

CHAPTER TWENTY-TWO

LEAST DEVELOPED COUNTRIES AND ECONOMICALLY DEPRESSED AREAS

ARTICLE 144

Strengthening Capacity for Co-operation

1. The Member States, recognising the need for the promotion of harmonious and balanced development in the Common Market and in particular the need for reducing the disparities among various areas in the region and paying attention to the special problems of each Member State, particularly those of the least developed countries and economically depressed areas, agree to take several measures designed to strengthen the capacities of those groups of States of the Common Market to solve these problems. To this end, the Member States shall:
 - (a) encourage new investments in such areas thereby strengthening their economies so as to enable them to increase the production of exportable goods to other Member States of the Common Market;
 - (b) encourage the introduction of new technologies properly designed to meet the needs of such

areas so as to assist in the transformation of their economies from dependence on one or two primary commodities to a more diversified production and marketing structures;

- (c) promote special programmes and projects that would enable them to improve the supply side of their economies so as to participate more effectively in the Common Market; and
- (d) strengthen national and regional chambers of commerce and industry as well as other relevant bodies to enable them to play a leading role in the implementation of projects and programmes of the Common Market.

2. The Authority shall, upon the recommendation of the Council, designate a Member State as a least developed country.

ARTICLE 145

Development of Infrastructures

The Member States agree that one of the major pre-requisites for sustained economic growth of the least developed countries and economically depressed areas of the Common Market is the development of adequate and reliable

infrastructure, especially transport and communications. The short- and medium-term objectives for the development of the transport and communications infrastructure of the least developed countries and economically depressed areas shall include:

- (a) the completion of all inter-State missing links, especially the inter-state rail and road links, and the construction of local and domestic ones where these do not exist to enhance the much needed intra-regional co-operation with neighbouring countries;
- (b) special assistance to such areas in the development of adequate inter-State telecommunications facilities, which under certain circumstances, obviate the need for transport and movement of persons;
- (c) assistance in the maintenance and upgrading of all transport and communications infrastructure such as roads, rail, ports, airports and telecommunications;
- (d) the development of training facilities in the transport and communications sectors to cater for the increasing needs for skilled personnel at all levels and special assistance to enable such areas to acquire manufacturing capacity and capability for the maintenance of equipment required for transport

and communications facilities; and

- (e) special assistance for the development of other infrastructural facilities as may be deemed necessary for the accelerated development of such depressed areas. These facilities shall include those necessary for the supply of adequate utilities such as electricity and water.

ARTICLE 146

Industrial Development of the Least Developed Countries and Economically Depressed Area

The Member States agree that special consideration shall be given to the least developed countries, and economically depressed areas of the Common Market in the sector of industry and energy development. In this regard, the Member States undertake to:

- (a) maximise the utilisation of existing capacities to meet local, national and regional demand;
- (b) improve the investment climate for both local and foreign investors;
- (c) increase investment in human resources development in particular, the development of

indigenous entrepreneurs;

- (d) develop industrial support services such as product design and adaptation, research and development, standardisation and quality assurance, market research, consultancy and contracting services, information dissemination, project identification, pre-feasibility and feasibility studies and industrial surveys; and
- (e) develop small-scale and medium-scale industries.

ARTICLE 147

Agriculture and Agro-Industrial Development of the Least Developed Countries and Economically Depressed Areas

The Member States undertake to give special attention to the least developed countries and economically depressed areas of the Common Market in the sector of agriculture by:

- (a) the improvement of the production base of their agricultural products for trade and inputs to agro-industry;
- (b) the promotion of programmes aimed at processing primary agricultural products to enhance their value

and create rural employment;

- (c) the promotion of conservation and rational use of natural resources, and the enhancement of environmental friendly programmes; and
- (d) by increasing the income and standard of living of the populations of the economically depressed areas.

ARTICLE 148

Development of Services

The Member States agree that special consideration should be given to the least developed countries and economically depressed areas of the Common Market in the service sector. In this regard, the Member States undertake to:

- (i) maximise the use of the existing potentials to respond to the needs of the sub-region;
- (ii) improve investment conditions for the service sector for nationals and foreigners; and
- (iii) develop support services including technical capacities, designing, adjustment of the service, market survey, advisory and contractual services.

ARTICLE 149

Other Areas of Co-operation

The Council may from time to time adopt other priority areas to be considered in the context of the provisions of this Chapter.

ARTICLE 150

Special Fund for Co-operation, Compensation and Development

1. The Council shall establish a special Fund for Co-operation, Compensation and Development for tackling the special problems of under-developed areas and other disadvantages arising from the integration process.
2. For the purposes of paragraph 1 of this Article, the Member States shall conclude a Protocol which shall, inter-alia, determine the machinery and formula to be used in granting compensation under this Article.