

most countries were able to maintain food production at last year's record level, despite less favourable weather conditions. Several countries have achieved diversification in their agricultural production through the introduction of new crops, particularly cash crops. New opportunities arose for the expansion of exports, particularly of maize, hard fibres, vegetable oils and sugar. The Committee noted, however, that the area which appeared to be most sluggish and resistant to rapid growth was agriculture. Though there had been an average annual increase in production of about 3 per cent over the preceding decade for the region as a whole, rising population had absorbed about two-thirds of this increase. The Committee recognized that growth in the agricultural sector of this predominantly agricultural region was essential as a basis for, and complement to, progressive industrialization and diversification. The industrial sector had, however, it was agreed, shown considerable dynamism and had continued to grow at a rate of about 8 per cent *per annum*.

The value of exports from the area rose by about 2 per cent to 3 per cent between 1961 and 1962. This compares with a fall in value of about 5 per cent between 1960 and 1961. Export-promotion policies have been of assistance in some countries, while the recent rise in prices of some important export commodities has also helped some countries to increase their export receipts. Imports into the area as a whole were between 5 per cent and 6 per cent higher in value in 1962 than in 1961. A number of countries have been forced to impose import restrictions. In spite of this, the high import content of development expenditure, partly financed by external aid, has, in many cases, prevented an absolute fall in the value of imports.

Terms of Assistance

The Committee noted that the amount and nature of capital and technical assistance provided to the region continued to exercise an important influence on growth in developing countries. The total of all economic aid and technical assistance provided under the Plan since its inception had been \$13,820 million. The value of aid in 1962-63 amounted to \$1,820 million. In addition to this, of course, a good deal of assistance had been provided by countries not members of the Colombo Plan and by the United Nations and its related agencies, in particular the World Bank and the International Development Association. Though some countries had improved the nature and terms of their assistance and there had been improvement in foreign assistance techniques, the Committee felt that there was considerable scope for further improvement. In view of the demands of new productive facilities for raw materials and components, it was agreed that continued attention should be paid to the important role of non-project assistance. It was recognized that many countries were faced with a growing burden of foreign debt and it was hoped that more could be done towards easing the terms of the assistance provided.

The Committee agreed that, while some measure of economic and social