurance against accident and illness; the Nigerian Government will bear the transport fare to and from Switzerland.

- 3) Requests of the Nigerian Government to send Swiss experts will be favourably considered in the following fields:

Telecommunication
animal husbandry and agriculture
civil administration
tourisme
watchmaking.

Other fields may be considered.

Swiss experts to Nigeria will be accorded similar facilities as granted to U.N. experts. The Swiss Government will pay the salary and the transport fare to and from Nigeria of these experts.

Accept, Excellency, the assurance of my highest consideration.

(sgnd) Dr. Hans Keller, Delegate
of the Swiss Federal
Council for Technical
Cooperation.

APPENDIX XV

PRESS COMUNIQUE

A Nigerian Delegation headed by the Federal Minister of Finance Chief F. S. Okotie-Eboh has visited Italy from October 19th to October 25th. The Mission was composed of the Federal Minister of Commerce and Industry, Hon. Z. B. Dipcharima, the Federal Minister of Economic Development, Hon. Waziri Ibrahim, the High Commissioner of Nigeria in the United Kingdom, H. E. Abdul Maliki, the Minister of Economic Planning in the Eastern Region, Dr. A.N. Obonna, and Hon. Chief S. A. Tinubu, Minister in the Ministry of Local Government Western Region of Nigeria; several high officials of different departments and some businessmen.

The Nigerian Delegation have been received by the Minister of Foreign Trade, Mr. Martinelli. The opportunity has enabled both parties to realise the importance of a development of mutual economic relationships and to stress their respective points of view as regards the necessary ways and means.

The Nigerian Delegation was also received by the Under-secretary of the Treasury Mr. Penazzato, while the Nigerian officials, headed by Mr. Omenai, attended to a meeting at the Foreign Office, which was presided by the Chief of the Economic Department, Ambassador Ortona, and attended by the representatives of the competent Italian Ministries.

During such meeting, the Italian delegates illustrated the legal provisions aiming at the assistance to underdeveloped countries now in force in Italy and the number of opportunities that arise from them, while the Nigerian Delegation supplied full details on the projected Five-Year Development Plan for their country and advocated an Italian intervention in its execution.

Possibilities of technical assistance have also been discussed and the Italian Government offered a substantial number of scholarships for Nigerian students.

Businessmen who had joined themselves to the Delegation were able, in their turn, to get useful contacts with Italian economic circles during their visit to Milan and Venice. The contacts were arranged by the Chambers of Commerce and the Italo-African Economic Centre.

The visit of the Nigerian Delegation has been cordially rewarded and has proved exceptionally useful, having given the Italian Government and business circles a valuable opportunity of obtaining further details about the projected Development Plan for Nigeria and having enabled the Nigerian Delegates to be acquainted with the realities and opportunities now available in Italy both on the Governmental and private levels.

ARCHIVES OF

D r a f t

Economic Agreement

between the Government of the Federal Republic of Germany and the Government of the Federation of Nigeria

The Government of the Federal Republic of Germany and the Government of the Federation of Nigeria, desiring to strengthen and intensify the friendship and co-operation already existing between the Federal Republic of Germany and the Federation of Nigeria and to further develop their economic relations, for that purpose have resolved to conclude an economic agreement.

They have agreed as follows:

Article 1

The Government of the Federal Republic of Germany and the Government of the Federation of Nigeria, within the Framework of the regulations existing in their two countries, will refrain from any discrimination with respect to, and will facilitate as far as possible, the exchange of goods, and services, payment and capital movements between the two countries. Both Governments agree that, in the interest of freedom of shipping on the high seas, no discriminatory action will be taken that would impair the free choice of flags. Both Governments will therefore in no way impede or restrain free competition in the transport of goods or passengers.

Article 2

German goods shall be deemed to be goods which are mined, found, produced or subjected to the last economically justified processing substantially altering their character in the territory of the Federal Republic of Germany; Nigeria goods shall be deemed to be goods which are mined, found, produced or subjected to the last economically justified processing substantially altering their character in the territory of the Federation of Nigeria.

The two Governments reserve the right to subject the impor-

tation of specified goods to the production of a certificate of origin.

Article 3

Each Government will give full consideration to suggestions which may be made by the other with respect to the handling and expansion of the exchange of goods and services, payments and capital movements. The appropriate authorities of the two Governments shall give each other all relevant information on the exchange of goods and services, payments and capital movements between their two countries.

