

**FRAMEWORK OF COOPERATION**

**PALOP (ANGOLA, CAPE VERDE, GUINAE-BISSAU,  
MOZAMBIQUE AND SÃO TOMÉ AND PRÍNCIPE) /  
EUROPEAN COMMUNITY**

***REGIONAL INDICATIVE PROGRAMME***

**PREAMBLE**

The group of the African Countries using Portuguese as an Official Language (hereinafter called PALOP), comprising Angola, Cape Verde, Guinea-Bissau, Mozambique and São Tomé and Príncipe have benefitted within the framework of Article 156 of the Fourth Lomé Convention from a first regional programme signed on 29 June 1992. This programme represents a continuous effort to define the common priorities and objectives of development, drawn from the guidelines established by the five Heads of State, during the Summit Meeting of March 1992, which took place in the capital of the Democratic Republic of São Tomé and Príncipe. The general aim of this programme has been to help the five countries concerned to make best use of their respective assets and their common economic, social and cultural resources with a view to promoting their integration into the world economy and thereby contributing to their modernization and development.

In line with the political will put forward by the five Heads of State, reaffirmed at the June 1995 ministerial meeting of National Authorizing Officers, to pursue and strengthen cooperation under the PALOP programme, the meeting held in Brussels from 25 to 27 February 1997 instructed the National Authorizing Officers to negotiate with the European Commission (hereinafter called the Commission) the planning of the regional indicative programme in accordance with Articles 160 and 161 of the Fourth Lomé Convention, as revised by the agreement signed in Mauritius on 4 November 1995 (hereinafter called the Fourth Lomé Convention).

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## I. GENERAL FRAMEWORK

1. The governments of the PALOP countries, represented by His Excellency Mr. Severim de Morais, Deputy National Authorising Officer (EDF) and Deputy Minister of Planning of the Republic of Angola, His Excellency Mr. Ulisses Correia da Silva, Secretary of State of Finance of the Republic of Cape Verde, His Excellency Mr. Rui Barcelos da Cunha, Deputy National Authorising Officer (EDF) and Director-General for International Cooperation of the Republic of Guinea-Bissau, Her Excellency Mrs. Frances Rodrigues, National Authorising Officer (EDF) and Deputy Minister of Foreign Affairs and Cooperation of the Republic of Mozambique, His Excellency Mr. Homero Salvaterra, National Authorising Officer (EDF) and Minister of Foreign Affairs of the Democratic Republic of São Tomé and Príncipe, and the Commission represented by His Excellency Professor João de Deus Pinheiro, member of the Commission responsible for the relations with the ACP States and South Africa, met in Maputo, on 5 March 1997, with a view to determining general guidelines for cooperation between the five countries and the European Community.
2. At this meeting, the two parties drew up the regional indicative programme for cooperation between the European Community and the PALOP group, pursuant to Article 160 of the Fourth Lomé Convention, for the remainder of the period covered by the Second Financial Protocol.
3. The representatives of the PALOP countries and of the Commission emphasized that their cooperation was based on the following objectives and priorities:
  - the development and consolidation of democracy, rule of law and respect for human rights and fundamental freedoms;
  - poverty alleviation;
  - sustainable economic and social development, with special importance attached to the development of human resources and, in particular, women's rights and environmental protection;
  - integration into the world economy and, in particular, promotion of the private sector and trade development.
4. In this context, the general objective of the cooperation covered by this indicative programme is to help reduce the development lag of the five countries concerned, where specifically attributable to common characteristics, by encouraging their integration within the geographical regions of which they form a part. The main thrust of the PALOP programme is to pursue this objective by giving the five countries the means and resources to achieve this end, specifically through measures designed to achieve economies of scale.
5. With regard to programmable financial and technical cooperation as provided for in Articles 160 and 281 of the Fourth Lomé Convention, the PALOP countries have

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obtained a total indicative allocation of ECU 30 000 000 with which to implement the indicative programme. In addition, projects undertaken for the purposes of strengthening and modernizing centralized and decentralized administrative facilities may benefit from resources allocated by the European Community for *institutional support*.

