

EVALUATION REPORT
CARIBBEAN INVESTMENT PROMOTION SERVICE
UNITED NATIONS INDUSTRIAL
DEVELOPMENT ORGANIZATION

Prepared for
BUREAU FOR PRIVATE ENTERPRISE
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D.C.

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Appendix: Persons Interviewed for this Evaluation

I. Summary of Recommendations

A. PRE's initial investment of \$160,000 has been fully justified by results.

B. PRE should fund Phase II of the CIPS Program (F.Y. 1985) with the following caveats:

- The \$11,000 earmarked for software in connection with PROPSPIN should be re-allocated to other activities;
- The program recommendations in this evaluation should be given serious consideration;
- Clarification should be obtained as to why PRE is being asked to fund the entire amount requested for office rent.

C. Early in F.Y. 1985, CIPS participants and UNIDO should develop a Long-Term Strategy and Action Plan centered on the establishment of an Eastern Caribbean Regional Investment Development office in the United States, and should aggressively approach bi-lateral and multi-lateral funding agencies for support.

II. Performance Criteria

Whether or not there is a credible "model" that might be used as a framework for evaluation of the CIPS program is arguable. Investment promotion is as much an artform as a science. Methods for the achievement of goals can be highly individualistic and pragmatic.

However, there are a number of performance criteria that may be used as the basis for evaluation. These criteria include the following:

1. Stated Goals and Objectives.
2. Quality of Training.
3. Strategic and Tactical Planning.
4. Selection of Target Audiences.
5. Consistency and Quality of Approaches to Investors.
6. Number of Contacts made.
7. Consistency and Quality of Follow-Up.
8. Number of Prospects Seen.
9. Support From and Coordination With Home Government.
10. Quality of 'Deal Sense' or Project Orientation.
11. Number of Prospects to Visit Country.
12. Number of Investments Secured.

Obviously, in a program such as CIPS -- which is designed for investment promotion 'beginners' -- the first eight of the above

performance criteria will be far more relevant than the last four.

As the CIPS program matures, and participants become increasingly sophisticated and knowledgeable, AID should expect to be able to progressively apply performance criteria Nos. 9 through 12.

III. The UNIDO/CIPS Project

CIPS -- Caribbean Investment Promotion Service -- is a program carried out under the aegis of UNIDO, the United Nations Industrial Development Organization, located in UNIDO's New York offices. CIPS is part of a UNIDO global program of investment promotion founded in 1978.

The program is designed to train nationals of developing countries in the planning and techniques of foreign investment promotion, and to provide expert counsel and supporting services on a pooled basis. UNIDO believes that (a) formal and on-the-job training (b) collegiality and (c) access to shared consulting and supporting services makes its program highly cost-effective.

The CIPS program, now nearing the end of its first operational year, was conceived to assist countries of the Caribbean basin. Participants include Antigua and Barbuda, St. Catherine's and Nevis, Belize and Dominica. The program has been supported by grants from US/AID, the Caribbean Development Bank, the United Nations Development Program and by UNIDO itself. The participation of two additional countries, the Bahamas and Colombia, has been funded by grants from the World Bank. Ecuador's participation has been financed by the AID Mission in Quito.

All these countries work together and share common services. However, this evaluation is limited to Antigua, St. Catherine's

and Nevis, Belize and Dominica -- the four full-time members of the CIPS program.

The evaluation describes the CIPS program in three phases, as follows:

-- Phase I: Start-Up -- the First Year.

In this phase, country representatives are stationed at UNIDO offices in New York. An orientation program is conducted for country representatives and also includes home country personnel who will be responsible for 'backstopping' New York-based personnel. At UNIDO's New York office, investment promotion representatives undertake a range of activities designed to identify and make contact with prospective investors.

-- Phase II: The Second Year Proposal.

This phase comments on UNIDO's request for funding, which is designed (a) to continue the activities begun in the first year (b) to expand a number of these activities and (c) to introduce several new activities.

-- Phase III: The Future.

This phase centers on recommendations concerning the continuance of the investment promotion activity after the termination of PRE funding.

IV. Phase I: Start-Up -- the First Year.

A. The Background.

In October 1983, the Bureau for Private Enterprise made a grant of \$160,000 in support of the CIPS program. Other donor agencies were the Caribbean Development Bank (\$74,580); the United Nations Development Program (\$56,500); and UNIDO itself (\$55,935).

Four Caribbean countries were participants-in-residence in the CIPS program as of October 1983: Antigua/Barbuda, Belize, St. Kitts/Nevis and Dominica. The Bahamas joined the program in January 1984, with funding from the World Bank. These countries stationed investment promotion officers at UNIDO's New York headquarters. In addition, a range of activities is conducted in order to ensure that 'home country' ministries and agencies are in tune with and responsive to the U.S.-based investment promotion efforts.

