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SM/83/167
Correction 1

CONTAINS CONFIDENTIAL
INFORMATION

August 3, 1983

To: Members of the Executive Board
From: The Secretary
Subject: Guinea - Recent Economic Developments

The following correction has been made in SM/83/167 (8/1/83):

Page 5, 2nd full para., lines 1-3: for "early 1982...from mid-1982"
read "early 1983...from mid-1983"

A corrected page is attached.

Att: (1)

Other Distribution:
Department Heads

(at least one tractor per FAPA, other farm equipment, seeds, and initial working capital) by the State. The arrangement was for the FAPAs to be supported by the Central Government, mainly through payment of staff salaries; they were also to receive help from local governmental entities for construction of buildings and draw on "voluntary labor" from peasants. Crop plans and equipment selections were on the basis of guidance by the Ministry of FAPAs and Agricultural Cooperatives. By the end of 1982, a total of 367 FAPAs had been created in Guinea's 311 rural districts (Table 2). According to official figures, total staff of the FAPAs was about 12,000 in early 1983, including university graduates with degrees in agronomy, zoology and veterinary medicine, and university students who spend a two-year apprenticeship on the FAPA. Average acreage under cultivation per FAPA varied from 65 hectares in the Forest Region to 190 hectares in Upper Guinea.

The FAPAs were assigned rather comprehensive objectives: they were expected, *inter alia*, to contribute to restore the country's autonomy in food production to increase Guinea's exports of agricultural products, and to provide needed agricultural raw materials to input-starved agro-industries. Moreover, they were intended to boost smallholders' production by disseminating improved and new farming techniques and providing other producers with selected seeds, fertilizers, and other needed inputs. They were also designated to stem migration of young people from rural to urban areas, and to absorb the agricultural engineers and technicians graduating from the agricultural schools (*facultes d'agronomie*) which were created around 1975 in each of Guinea's 33 administrative regions.

A policy announced in early 1983 called for the 210 FAPAs (which were created in 1979 and 1980) to become financially independent and acquire the status of cooperatives beginning from mid-1983. ^{1/} Under the new arrangement, the FAPAs would receive a cash advance equivalent to six months of staff salaries, to be deposited in each FAPA's bank account and to be used for productive purposes only. The Government would continue to pay the salaries of staff recently graduated from school for three years following their graduation. In addition, in place of government subsidies and contributions, the autonomous FAPAs would be eligible, upon approval, to receive credit from the Banque Nationale de Developement Agricole (BNDA), the agricultural development bank.

The management of the FAPAs has reportedly been hampered by the inadequate training of management staff and an excessive dependence on the Central Government. Decisions on crop selection and on supply of equipment have been made at the national level without adequately taking into account the diversity of local conditions. An apparent lack of dynamism on the

^{1/} The policy was approved by the 52nd session of the National Council of the Revolution (Conseil National de la Revolution, CNR) in February 1983. The CNR consists of representatives from all over the country of the only political party in the country, the Democratic Party of Guinea (Parti Democratique de Guinee, PDG), which in Guinea is virtually synonymous with government. The Council is summoned in ordinary session twice a year.

Table . Guinea: Activities of the FAPAs, by Region, December 1982

| | Forest Region | Maritime Region | Middle Guinea | Upper Guinea |
|-----------------|-------------------------------|--------------------|------------------|-----------------|
| Number of FAPAs | 84 | 58 | 120 | 105 |
| Agriculture | <u>(In hectares per FAPA)</u> | | | |
| Cereals | 30 | 50 | 30 | 120 |
| Cotton | -- | -- | -- | 25 |
| Groundnuts | -- | -- | 5 | 15 |
| Shrub crops | 25 | 20 | 20 | 15 |
| Tuber crops | 10 | 20 | 20 | 15 |
| Livestock | <u>(In units)</u> | | | |
| Oxen | 20 | 30 | 50 | 40 |
| Goats | 20 | 30 | -- | -- |
| Sheep | -- | 30 | 50 | -- |
| Pigs | 25 | 30 | -- | -- |
| Poultry | 60 | 100 | 200 | 150 |

Source: Data provided by the Guinean authorities.