Article 4

The two Governments shall form a Mixed Government Commission which, at the request of either side, shall convene with a view to considering all matters arising out of the present Agreement and to submitting proposals for their solution.

Article 5

This Agreement shall also apply to Land Berlin provided that the Government of the Federal Republic of Germany has not made a contrary declaration to the Government of the Federation of Nigeria within three months from the date of signature of this Agreement.

Article 6

This Agreement shall come into force with retroactive effect from _____ and shall be valid until _____

. Three months before its expiry the two Governments shall enter into negotiations on the

- 3 -

future arrangement of the exchange of goods and services,
payments and capital movements between the two countries.

DONE AT on the day of 1961

in four originals, two each in the German and English
languages, both texts being equally authentic. . . .

For the Government of the
Federal Republic of Germany

For the Government of the
Federation of Nigeria

JOINT PRESS COMMUNIQUE

The High Powered Nigerian Economic Mission led by Hon. Chief F.S. Okotie-Eboh, C.M.G., M.P., Federal Minister of Finance and including two Federal and three Regional Ministers and the Nigerian High Commissioner in the United Kingdom arrived in Karachi on the 21st June 1961 and held talks with the Minister for Commerce and Senior Officers of the Ministries of Finance, Commerce, Industries, Education, Food & Agriculture, External Affairs, Chairman Planning Commission, the Governor of the State Bank of Pakistan, the Chairman P.I.D.C, etc., from 22nd to 24th June 1961. During the talks which were held in a brotherly and most cordial atmosphere emphasis was laid on common traditions, common economic and social problems and the urgent need of developing the standards of living of the peoples in the two countries. Particular mention was made of the acute shortage of capital in the developing countries and the resultant need for increasing their foreign exchange earning opportunities. It was agreed that improvement in this behalf would take place only if the developing countries had unrestricted opportunities of exporting the commodities, both raw materials and simpler manufactured goods produced by them, at stable and reasonable prices and had the facility of importing their requirements of capital and other goods at fairly reasonable prices comparable favourably with the level of prices they got for their exports. It was noticed that at present the exports from developing countries encountered a number of barriers which had led to a progressive deterioration in their terms of trade and thus reduced the capacity for both capital and consumption imports. The representatives of the two countries having recognised the need of greater economic activity among the developing countries with a view to attaining the fullest utilization of their resources, both human and material,

emphasized the need of greater co-operation amongst themselves in all fields of economic activity, and in particular, in expansion of trade and exchange of experience and technical know-how as means to that end.

The discussions embraced topics of mutual interest such as increased flow of trade between Nigeria and Pakistan, co-operation in various spheres of economic development and assistance in the field of education. Three joint Committees were set up at official level to go into these problems.

The Committee on Commerce (Expansion of Trade and Insurance) recommended measures for furthering trade between the two countries. Lists of commodities which could be exported from one country to the other were drawn up. The measures recommended included frequent visits of businessmen and trade delegations between the two countries, establishment of official Commercial Offices, improvement of shipping services between the two countries and participation of one country in the trade fairs and exhibitions held in the other. The Committee on Economic Relations considered the facilities which Pakistan could afford to Nigeria. In spite of the fact that Pakistan herself was short of technical personnel, it was agreed that advisory services and exports could nevertheless be provided in certain fields to Nigeria. It was further agreed that Pakistan would consider providing training facilities in her institutions to Nigeria in various technical fields, e.g., Agriculture, Industrial organisation and finance, Banking, Insurance, Telecommunications, Medical and Public Health and Development Planning. Machinery and equipment produced by Pakistan or surplus to her requirements, which Nigeria could profitably make use of, would be made available to her on mutually advantageous terms.

The Committee on Education specified the fields in which training facilities and expert advisory services in the educational field could be made available to Nigeria.

The scope and range of economic co-operation between the two countries would be kept under constant examination by both Governments, and an exchange of views would be undertaken as and when further possibilities come to light.

The recommendations made by the various Committees were adopted in the plenary meeting with the visiting High Powered Economic Mission from Nigeria.

Karachi, the 24th June, 1961.

Hon. Chief F.S. Okotie-Eboh, C.M.G., M.P.
Leader of the Nigerian Economic
Mission.