This evaluation of Phase I is based on (a) reading file materials provided by PRE and UNIDO; (b) attendance at the CIPS meeting in Antigua, July 23-24, 1984; (c) discussions with participants (see Appendix) both during and after the workshop; and (d) further extensive discussions with UNIDO personnel in New York City and Washington, D.C.

B. Objectives of the Program.

According to the initial UNIDO submission to AID, CIPS was conceived to achieve the following objectives:

- To provide direct access by Caribbean investment promotion officers to specific groups of North American businessmen most likely to be receptive to the opportunities available; and
- To help the Caribbean nations take full advantage of the contacts by assisting them to develop and apply necessary technical and promotional skills.

"By grouping countries and thus pooling advisors and supporting staff, as well as other facilities, operating and training costs per country are minimized," according to UNIDO. "This", it says, "is a crucial advantage when it is recognized that to establish a separate national office in New York costs around \$3-500,000 per year. Many of the smaller nations could not afford or justify such expenditures at this stage of their development."

C. The Program.

Of the eleven months that have elapsed since October, 1983, a minimum of three months was required to make arrangements for the four countries to send representatives to New York, and for these investment promotion officers to locate suitable personal housing and "settle in" to their new environment. Therefore, this evaluation is based on not more than eight months of operational experience.

The following is a sampling of the types of activities undertaken by UNIDO and the participants in the program over the course of these eight months:

- (a) A month-long orientation program. Based on a review of the curriculum, it would appear that this would be of substantial value to persons being exposed to the basics of U.S. industry and to investment promotion for the first time. For example, included in the curriculum is a valuable segment on international negotiating skills conducted by Professor A. Kapoor, whose work is well known to this writer. Participants in the orientation program include not only the N.Y.-based investment promotion officers, but also officials of the home governments. This provides valuable training for those who will be "back-stopping" the investment promotion officers at home. It also familiarizes these "back-stopping" officials with the work of and pressures on N.Y.-based promotion executives.
- (b) Attendance at Trade Shows and Promotional Events. Participants have attended ten trade shows, including Wescon, a major electronics event. Participants have also attended numerous CBI promotional events sponsored by the U.S. Department of Commerce and by private organizations. While the writer is of the opinion that trade show and seminar attendance is frequently

overdone (industry shows tend to be most useful when they correspond to narrow promotional targets) these events undoubtedly have value for the beginner in the U.S. investment promotion field. Moreover, one of the CBI-type meetings provided an opportunity for the participating smaller Caribbean countries to plan and execute a joint exhibit -- an approach that reflects the UNIDO conception of pooled resources. These exhibitions are useful ways for those who are relatively inexperienced to begin to build networks. Discussions with a number of the participants confirm that this is indeed the major value of attendance at trade shows and similar events.

(c) List-Building, Direct Mail, and Follow-Up.

Participating countries have begun to learn how to use the various commercial directories and databases to build sectoral and other lists used in direct mail promotion. Each participant has carried out one or two direct mail efforts over the life of the program thus far. Most of these were targetted to textiles/garments, agribusinesses, and electronics. Direct mail thus far appears to be yielding a more or less acceptable standard of response -- i.e. 1-2% -- and most participants appear to be conscientious about telephone follow-ups and, when indicated, personal visits.

(d) Literature Preparation.

All of the participants have written, designed, and -- with the help of UNIDO -- printed leaflets, folders and other materials especially focussed on prospective U.S. investors. The standards of quality revealed in these materials is uniformly high. This literature is used in direct mailings and as give-aways at trade shows and other similar events.

(e) Country Strategy and Action Plan.

Each of the participating countries has developed a strategic document as an initial step in the investment promotion process. These plans set out the participants' initial conceptions of promotional targets; strategy, tactics and media; and assistance required from their home governments. These early plans will obviously require refinements over time. However, they have current value, especially considering that they have been prepared by new starters in the field.

D. Evaluation.

In my view, the first year of this program has amply demonstrated its potential value. It has begun to meet its stated goals, albeit that the improving promotional techniques and conducting effective programs of investor outreach is a continuing learning process.

There are a number of very tangible out-puts from year one. Professional-looking literature has been produced at low cost. Sectoral prospect lists have been compiled and used. Direct mail letters are professional in look, tone and content. Follow-up has been more or less uniformly aggressive. Some 2,500 pieces of direct mail have been sent. Some 750 phone calls have been made in follow-up to these mailings and to participation in trade shows and other special events. These phone calls have yielded 30 personal interviews. From these, 13 companies are said to be seriously considering personal visits to one or more of the four countries involved in the CIPS program.