6. The present indicative programme principally concerns programmable financial resources set aside for regional cooperation, but also takes account of the need for compatibility with other funding potentially available to PALOP countries under other Community mechanisms. Regional projects must, as a general rule, be financed from both regional and national resources.
7. The effectiveness of any development effort requires a stable macro-economic climate which will satisfy private sector initiatives and ensure stable and sustainable economic development in the medium term. The countries of the PALOP group which, with support from the international community, are already committed to economic reform, have accordingly undertaken to pursue their adjustment programmes. The other PALOP countries have undertaken to follow the necessary measures, whether to stabilize their respective economies or to preserve macro-economic stability.

## II. FOCAL AREAS FOR COOPERATION

8. Within the general framework, the parties agree on priority areas on which Community support will focus. The programmes and projects must, in addition, as far as possible, be incorporated in regional sectoral strategies and be compatible with programmes and projects adopted at national level.
9. The conditions and criteria adopted for the principal spheres of activity under the second PALOP programme are as follows:
  - a) Priority must be given to measures which will achieve substantial economies of scale through inter-linking on a PALOP regional basis;
  - b) Priority must be given to measures which do not qualify in terms of geographical regional cooperation, but which contribute to improved geographical integration in terms of traditional regional cooperation zones;
  - c) Public Administrations are the prime instrument in supporting economic and social reforms. Furthermore, considering the reforms actually in force in the PALOP countries, this sector should evidently be considered a priority in order to achieve more ambitious objectives involving greater participation of civil society in the development process, and in the strengthening of the private sector;
  - d) National continuity of measures undertaken at regional level must be ensured through coherent articulation of the hypotheses, objectives, results and resources defined at both levels;

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- e) Institutional support in the various operational sectors seeks to create the most favourable conditions, a full and total utilization of trained human resources and an open approach to new political and institutional practices;
- f) The capacity to resolve common problems through the search for common solutions must be further strengthened. The impact of economies of scale is evident in operations already begun, notwithstanding the problems arising from the coordination of such a geographically extended and discontinuous regional programme;
- g) Efforts to increase the value of human resources and institutional support in sectors regarded as priority areas by all the countries concerned must be pursued;
- h) Steps must be taken to improve understanding between the various countries concerned, this being a prerequisite for the preservation of peace, respect for human rights and consolidation of the rule of law.
10. The PALOP countries and the Commission have agreed a breakdown of the total allocation of funding between the priority spheres as follows:
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|------------------------------------|-----|
| * Institutions and administrations | 31% |
| * Employment and training          | 34% |
| * Culture                          | 15% |
| * Statistics                       | 5%  |
| * Education                        | 7%  |
| * Tourism and environment          | 8%  |

## II.1. PRINCIPAL FOCAL AREAS

11. Three principal sectors have been adopted:
- Institutions together with central and local public administration;
  - Employment and training;
  - Culture.
12. These sectors have been chosen on the basis of an analysis of the principal needs identified jointly with the five countries concerned, which would call for a more specific response to improve the effectiveness of measures earmarked in the national or regional indicative programmes of which the PALOP countries will be the beneficiaries.
13. This choice also underlines the **intended continuity** between the first and second programme, by comparison with an approach focused on institutional support and improvement of the quality of human resources, whilst leaving the way open for **new spheres of application** (legal institutions, the relationship between employment and training), deriving from the same logic.
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### II.1.1. *Institutions and administrations*

#### **Specific objectives**

14. Community aid in this key sector should help to establish the process of decentralization and thereby strengthening the power of initiative to the grassroots population (by intensifying the role of local associations and NGOs) and to the new local authorities, and speed up decentralization of administrative services, which is a necessary condition towards more transparent decisions, and affinity with the concerns of the citizens. Strengthening the parliamentary institutions and the intervention capability of the judicial institutions will also help to narrow the gap between elected officials and the administration, on the one hand, and civil society, on the other.