M. Hafizur Rahmsn
Pakistan Minister of Commerce .

A I D E M E M O I R E

The High Powered Economic Mission led by Hon. Chief F. S. Okotie-Eboh, C.M.G., M.P., Federal Minister and including two Federal three Regional Ministers and the Nigerian High Commissioner in the United Kingdom arrived in Karachi on 21st June 1961. The purpose of the visit of the Mission was to explore the possibility of expansion of trade between Nigeria and Pakistan, to seek co-operation in various spheres of economic development and assistance in the field of education. In the plenary meeting held with the Nigerian Economic Mission on the 22nd June 1961 it was decided to set up the following Committees:-

- (1) Committee on Commerce
(Expansion of Trade and Insurance).
- (2) Committee on Economic Relations.
- (3) Committee on Education.

Meetings of these Committees were held on 22nd and 23rd June and their reports adopted in the plenary meeting with the Nigerian Economic Mission held on 24th June 1961.

The salient points considered by various Committees were as under:

Committee on Commerce (Expansion of Trade and Insurance)

The trade between Nigeria and Pakistan was small. It was observed that Pakistan followed a multilateral commercial policy and generally issued global licences valid for import from any country of the World. Imports from Pakistan into Nigeria were freely allowed on the basis of Open General Licence. Imports into Nigeria were

/2.....however

however effected generally by the established traders who had connections with particular sources of supply, but it was open to all traders in Nigeria, established or new, to import goods from countries of their choice.

It was also noted that permission was not given to new foreign ventures to operate in Nigeria in the fields considered to be adequately served by existing firms, indigenous or foreign, and that opportunities existed for new foreign firms particularly in the industrial ventures.

Nigeria and Pakistan both being members of the Sterling Area external payments were made by them in Sterling. At present Nigeria had no special payments arrangement with any country.

Nigeria accorded no duty preferences to any country and a uniform rate of import duty was applicable to imports irrespective of the countries of origin.

In regard to complaints of non-repatriation of foreign exchange on account of failure of some importers in Nigeria to pay for goods imported by them it was suggested that it would be worthwhile to advise the Pakistani exporters to exercise due commercial prudence before making exports. The Federal Ministry of Commerce and Industry could be approached to verify the antecedents, reliability and status of the importers in Nigeria. It was also suggested that particulars of the cases in which export proceeds had not been repatriated might be forwarded to the Chief Commercial Officer, Federal Ministry of Commerce and Industry, Lagos, for investigating the complaints. The Nigerian Mission also agreed to take up the matter with the Chief Commercial Officer on its return to Nigeria.

It was agreed that steps should be taken to increase the two way flow of trade. For this purpose lists of items of exports from Pakistan to Nigeria and export from Nigeria to Pakistan were drawn up as in the Annex 'A' & 'B' respectively.

/3..... To expand

To expand and improve trade between the two countries the adoption of the following measures was also considered desirable -

- (a) to encourage visits of businessmen and trade delegations from one country to the other;
- (b) to establish Commercial Offices;
- (c) to take steps to improve shipping services between the two countries; and
- (d) to encourage participation of one country in the trade fairs and exhibitions held in the other. (It was stated by the Nigerian Delegation that there were no restrictions in Nigeria on the volume of goods to be brought for participation in fairs and exhibitions, their sale and remittance of their proceeds to the exporting country).

Insurance.

It was noted that the Pakistan Insurance Corporation could assist the Nigerian insurance industry on matters relating to re-insurance and insurance. The Nigerian Government was planning the development of indigenous insurance industry and the Nigerian Mission took note of the facilities and assistance which could be offered by the Pakistan Insurance Corporation.

Committee on Economic Relations.

The members of the Nigerian Economic Mission were interested to know the experiences of Pakistan in the development of various sectors of her economy and to profit by those experiences. The Nigerian Mission was also desirous to know the types of assistance which Pakistan could provide for the development programme of Nigeria. They were interested to have some indication of the various fields in which they could get technical assistance from Pakistan. It was explained to them that due to the commitments under the Pakistan Second Five Year Development Plan it could not be possible for Pakistan to provide any financial assistance. It was however mentioned that within the means and resources available Pakistan would give due consideration to providing technical assistance in the form of training facilities to Nigerians in various Pakistani Institutions.