These are the quantitative outputs. However, at this very early stage of the participants' development, qualitative out-puts are just as important. The four investment promotion executives have, through formal training, on-the-job doing, and the sharing of information and insights with one another, begun to get a feel for the U.S. market and for the tools and techniques of investment promotion.

The kind of training being offered to participants in this program is not available anywhere else in the world. UNIDO is absolutely correct in stating that the cost of establishing an independent investment promotion office in New York is conservatively between \$300,000 and \$500,000 annually, without the costs of consultants, space advertising and outside public relations assistance. These costs are of a magnitude that

probably precludes any of the four participating countries from attempting to 'go it alone'. It is against this background that the CIPS program must be judged to be highly cost-effective for a first year operation.

During its first year, however, the program has suffered from several shortcomings. For example:

- More emphasis needs to be placed on methods of strengthening the home country institutions of the CIPS participants. Their attendance at the orientation course represents a valuable start in this direction. Further progress will depend in part on availability of personnel and funding, and both problems are addressed in the Phase II proposal. Participants have not always received the degree of support they require from their home countries. This may be partly due to a lack of either understanding or sympathy on the part of the home country institution. More often, however, it is probably more attributable to the lack of personnel at home. This underlines the importance of providing further training for home country personnel, and for institution-building in general.
- In the CIPS program -- as in most other programs -- there is a tendency to encourage the use of computerized data. There is no question but that the computer can be a powerful time-saver. There is also no question but that participants in the CIPS program need to learn how to use computer-power effectively. However, the computer is no substitute for painstaking prospect development. The business of investment promotion can not be wholesaled. It is largely a one by one by one process. And it should be based, not only on numbers of mailing lists, trade shows, letters, phone calls and so forth. It should be based substantially on a kind of mind-set, a nose for developing specific projects which will appeal to business people, and then seeking out the two or three or four companies to whom such projects might logically appeal. This is more akin to successful entrepreneurship than it is to computer programming. While both have value, the 'entrepreneurial flare' is pivotal to successful investment promotion. It is recommended that CIPS participants be exposed to entrepreneurial thinking through both formal and

informal training approaches. This recommendation is expanded later in this evaluation.

The first-year program has perhaps not been as selective as it will become with more sophistication on the subject of (a) which industries to target and (b) which trade shows and other promotional events to participate in. The minimal human resources available in New York, coupled with the enormity of the U.S. market, underlines the need for the most effective possible management of time. With more experience, it is probable that participants in the program will be able to more narrowly pinpoint the sub-sectors that have the highest potential for their respective countries, and/or in which there are specific projects, and to carefully limit their involvement in conventions, exhibitions, and so forth, in favor of a more direct-line approach to prospects.

Despite these shortcomings, however, the writer does not have the slightest doubt that participants in the program are well on their way toward achieving the program's objectives. The CIPS representatives in New York are, by and large, a highly motivated, intelligent and articulate group. They are just at the beginning of what appears to be a very steep learning curve. They are receiving a type of on-the-job training available nowhere else in the world. It is the writer's view that PRE's investment in the first year of the program has been fully justified by the results.

V. Phase II: The Second Year Proposal.

On August 27, UNIDO submitted to PRE a report on its activities and achievements during the first year of operations, along with a funding request to cover the second year. This part of the evaluation is based on a review of this funding request, plus extensive discussions of the proposed program and budget with UNIDO officials.

Total funding of \$725,485 (original program: \$345,595) is being sought for FY 1985. PRE's requested contribution to this total is \$526,750. As this represents a more than threefold increase over the original grant, it is appropriate to examine the budget closely.

The increase of \$368,170 between the original funding request and the budget prepared August 27, 1984, is accounted for as follows:

- AID's contribution to 'Project Personnel' has risen from \$96,000 to \$202,000, an increase of \$106,000.
- AID's contribution to 'Training' has risen from \$43,580 to \$129,400, an increase of \$85,820.
- AID's contribution to 'Equipment' has risen from \$19,000 to \$95,250, an increase of \$76,250.
- AID's contribution to 'Miscellaneous' has risen marginally from \$34,000 to \$39,500.
- AID's contribution to the 13% UNIDO Project Service cost has risen from zero to \$60,000.

These increases are attributable to the following:

1. Project Personnel

PRE is asked to fund one part-time advisor (@ \$26,500) and an indeterminate number of consultants (@ an aggregate of \$45,000). PRE is further requested to fund two secretaries (@ \$52,000), as opposed to the three funded by the original grant (@ \$72,000); one research assistant (@ \$28,000) as opposed to \$24,000 in 1983; and one program assistant (@ \$26,000), not originally budgeted. In addition, PRE is asked to provide \$24,500 to cover travel by UNIDO personnel to and from the Caribbean and to and from other areas, for example, the Far East.