#### **European Community support**

15. Community aid will accordingly be able to focus on:
- modernization of the legislative framework;
  - modernization of the administrative, parliamentary and judicial systems;
  - development of human resources through training and refresher courses for employed persons;
  - documentation and support for computerization within the institutions, promotion of exchanges between the five countries in the field of law and jurisprudence (Legal Studies Centre);
  - information and awareness programmes on the reform processes;
  - strengthening the roles of local associations and NGOs;
  - improved documentation and computerization of parliamentary services;
  - training of parliamentary staff;
  - drafting of codes and regulations in the various legal fields concerned;
  - improved training for magistrates and staff involved in the legal process;
  - strengthening of law studies provided by the universities and training programmes for judiciary staff.

### II.1.2. *Employment and training*

#### **Specific objectives**

16. The employment situation in the five countries, apart from differences relating to their specific circumstances, raises more generally the question of how aid focused on a local problem can be properly geared to its objective and made effective. The methodologies employed for this type of project (LEI - Local Employment Initiatives) exist and all share in common the number of basic factors which guarantee the success of an operation, first of which being the necessary establishment of a **local development engineering capacity**. Community aid in this sector should be focused on support for establishing such a capacity (training for trainers and staff, assistance with the drafting of administrative and legislative texts, support for fiscal reforms) and

for **developing various pilot schemes** to be closely analysed and monitored with a view to possible subsequent enlargement (exchange of experience to provide ideas for new applications and to provide a model for other pilot schemes).

### **European Community support**

17. The creation and development of productive activity is of vital importance with a view to establishing a stable population and rebuild a local production network. To this end, Community aid should concentrate on schemes to promote “Local Employment Initiatives” and, above all, establish a common methodology with which to approach such questions, provide training for trainers, establish the bases and principles for relevant documentation and regulations, set up a framework for the institutional relations between project managers and lay down the institutional and technical support measures required for the ongoing and close monitoring of operations.

This approach should provide a satisfactory response to all of the following problems:

- decentralization of local employment public services;
- participation of all local partners, and of population groups concerned;
- strengthening of professional and sectoral organizations, particularly with regard to their capacity to manage and motivate the various economic sectors;
- optimization, creation and development of micro-enterprises;
- regeneration of productive network in rural or coastal areas and in the agricultural sector or spheres linked to maritime activities;
- establishment and development of employment *observatories*, particularly through the standardization and circulation of documentation and information between the various countries and exchange of expertise in relation to jobs and training;
- support for formulating policies and strategies in the vocational and technical training sphere, particularly in the agricultural and agri-food sectors (e.g., via inter-university cooperation such as “NECTAR”);
- poverty alleviation and enlarged contributions to welfare assistance programmes;
- improved integration of displaced persons.

### **II.1.3. Culture**

#### **Specific objectives**

18. The cultural domain, and in particular the need to make best use of all aspects of cultural heritage, would seem to be one of the most important areas of regional cooperation for the five PALOP countries. The cultural wealth of this region is indeed a treasure for the heritage of the world and mankind in general. Measures to preserve and present to best effect the various heritage items could be of equal benefit to cultural researchers and specialists, whether European, African or Latin American. More specifically, the conservation and appreciation of historical archives is a priority issue for the five countries, in so far as all of them, to differing degrees, possess valuable historic material for compiling information on past relations between Europe,

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Africa, Asia and Latin America over the last five centuries. Local institutions should be closely involved in this work during the various stages of implementation.

### **European Community support**

19. Community aid in this sector could be a significant element for strengthening the five countries capability to take greater account of the evidence of their recent history and to open a positive dialogue with international partners. This aid could also help to reinforce an identity (potentially one of the key instruments of development), associated with promotion of the links which have been built on the basis of the Portuguese language and the “revival” of the diversity of African culture within the societies of the five countries.

## **II.2. OTHER FIELDS OF COOPERATION**

### **Intervention in non-focal areas**

#### **Consolidation and continuation of current actions**

##### **- Statistics**

20. In this strategic sector, the five countries should pursue the work undertaken during the first programme to train middle-level staff and pool experience and working methods on such important questions as national accounts, a better evaluation of the “informal” sector, the compilation of statistics on poverty, or the establishment of common nomenclatures.