/4...The requirements of-

The requirements of technical "knowhow" under the Second Five Year Plan were also explained to the Nigerian Mission. The Pakistan representatives stated that in spite of the fact that Pakistan was herself short of technical personnel, it might be possible, in a limited way, to consider providing some advisory services or experts in some fields to Nigeria. The following broad fields in which the provision of training facilities could be considered were indicated :-

- (1) Agriculture.
- (2) Industry.
- (3) Telecommunications.
- (4) Communications and Transport.
- (5) Railway Signalling & operating course.
- (6) Education, Scientific and Technical.
- (7) Medical and Public Health.
- (8) Banking and Insurance.
- (9) Industrial Organisation and Finance.
- (10) Development Planning.

To assist in the industrial development in Nigeria, the Pakistan representatives mentioned that it might be possible for Pakistan to consider supplying her surplus machinery and equipment to Nigeria on terms and conditions mutually agreed upon between the two countries including participation of Pakistan capital in that form in the industrial development of Nigeria.

The Nigerian Delegation stated that they would specify their requirements of technical assistance in the form of training facilities and advisory services later for

consideration of the Pakistan Government.

The Nigerian Delegation were also given some Government publications on agriculture, industries, etc. for study.

Committee on Education.

It was explained that technical assistance could be divided into three main categories, namely the training facilities, expert advisory services and equipment and apparatus. The members of the Nigerian Mission indicated the following fields of training facilities :-

- (1) Training of teachers for secondary schools.
- (2) Agriculture (degree level).
- (3) Medicine.
- (4) Polytechnics.
- (5) Engineering.

As regards experts, they indicated the following fields:

- (1) Teachers and educational administrators for short-term seminars etc. as well as for teaching posts.
- (2) Teachers for Technical Schools.
- (3) Experts in engineering subjects like Chemical Engineering, Civil Engineering, Mechanical Engineering and Electrical Engineering.
- (4) Graduates from Polytechnics for supervisory work.

In conclusion, it was explained to the Members of the Mission that training facilities in the fields of study indicated by them were available in Pakistan. However, the number of experts and training facilities to be made available to Nigeria is a matter to be decided by the Ministry of Finance of the Government of Pakistan. The terms and conditions governing the services of the experts and the training facilities made available to Nigeria will be in accordance with the general agreement arrived at between the two Governments.

For Nigerian Economic
Mission

For Pakistan
Delegation

ITEMS OF EXPORT FROM PAKISTAN

1. Jute manufactures
2. Cotton yarn
3. Cotton piecegoods
4. Tea
5. Rice
6. Fish fresh and frozen including prawns
7. Newsprint
8. Carpets and rugs
9. Spectacles and spectacle frames
10. Cement
11. Asbestos cement corrugated sheets
12. Jams marmalade
13. Fruit jellies, juices
14. Biscuits
15. Rubber tyres and tubes
16. Manufactures of rubber
17. Cutlery including hunting and pocket knives
18. Agricultural tools.
19. Readymade garments including shirts
20. Hosiery
21. Footwear
22. Gramophone records
23. Wp045w tooew
24. Fountain pens
25. Surgical goods
26. Hand tools
27. Salt
28. Paints & varnishes
29. Lathes & machine tools
30. Locks & pad locks
31. Aluminium, brass, copper E.P.N.S. wares and utensils
32. Hurricane lanterns
33. Cinematographic films (exposed)

- 34. Handicrafts
 - 35. Leather goods including hand bags and travel bags
 - 36. Blankets
 - 37. Horses including race horses
 - 38. Toys all sorts
 - 39. Sewing thread
 - 40. Confectionary
 - 41. Pressure lamps and gas mantles
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LIST OF IMPORTANT COMMODITIES OF EXPORT OF NIGERIA

1. Copra
2. Coconut oil
3. Coffee including coffee beans
4. Raw Cocoa beans
5. Tea & mate
6. Pepper
7. Palm kernel meal
8. Pipe tobacco
9. Unwrought leather (patent, gold, silver and glacekid)
10. Leather, scrap-bark tanned split
11. Natural rubber, (231-Oil) raw, Nigerian Grades A1-3,
RMAI-5
12. Natural rubber, (231-012) raw, Grades other than 231-011
13. Natural rubber, crepe
14. Natural rubber, waste scrap cuttings
15. Timber Sawn
17. Piassava fibre (for brushes)
18. Iron and steel scrap
19. Tin smelted
20. Non ferrous metal scrap
21. Ivory (unmanufactured)
22. Gum Arabic (all grades)
23. Petroleum, crude and partly refined
24. Coal
25. Palm oil inedible (for soap industry)
26. Waxes of animal or vegetable origin
27. Live animals (not for food)

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