2. Training

PRE is asked to fund six fellowships (participants' stipends) @ \$56,900 total, as opposed to five stipends originally, @ \$43,580. PRE was not asked to fund participants' travel in the original request; this is now budgeted at \$42,000. Travel and per diem in connection with Study Tours is being requested at \$30,500, as a new item.

3. Equipment

PRE is requested to fund \$95,250 in year two as opposed to \$19,000 in the original budget. Most of this increase is accounted for by 'office rent', which was budgeted at \$10,000 in the original request, but has risen to \$60,000.

4. Miscellaneous

This category has risen marginally (from \$34,000 to \$39,000) but includes a number of objects of expense not specified in the original budget.

5. UNIDO Project Service Cost

This is expressed as a proportion of the total (13%), and so rises as the total rises. In the original funding, PRE did not finance UNIDO's project cost. It is being asked in the August submission to fund \$60,000 for this purpose.

Most of the above items -- and the largest proportion of the increase of F.Y. 1985 over F.Y. 1984 -- are directly tied to expansion of the current program and to program ideas which are new in the current funding request.

Of those expense items that are NOT related to program, the largest single item is office rent. UNIDO explains the increase from \$10,000 to \$60,000 in two ways. First, UNIDO's rent has been increased during the year. Secondly, and more significant, UNIDO claims that PRE was never charged its proportionate share of office rent, and that the large increase is merely to correct a situation which should have been corrected earlier. Why the original request was so low is not known; however, it seems reasonable that four or five participants, plus a share of common space, would add up to approximately 3,000 square feet, and that the rent should be in the neighborhood of \$20 per square foot.

However, it should be noted that PRE is being asked to fund all of the rent costs for the project.

The second substantial item NOT related directly to program cost is the \$60,000 UNIDO Project Service Fee. It is understood that PRE elected not to fund this item in the original grant for 'policy reasons'. However, in light of the fact that PRE does not contribute to the salaries of the Director, Associate Director or officer-in-charge of the program -- whose costs are borne by UNIDO -- PRE may wish to reconsider.

Other substantial increases in the second year budget request are directly tied to expansion of existing programs or introduction of new program elements.

While the second year proposed program will continue all the activities begin in Year One, a number of new initiatives have been suggested. These include the following:

1. UNIDO will mount a major Caribbean Investment Promotion Meeting in Barbados from 22-25 October, 1984. Because UNIDO projects a substantial attendance from the private sector -- not only U.S., but European and Far Eastern as well -- this event is recommended as potentially valuable. Inter alia, it will provide Caribbean investment promotion executives ^(with the opportunity) in the CIPS program to meet prospective investors face-to-face. It will also provide an important impetus for the preparation of more project-specific, rather than country-specific, materials.

2. UNIDO intends to supplement existing country-oriented and to-be-created project-specific literature by developing a

number of videotapes. This recommendation is supported; however, it is suggested that these videotape segments should be directed toward specific industrial or agricultural sectors and sub-sectors, rather than focus on the respective countries alone.

3. Persons responsible for home country backstopping of N.Y.-based investment promotion personnel have not yet received training in investment promotion. To remedy this, UNIDO intends to include these persons in the Fall 1984 orientation program. This recommendation is fully supported as being a necessary ingredient in the strengthening of home country institutions. Similarly, this evaluation is supportive of the provision of additional funds to enable N.Y.-based promotion officers to travel to their home countries more frequently. This can only contribute positively to the building of stronger relationships and better mutual understanding between N.Y.-based and home-based executives.

4. CIPS is now making increasing use of the various general and region-specific databases, both for output and input. Linking these databases via modem is an excellent suggestion, providing that the I.P. executives continue to make use of this resource. Similarly, the idea of increasing the emphasis on specific projects and specific sectors is fully endorsed. This is at the heart of any effective program of targetting and is one of the best methods of ensuring that scarce resources are used effectively. However, this evaluation is not at all certain of the value of the "PROSPIN" suggestion. The reasons are as follows:

- (a) While only a small amount of additional funding is required for this specific purpose (\$11,000), it needs to be evaluated in terms of participants' time and priorities.
- (b) There is a potentially counter-productive tendency in the investment promotion field to rely too heavily on computer-generated data. PROPSPIN software is designed to enable users to do preliminary financial analyses of specific projects. But perhaps the cart has been put before the horse. CIPS participants need to learn how to identify viable projects and then prepare project profiles. A computer can not do this job; a person has to do it. Only after the fact -- once a project has been identified -- can a computer help to evaluate it. Even here, the numbers of potential projects arising from the CIPS countries will be small enough to enable an investment promotion officer with a calculator to accomplish much the same objectives. Moreover, project profiles need to be prepared by those who are in-country, not in New York, where the software would be. What is suggested is that (a) at this early stage of development, CIPS investment promotion officers in the U.S. do not have great need of a computerized financial analysis tool such as PROPSPIN, and (b) home-country as well as U.S.-based CIPS participants should be given training in project identification, project analysis and project preparation.