##### **- Educational system**

21. Given that education is a vital development instrument, the work already undertaken during the first programme should be further consolidated. Therefore the following actions must be promoted: permanent training of teachers, the extension of training to all primary school teachers, better management to the educational system (teaching managers, inspectors, planners, heads of educational establishments or accounting managers), training of trainers for technical or agricultural teaching, and training of “specialized” education teaching staff (e.g. handicapped children).

##### **- Tourism and Environment**

22. Taking into account the direct link between the development of tourism (sub-sector which has job-creation potential), and the matters concerning the environment (quality of sites, natural resources, services provided, etc.) a group of actions should be developed such as: the drawing up of necessary legislation and regulations, the definition of strategies and plans to protect the environment, the establishment of a joint documentation centre (with computer access from a distance), or support for a joint training centre for the five countries (especially in the field of tourism).

## **II.3. OTHER ACTIVITIES**

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23. Implementation of the programme requires in-depth and permanent communication and dialogue between the five partners and the Commission. Special effort should be provided for the support and coordination of global technical assistance for the programme. Necessary meetings and interviews, particularly at National Authorizing Officers level, should take place in order to achieve this priority, as well as supporting a coordination entity, which is seen as being essential to the increase of management capabilities of the RIP and to the good will existing within the PALOP, and between the PALOP and the Commission. Given the need to reinforce the multi-faceted and permanent coordination at different levels of the programme implementation, this entity should take the form of an executive secretariat.
  24. The governments of the five countries have given a clear undertaking to take all measures necessary (including national funding) to ensure the satisfactory performance of the projects, both in respect of their national components and other measures for the subsequent multiplication of actions. They will be required, in addition, with support from the Commission, to systematically establish complementary links between these measures and those specified in the other RIPs and NIPs.
  25. Emphasis will be placed on helping to define sectoral policies and strategies in the priority areas for assistance, based on project implementation; without such policies and strategies, genuinely effective and sustainable measures will not be a viable proposition.
  26. Without prejudice to the terms of the agreement on the appraisal and approval of projects, the Commission may support the operations described above by coordinating its assistance with that of other donors and taking into account undertakings made by the PALOP governments, in particular with regard to administrative and institutional reforms.

### **III. ENTRY INTO FORCE, IMPLEMENTATION AND FOLLOW-UP**

27. The parties undertake to take the necessary measures to ensure active implementation of the programmes and projects envisaged in this regional indicative programme. With a view to improving and facilitating coordination, the PALOP and the Commission agree to meet once a year, as provided for in Article 160(b) of the Fourth Lomé Convention, in order to examine the implementation of the programme.
  28. The participants at this meeting will be the National Authorizing Officers, the project managers, the project technical assistants, the Commission and the Heads of Delegation concerned.
  29. The meeting will be convened jointly by the National Authorizing Officer of the coordinating PALOP and the Commission during the second quarter of the year and will be held, on a rotation basis, in each of the five countries of PALOP the group.
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30. In preparing for the meeting, the manager of each project and the technical assistant/s for the PALOP programme will draw up a joint progress report on the respective programmes and projects.
31. The procedure for submitting projects for financing is as follows:
- all the projects will be identified in the course of 1997;
  - subsequently, each project will be the subject of a specific financing proposal presented to the EDF Committee at the request of the National Authorizing Officer of the project host country (in this case the National Authorizing Officer acting as PALOP Regional Officer).
32. Subject to the ratification and entry into force of the Fourth Lomé Convention, the Regional Indicative Programme, shall be deemed to be definitive six weeks following the date of signing, unless either party communicates to the contrary within this period.

Done at Maputo, 5 March 1997

His Excellency Mr. Severim de Morais  
Deputy National Authorising Officer (EDF) and  
Deputy Minister of Planning of the  
Republic of Angola

(The European Commission)  
His Excellency Professor João de Deus  
Pinheiro, member of the Commission,  
responsible for the relations with the  
ACP States and South Africa

His Excellency Mr. Ulisses Correia da Silva  
Secretary of State of Finance of the  
Republic of Cape Verde

His Excellency Mr. Rui Barcelos da Cunha  
Deputy National Authorising Officer (EDF) and  
Director-General for International Cooperation of the  
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Her Excellency Mrs. Frances Rodrigues  
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Deputy Minister of Foreign Affairs and Cooperation of the  
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