5. Similarly, UNIDO's suggestion that time be devoted to a program designed to find markets for surplus plant and equipment seems questionable in terms of participants' priorities. It is the evaluator's view that this time might far better be devoted to other activities.

6. This evaluation strongly supports UNIDO's proposal to hold a number of Joint Promotional Events. These are likely to be cost-effective because of resource-sharing; and the ideas proposed are worthy of serious further exploration.

7. As noted in the UNIDO submission of August 27, 1984, the Government of one of the CIPS participating countries (St. Catherine's and Nevis) has proposed assigning a second person to the UNIDO office in New York, to provide depth which other countries do not enjoy (in addition to training two people rather than one). The home government would continue to pay the local costs of the person's salary. This should be tried on an experimental basis, with a careful record kept of contacts, mailings, phone follow-ups, and so forth, to afford the basis for a reasonable comparison with other countries' output at the end of the year.

8. These and the other program expansions and new initiatives proposed by UNIDO fully justify the need for additional part-time advisors and short-term consultants.

9. Beyond the ideas submitted by UNIDO, it is suggested that three other training ideas might be explored. These are:

- (a) Entrepreneurship. Participants would benefit from exposure to the 'lateral thinking' of successful entrepreneurs. A free-standing course, or an addition to the existing orientation program, could be developed.
- (b) Corporate Criteria and Decision-Processes. The more CIPS participants know about how and on what basis investment decisions are actually made, the more relevant will be their approaches to U.S. corporations. CIPS participants need to be exposed to the way companies of different types and sizes, and in different kinds of businesses, develop their investment criteria, evaluate possibilities and make decisions. This could be accomplished through a program of short internships in-company, or by arranging for a panel of corporate 'presenters' to

participate in the orientation course. This material would also be valuable for in-country backstopping personnel.

- (c) Salesmanship. A number of the current CIPS participants have indicated their need for training in the techniques of effective sales, including prospect development, telephone approaches, letter-writing and so forth. This could be a valuable addition to other types of training.

10. UNIDO estimates that 7,500 to 10,000 companies will be contacted by CIPS representatives during Phase II of the program. It further estimates that these contacts will produce a minimum of 100 companies who are seriously interested in investing in the region. Of these, 50 will decide to visit the prospective investment sites for personal evaluation. Depending on the quality of contacts, 7,500 approaches should yield, say, a 2 per cent return, or 150 companies with a genuine interest in exploring investment possibilities in the region. Of these 150, it is more likely that 10 per cent (15) will want to take matters further for a personal visit. However, this figure would be expected to rise where companies are being contacted for the second or third time, or where specific project ideas have been presented. Therefore, the figure of 50 visits for personal evaluation is well within the range of possibilities.

11. The CIPS Phase II program should be as thoroughly integrated as possible with the continuation of the P/DAP program, in respect of both investor search in the U.S. and elsewhere, and institution-building back home. UNIDO should investigate the

possibility that institution-building funds might be available under the current P/DAP budget. Coopers and Lybrand have been awarded the contract for continuation of this program, and a modus operandi should be worked out between this firm and CIPS executives.

VI. Phase III: The Future

Assuming a phase-out of PRE funding after FY 1985, the following is recommended:

Beginning in the very near future, CIPS participating governments, with the help of UNIDO, should prepare a Long-Term Development Strategy and Action Plan for the Eastern Caribbean. This should envision the establishment of an Eastern Caribbean Regional Investment Promotion office in New York or Miami. Those governments not now participating in the CIPS program should be encouraged to collaborate in this planning exercise.

Once the planning has been completed, approaches should be made to prospective donors. These include AID/LAC, CDB, UNDP, IDB, OAS, and the World Bank. The objective should be to obtain secure funding for a period of at least five years.

It is believed that prospective donors would find attraction in the concept of 'friendly competitor' nations willing to pool their resources in the interests a cost-effective regional approach. While regional approaches have not been notably successful in the past, the smaller countries of the Eastern Caribbean have a great deal more in common with one another than the countries of, say, the ASEAN region. Moreover, it is doubtful that individual Eastern Caribbean countries would ever be in a position to commit the resources required to fund independent operations overseas.

This request for funding should be closely coordinated with the continuation of the P/DAP program, being carried out by Coopers & Lybrand, with funding from US/AID, Barbados.

APPENDIX

PERSONS INTERVIEWED IN CONNECTION WITH THIS EVALUATION

UNIDO

Mr. W. R. Millager
Director-Designate
UNIDO/NA

Mr. Adly Abdel-Mediud
Head
UNIDO IPS/NA

Ms. Mary Sellner
Officer-in-Charge
UNIDO IPS/NA

Mr. Steve Gooch
Associate Director
UNIDO IPS/NA

Mr. Roy Clarke
Advisor
UNIDO CIPS

US/AID PRE

Mr. Bruce Bouchard
Policy Officer

Ms. Andrea Mohn
Project Manager for UNIDO

Mr. Charles Connally
Private Sector Development Officer
AID Mission, Barbados

Eastern Caribbean Nationals

Hon. Hugh Marshall
Ministry of Foreign Affairs
Antigua and Barbuda

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Eastern Caribbean Nationals (continued)

Mr. Leroy Adams
Director, Investment Promotion - North America
Antigua and Barbuda

Mr. Denton Belisle
Director, Investment Promotion - North America
Belize

Mr. Aubrey Hart
Director, Investment Promotion - North America
St. Christopher and Nevis

Mr. Anthony Pratt
Director, Investment Promotion - North America
Bahamas Agricultural and Industrial Corporation

Mr. Ronald Shillingford
Investment Promotion Executive
Dominica

Mr. Peter Azille
Marketing and Promotion Manager
Industrial Development Corporation
Dominica

Hon. Peter Bethell
Deputy Chairman, MP
Bahamas Agricultural and Industrial Corporation

Dr. Eric Bourne
General Manager
Bahamas Agricultural and Industrial Corporation

Mr. Tony Boatswain
Permanent Secretary
Ministry of Industrial Development
Grenada

Dr. Patrick Sylvester
Director
St. Luca National Development Corporation
New York

IBBEAN DEVELOPMENT BANK

**V. L. Forsythe
Port Marketing Manager**



OFFICE OF THE PRIME MINISTER
CABINET SECRETARIAT

Telegrams: General Services
Tele: 44 EXT. 00
Address: P. 13/21

GOVERNMENT HEADQUARTERS
ROSEAU
COMMONWEALTH OF DOMINICA
WEST INDIES

September 11, 1984

Director
United Nations Industrial
Development Organization
IPS - 74
821 UN Plaza
New York, N.Y. 10017
U.S.A.

Dear Sir,

Over the past three years, the Government of Dominica has embarked upon a programme of diversifying the country's economy. This will make our people less dependent on agricultural crops which are very vulnerable to strong wind.

During the above period the Dominica Industrial Development Corporation was set up, and since its establishment it has achieved marked results. This in no small measure has been due to the tremendous help given to my Government through IDC, in the areas of Training and Promotion of Foreign Investment in our country.

UNIDO, IPS - 74 assisted immeasurably from 1981 - 1983, and the Caribbean Investment Promotion Services under the UNIDO umbrella has continued to do no less. Without this joint approach, it would be impossible for small economy states like Dominica to have a presence in North America at this level.

My Government is confident that with the CIPS in place our objectives of Industrial and Economic Development will better be served. As a result, we offer our blessings in your search for funding for an extended and expanded programme under the umbrella of UNIDO.

Best regards.

Yours sincerely

MARY EUGENIA CHARLES
PRIME MINISTER AND MINISTER
OF INDUSTRY



PRIME MINISTER
ST. KITTS AND NEVIS

Ref. No. FA/U14/044

RECEIVED

1984

GOVERNMENT HEADQUARTERS
P. O. BOX 182
ST. KITTS, B. I.

31st July, 1984.

Mr. William R. Millager,
Director Designate,
UNIDO Investment Promotion Service - North America,
821 United Nations Plaza,
New York, N.Y. 10017.

Dear Sir,

Reference is made to your letter of 6th June, 1984, concerning the second year plans for the Caribbean Investment Promotion Service (CIPS), North America.

We are pleased to inform you that St. Kitts and Nevis will continue to support and participate in this very important programme.

We are of the opinion that our participation could be made more effective if we were able to have at least two officials based at CIPS-NA offices. We have been told that the issue of the need to have an additional person was discussed at the recently concluded meeting in Antigua.

We have also been informed that there is a possibility that at least one country now participating in the programme will not be continuing for the second year.

We have placed a considerable amount of confidence in this programme and intend to seek to maximize the benefits from such an institution. As a consequence, therefore, in addition to Mr. Hart, whom we have decided will continue his participation with the second year of the programme, we would also like to nominate a Mr. Kenrick Cameron, currently working in our Ministry of Foreign Affairs, to work along with Mr. Hart in CIPS-NA in New York.

Yours faithfully,

Kennedy A. Simmonds
Prime Minister.

cc. Hon. Hugh Heyliger, Minister of Agriculture, Lands, Housing & Development
His Excellency Dr. William Herbert, Ambassador Extraordinary & Plenipotentiary



RECEIVED

SEP 13 1984

OFFICE OF THE PRIME MINISTER
SAINT VINCENT AND THE GRENADINES
WEST INDIES

6th September, 1984

Mr. Millager
Director
UNIDO Investment Promotion Service
821 UN Plaza
New York 10017
USA.

Dear Mr. Millager,

Thank you very much for sending Mr. Roy Clarke to St. Vincent and bringing me up to date with the aims, objectives and functions of the Caribbean Investment Promotion Service.

My Government is pleased to participate in the work of CIPS. The promotion of industrial investment is high on our agenda. We will be pleased to get involved in the programme as soon as possible and are anxious to participate in the orientation programme in November. To this end, I will nominate the new Chairman of our Development Corporation, Mr. Oswald George, and one other person who will be based in New York and whose name will be supplied later.

I am anxious to know how much continuity will there be in the UNIDO/CIPS project so that we may assess one long term strategy.

Yours sincerely,

James Mitchell
Honourable Prime Minister/
Minister of Finance and Foreign
Affairs.



October 1, 1984

Mr. Millager
Director
UNIDO Investment Promotion Service
821 UN Plaza
New York 10017
U.S.A.

RECEIVED
OCT 3 1984

Dear Mr. Millager,

We are pleased to learn about the efforts your office have made in recent years to assist developing countries to improve their capabilities to deal with the many aspects of industrial development. The establishment of the Caribbean Investment Promotion Service (CIPS) is of special interest to Grenada as indicated during the consultation meeting in Antigua last July.

This letter is in further support for the continuation and strengthening of the CIPS, as we believe that Grenada can benefit substantially from participating in the programme, largely because of our limited financial resources and the need to strengthen the skills of Grenadians who deal with this important aspect of national development.

In this regard, we are in the process of upgrading our institutional capability for Industrial Development, so as to provide a one-stop streamlined structure to handle this important Sector.

We feel that our participation in the CIPS could assist greatly in some of the overseas elements of our operations.

We will therefore attempt to send at least one person to participate in the one month Orientation Sessions in November. Because of the shortage of trained personnel, we may have to settle for further participation during the first year on a non-resident basis. Under this arrangement, Senior Officers from Grenada would make periodic visits to the CIPS for discussions and meetings with prospective investors identified by your office. In this way, Grenada's development institutions could have a link with the major investment centres through UNIDO's network of offices around the world.

It is our understanding that all financial arrangements to cover cost of Grenada's participation, as outlined above, will be covered by the funding you have arranged with USAID, UNDP, CDB and UNIDO and we look forward to hearing from you with the necessary details can be worked out.

Yours faithfully,

.....
A.M. Cruickshank
Minister for Agriculture,
Natural Resources and
Industrial Development



UNIDO

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

PRESS RELEASE

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NOT AN OFFICIAL RECORD

IDO/1066
11 April 1984

CARIBBEAN INVESTMENT SERVICE OPENED BY UNIDO IN NEW YORK

(As received from the United Nations Information Centre,
Washington, D.C.)

Dr. Abd-El Rahman Khane, Executive Director, United Nations Industrial Development Organization (UNIDO) announced yesterday at a luncheon meeting of members of the United States Chamber of Commerce that, assisted by UNIDO, Caribbean nations are launching new promotional activities aimed at potential investors in the United States and Canada. The six-months-old Caribbean Investment Promotional Service (CIPS), already incorporates official investment promotional offices of Antigua and Barbuda, Bahamas, Belize, Dominica and St. Christopher and Nevis.

CIPS has been established by UNIDO and the participating governments in co-operation with the Caribbean Development Bank, the United States Agency for International Development and the United Nations Development Programme (UNDP). The Caribbean countries expect CIPS to help them attract American and Canadian investments, technology and know-how, management and financial resources.

The Caribbean representatives operating within the CIPS assist prospective investors and other interested parties by providing information on specific investment and other business opportunities, as well as on investment incentives, procedures and business conditions. They also help North American businesses to establish personal contracts in the host countries in both the public and private sectors.

An early milestone for CIPS will be a Caribbean Investment Promotion meeting to be held in Bridgetown, Barbados, in October 1984. The meeting is being organized by the Investment Co-operative Programme of UNIDO, together with several other participating organizations.

The Investment Co-operative Programme, based at UNIDO headquarters in Vienna, identifies industrial investment and co-operation opportunities and organizes investment promotion meetings on a global basis. It is also tied into related activities in the United States and Canada, having information exchange links with Caribbean/Central American Action, the overseas Private Investment Corporation and the Canadian International Development Agency, among others.

Unique in its regional focus, the Investment Co-operative Programme has been set up under the umbrella of the UNIDO-sponsored Investment Promotion Service-North America, which has been operating in New York City since 1978. The Investment Co-operative Programme has the same mission: strengthening the capacity of developing country nationals to effectively promote industrial development through joint ventures and other types of industrial co-operation. The on-going Investment Promotion Service-North America has provided orientation, training and technical assistance to over 100 investment promotion officials from nearly 40 developing countries. In addition to these benefits, directly traceable investments resulting from Investment Promotion Service-North America activities total more than US\$ 150 million.

Additional investment promotion services of UNIDO have been opened in Brussels, Cologne, Paris, Tokyo, Vienna, Warsaw and Zurich.

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FINANCIAL STATUS REPORT <i>(Follow instructions on the back)</i>		1. FEDERAL AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH REPORT IS SUBMITTED Agency for International Development		2. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER OTR-0001-G-III-2301-00		OMB Approved No. 05-RO180		PART OF 1 OF 1	
3. RECIPIENT ORGANIZATION (Name and complete address, including STP code) United Nations Industrial Development Organization (UNIDO) 821 United Nations Plaza, 6th Floor New York, N.Y. 10017		4. EMPLOYER IDENTIFICATION NUMBER Not Applicable		5. RECIPIENT ACCOUNT NUMBER OR IDENTIFYING NUMBER T2001460 (TF/CAR/02/001)		6. FINAL REPORT <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		7. BASIS <input type="checkbox"/> CASH <input checked="" type="checkbox"/> ASSE	
		8. PROJECT/GRANT PERIOD (See instruction:)				9. PERIOD COVERED BY THIS REPORT			
		FROM (Month, day, year) 1 October 1983		TO (Month, day, year) 30 September 1984		FROM (Month, day, year) 1 July 1984		TO (Month, day, year) 30 September 1984	

PROGRAMS/FUNCTIONS/ACTIVITIES ▶	STATUS OF FUNDS						TOTAL (g)
	(a) Project Personnel	(b) Training	(c) Other Direct Costs	(d) Miscellaneous	(e) Project Service Costs	(f)	
a. Net outlays previously reported	\$ 100,766	\$ 87,857	\$ 18,882	\$ 18,157	\$ 13,444	\$	\$ 239,106
b. Total outlays this report period	51,542	20,667	116	21,413	7,278		101,016
c. Less: Program income credits	Nil	Nil	Nil	Nil	Nil		Nil
d. Net outlays this report period (Line b minus line c)	51,542	20,667	116	21,413	7,278		101,016
e. Net outlays to date (Line a plus line d)	152,308	108,524	18,998	39,570	20,722		340,122
f. Less: Non-Federal share of outlays	57,785	70,449	Nil	31,166	20,722		180,122
g. Total Federal share of outlays (Line e minus line f)	94,523	38,075	18,998	8,404	Nil		160,000
h. Total unliquidated obligations	Nil	Nil	Nil	Nil	Nil		Nil
i. Less: Non-Federal share of unliquidated obligations shown on line h	Nil	Nil	Nil	Nil	Nil		Nil
j. Federal share of unliquidated obligations	Nil	Nil	Nil	Nil	Nil		Nil
k. Total Federal share of outlays and unliquidated obligations	94,523	38,075	18,998	8,404	Nil		160,000
l. Total cumulative amount of Federal funds authorized	77,000	49,000	34,000	Nil	Nil		160,000
m. Unobligated balance of Federal funds	(17,523)	10,925	15,002	(8,404)	Nil		0

11. INDIRECT EXPENSE	a. TYPE OF RATE (Place "X" in appropriate box) <input type="checkbox"/> PROVISIONAL <input type="checkbox"/> PREDETERMINED <input type="checkbox"/> FINAL <input type="checkbox"/> FIXED				12. CERTIFICATION I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.	SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL <i>M. Sellner</i>	DATE REPORT SUBMITTED 11 December 1984
	b. RATE	c. BASIS	d. TOTAL AMOUNT	e. FEDERAL SHARE			